

The Opportunity Company

Annual Report 2025

BERTELSMANN

BERTELSMANN

At a Glance

2025

Key Figures

in € millions	2025	2024	2023	2022	2021
Business Development					
Group revenues	18,957	18,988	20,169	20,245	18,696
Operating EBITDA adjusted	3,019	3,111	3,119	3,192	3,241
EBITDA margin (in percent) ¹	15.9	16.4	15.5	15.8	17.3
Group profit	1,007	1,036	1,326	1,052	2,310
Investments ²	1,916	1,614	1,438	1,672	1,954
Consolidated Balance Sheet					
Equity	15,291	15,647	15,165	15,043	13,606
Equity ratio (in percent)	48.9	47.5	46.5	45.8	42.8
Total assets	31,300	32,951	32,622	32,835	31,769
Net financial debt	2,654	2,883	2,267	2,249	959
Economic debt ³	5,070	5,445	4,713	4,785	3,475
Leverage factor	2.0	2.0	1.8	1.8	1.3
Dividend to Bertelsmann shareholders	220	220	220	220	180
Distribution on profit participation certificates	44	44	44	44	44
Employee profit sharing	50	63	74	63	89

The figures shown in the table are, in some cases, so-called Alternative Performance Measures (APM), which are neither defined nor described in IFRS Accounting Standards. Details are presented in the section "Alternative Performance Measures" in the Combined Management Report.

In individual cases, rounding may result in individual figures not adding up to the totals shown and percentages may not add up exactly to the figures shown.

1 Operating EBITDA adjusted as a percentage of revenues.

2 Taking into account the financial debt assumed and purchase price payments for share increases in subsidiaries that were already consolidated, investments amounted to €2,099 million in the financial year 2025 (2024: €2,092 million).

3 Net financial debt plus pension provisions, profit participation capital, and lease liabilities (up to and including the financial year 2022 less the short-term liquidable investments in a special fund; in the financial year 2021 less 50 percent of the par value of the hybrid bonds).

Bertelsmann is a media, services, and education company with more than 75,000 employees that operates in some 50 countries around the world. It includes the entertainment group RTL Group, the trade book publisher Penguin Random House, the music company BMG, the service provider Arvato Group, Bertelsmann Marketing Services, the Bertelsmann Education Group, and Bertelsmann Investments. The company generated revenues of €19.0 billion in the 2025 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.

www.bertelsmann.com

Interactive Online Report

The Bertelsmann Annual Report can be accessed online at:
ar2025.bertelsmann.com

Content

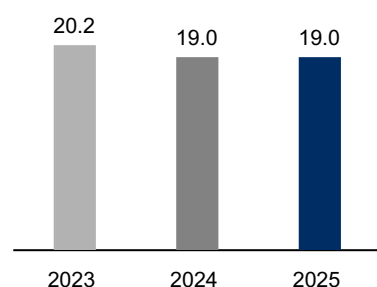
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Combined Management Report

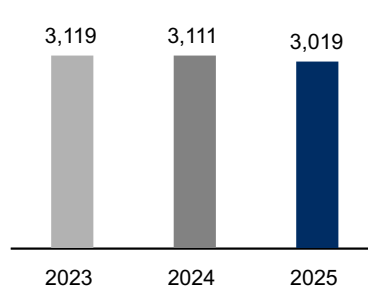
Financial Year 2025 in Review

In the 2025 financial year, Bertelsmann recorded solid business performance against the backdrop of a challenging macroeconomic environment. Group revenues were down 0.2 percent to €19.0 billion (previous year: €19.0 billion). Negative exchange rate effects, in particular due to the weaker US dollar, and the absence of contributions from RTL Nederland had a negative impact on revenue development. Organic growth came to 1.9 percent. Arvato Group was the main growth driver and achieved the largest increase in revenue within the Group. Penguin Random House, Bertelsmann Education Group, and Bertelsmann Investments also contributed positively to this development. In particular, RTL Group's TV advertising and content business reported a decline in revenue. At €3,019 million, operating EBITDA adjusted was 2.9 percent below the previous year's strong level (previous year: €3,111 million). Adjusted for exchange rate and portfolio effects, operating EBITDA adjusted was above the prior-year level. The earnings development was also impacted by negative exchange rate effects and the absence of contributions from RTL Nederland. BMG, Arvato Group, Bertelsmann Education Group, and Bertelsmann Investments posted earnings gains, while RTL Group, Penguin Random House, and Bertelsmann Marketing Services reported declines in earnings. The EBITDA margin amounted to 15.9 percent (previous year: 16.4 percent). Group profit was €1,007 million (previous year: €1,036 million).

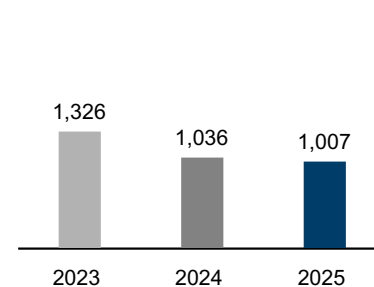
Revenues in € billions



Operating EBITDA Adjusted in € millions



Group Profit in € millions



- Revenue decline of 0.2 percent, organic revenue growth of 1.9 percent
- Revenue growth reported, particularly for Arvato Group

- Operating EBITDA adjusted 2.9 percent below previous year's level, at €3,019 million
- EBITDA margin of 15.9 percent (previous year: 16.4 percent)

- Group profit above €1 billion
- Higher gains on disposals of investments offset by reorganization expenses, among other items

Fundamental Information about the Group

In this Management Report, the Group has exercised the option to combine the Group Management Report and the Management Report of Bertelsmann SE & Co. KGaA. This Combined Management Report outlines the business performance, including the business result and the position of the Bertelsmann Group and Bertelsmann SE & Co. KGaA. Information about Bertelsmann SE & Co. KGaA in accordance with the German Commercial Code (HGB) will be detailed in a separate section. The Combined Management Report will be published instead of the Group Management Report within the Bertelsmann Annual Report.

With the exception of the Combined Group Corporate Sustainability Statement, the Combined Management Report is audited as part of the audit of the financial statements. For the Combined Group Corporate Sustainability Statement, a voluntary limited assurance engagement was performed by KPMG AG Wirtschaftsprüfungsgesellschaft in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) of the International Auditing and Assurance Standards Board (IAASB).

In individual cases, rounding may result in individual figures not adding up to the totals shown and percentages may not add up exactly to the figures shown.

Corporate Profile

Bertelsmann operates in the core business fields of media, services, and education in around 50 countries worldwide. The geographic core markets are Western Europe – in particular, Germany, France, and the United Kingdom – and the United States. In addition, Bertelsmann is active in Brazil, India, and China. The Bertelsmann operating divisions are RTL Group (entertainment), Penguin Random House (books), BMG (music), Arvato Group (services), Bertelsmann Marketing Services (direct marketing and printing activities), Bertelsmann Education Group (education), and Bertelsmann Investments (venture capital activities and Bertelsmann Next growth area).

Bertelsmann SE & Co. KGaA is a capital market-oriented but unlisted partnership limited by shares. As a group holding company, it exercises key corporate functions such as the definition and further development of group strategy, capital allocation, financing, and management. Internal corporate management and reporting follow the Group's organizational structure, which consists of the operating divisions and Corporate.

RTL Group is a leading European entertainment group in the broadcasting, streaming, content, publishing, and digital business, with interests in 52 television channels, six streaming platforms, and 40 radio stations. RTL Group's television channels include RTL in Germany, M6 in France, and the RTL channels in Luxembourg and Hungary, as well as a stake in Atresmedia in Spain. RTL Deutschland is the group's largest business unit, which is active in the TV, streaming, radio, digital, and publishing businesses. RTL Group's streaming services comprise RTL+ in Germany and Hungary and M6+ in France. The content business, Fremantle, is one of the largest international creators, producers, and distributors of scripted and unscripted content in the world. The streaming-tech company Bedrock, the ad-tech company Smartclip, and the social media company We Are Era are also part of RTL Group. RTL Group is a listed company and represented on the MDAX.

Penguin Random House is, based on revenue, the world's largest trade book publisher, with more than 350 imprints and book brands across six continents. Its well-known imprints include Doubleday, Riverhead, Viking, and Alfred A. Knopf (United States); Ebury, Hamish Hamilton, and Jonathan Cape (United Kingdom); Goldmann and Heyne (Germany); Plaza & Janés and Alfaguara (Spain); Sudamericana (Argentina); and the international imprint Dorling Kindersley. Each year Penguin Random House publishes around 14,500 new titles and sells more than 750 million print books, e-books, and audiobooks.

BMG is an international music company that integrates recorded music and music publishing. With 16 offices in 13 core music markets, BMG represents more than three million songs and recordings, including some of the most iconic catalogs and works from leading artists and songwriters such as Bruno Mars, Kylie Minogue, George Harrison, Blondie, and more.

Arvato Group is an international service group that develops and implements custom-made solutions for all kinds of business processes, for customers in a wide range of sectors in more than 30 countries. World-renowned companies from an array of different sectors – from consumer products and tech to healthcare and automotive, on to publishers and online – all rely on the group's solutions portfolio ranging from supply chain solutions (Arvato) through financial services (Riverty) to IT services (Arvato Systems) and business processing services (Arvato Connect).

Bertelsmann Marketing Services is a multi-channel full-service provider for the advertising industry, bundling Bertelsmann's digital marketing and print activities. Bertelsmann Marketing Services consists of four business units: the offset and digital printers in Germany; the offset and digital printers in the United States; the Digital Marketing businesses, which include the content agency Territory, Campaign, DeutschlandCard, and the Dialog business; and the Sonopress Group.

Bertelsmann Education Group comprises Bertelsmann's education activities. The group's companies focus on the healthcare and education sectors, in particular education and training, and deliver innovative ways of teaching and learning as well as performance management solutions for students, professionals, and organizations. The companies include Brazil's leading university group for medical education and training, Afya, the US continuing education, training, and HR and compliance management solution provider Relias, and the practice-oriented Alliant International University along with investments in venture funds.

Bertelsmann Investments unites Bertelsmann's worldwide venture capital activities, and additionally comprises the Bertelsmann Next unit and the holding in the Spiegel Group. Investments are largely made through the funds Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII), and the recently launched funds Futurepresent and Bertelsmann Healthcare Investments (BHI). The Bertelsmann Next unit is driving the entrepreneurial development of new growth sectors and lines of business, including in the areas of mobile ad tech, HR tech, pharma tech, and in the India region.

For further information on Bertelsmann's key intangible resources, refer to the section "Intangible Resources."

The disclosures in this section fulfill the reporting requirements pursuant to ESRS 2 SBM-1 40 (a) i and are therefore also part of Bertelsmann's Combined Group Sustainability Statement.

Regulatory Environment

Bertelsmann has television and radio operations in several European countries that are subject to regulation. In Germany, for example, the media is subject to oversight by the Commission on Concentration in the Media. Bertelsmann Group companies occupy leading market positions in many lines of business, and may therefore have limited potential for growth through acquisition due to antitrust legislation. Moreover, some education activities are subject to regulatory provisions of government authorities and accreditation bodies. Some of the financial services activities are subject to banking supervision regulations.

Because its profit participation certificates and bonds are publicly listed, Bertelsmann is required to comply with capital market regulations applicable to publicly traded companies.

Shareholder Structure

Bertelsmann SE & Co. KGaA is a capital market-oriented but unlisted partnership limited by shares. 80.9 percent of the capital shares in Bertelsmann SE & Co. KGaA are held indirectly by foundations (Bertelsmann Stiftung, Reinhard Mohn Stiftung, BVG-Familienstiftung, BVG-Stiftung), and 19.1 percent are held indirectly by members of the Mohn family. Bertelsmann Verwaltungsgesellschaft (BVG) controls all voting rights at the General Meeting of Bertelsmann SE & Co. KGaA and Bertelsmann Management SE (general partner).

Strategy

Bertelsmann's strategic focus remains on building a digital, international, and diversified Group portfolio that achieves profitable growth. Bertelsmann invests in businesses that exhibit long-term profitable growth, global reach, sustainable business models, high market-entry barriers, and scalability. The strategy is based on five growth priorities: national media champions, global content, global services, education, and investments. Two programs form the framework for implementing the Group strategy. With the "Boost" program launched in 2021, Bertelsmann aims to sustainably accelerate its growth dynamic and has since been investing more heavily in the expansion of its businesses. By the end of 2026, approximately €8 billion is forecast to be invested under the Boost program, with €7 billion already implemented by the end of the reporting period. In 2024, Bertelsmann expanded its Group strategy to include the "Boost+" program, which comprises the strategic priorities "Next," "Regional Boost," and "Breakout." "Next" involves the planned establishment of new lines of business with long-term revenue potential of around €1 billion. "Regional Boost" encompasses the development and expansion of business in particularly promising regions. Finally, "Breakout" is to merge existing businesses with other companies. The following topics form the basis for the successful implementation of the strategy: tech & data, people, communication, and ESG. Bertelsmann once again made significant progress on the five growth priorities in the 2025 financial year.

For the national media champions, RTL Group recorded continued dynamic growth in the streaming business. The total number of paying subscribers to the three services rose by 19.2 percent to 8.06 million (previous year: 6.76 million) in the reporting period. Streaming revenues grew by 26.3 percent to €509 million (previous year: €403 million). RTL Deutschland's partnership with Deutsche Telekom was extended until at least 2030, while the partnership with Warner Bros. Discovery was expanded in the areas of advertising marketing, and content, and a partnership was launched with Amazon to feature RTL+ as an additional channel on Prime Video in Germany and Austria. This has further increased the reach of the streaming service. RTL Deutschland also aligned its organizational and cost structures specifically to the fast-growing streaming service RTL+. In the reporting period, RTL Group completed the sale of RTL Nederland to DPG Media and announced the acquisition of Sky Deutschland (DACH), which is to be completed in the first half of 2026 following regulatory approval.

Strategic growth initiatives were consistently followed in the global content business. Fremantle invested in the development of its own formats, the acquisition of intellectual property, and the use of artificial intelligence along the entire value chain. Penguin Random House achieved bestseller success with titles such as "The Secret of Secrets" by Dan Brown and acquired the British publisher Wonderbly. BMG made its largest catalog acquisition to date with its purchase of the music rights of country star Jason Aldean, and signed a multi-year licensing agreement with Spotify that gives BMG's songwriters a greater stake in the growth of the streaming market.

Global services were also further expanded. Arvato strengthened its position in the United States by entering the fashion logistics market and expanding its presence in the beauty and lifestyle logistics markets. Riverty implemented an AI-supported customer service platform and introduced new payment solutions. Arvato Systems, the IT service provider, fortified its position as a leading provider of sovereign IT solutions for regulated markets. The company assumed operational management of the sovereign Delos Cloud based on Microsoft Azure, a central building block for digital sovereignty in the public sector.

Bertelsmann further expanded its education business. Afya, the Brazilian education company, increased the number of medical students by acquiring Faculdade Masterclass Ltda, and also strengthened its presence in the Greater Belo Horizonte area. Relias continued to benefit from the shift to online learning and the growing demand for workforce and compliance management solutions, expanding its platform for continuing education and compliance in the healthcare sector. The professionally oriented Alliant International University saw increasing student numbers in mental health and nursing, as well as a continuous expansion of its program offerings.

Bertelsmann Investments (BI) expanded its investment portfolio with 51 new and 23 follow-on investments during the reporting period. As of the end of 2025, BI held a total of 307 investments through its international funds. In 2025, BI reorganized its venture capital activities and expanded its portfolio to include two thematic funds in the areas of artificial intelligence (Futurepresent) and health tech (Bertelsmann Healthcare Investments) in addition to the existing regional vehicles, Bertelsmann Asia Investments (BAI) and Bertelsmann India Investments (BII). The Bertelsmann Next growth area further expanded the Applike mobile ad tech business. In India, a majority stake was acquired in the logistics company LetsTransport. BI also founded the pharma tech holding corneo and acquired Docuvera, which specializes in AI-supported, structured content creation.

Bertelsmann is continually developing its strategy. Compliance with and achievement of the strategic growth priorities are examined by the Executive Board and at the divisional level, through regular meetings of the Strategy and Business Committees and as part of the annual Strategic Planning Dialogue between the Executive Board and the Supervisory Board. In addition, relevant markets and the competitive environment are analyzed on an ongoing basis in order to draw conclusions concerning the further development of the Group's strategy. The Executive Board receives guidance from the Group Management Committee (GMC) on matters related to Group strategy and Group development. The GMC consists of managers representing key businesses, countries, regions, and selected cross-Group positions.

In addition, the Group's content-based and entrepreneurial creativity is very important for the implementation of its strategy (see the section "Intangible Resources"). Bertelsmann will therefore continue to invest in the creative core of its businesses. Simultaneously, innovation competence is very important for Bertelsmann and is a key strategic component (see the section "Innovations").

The disclosures in this section fulfill the reporting requirements pursuant to ESRS 2 SBM-1 40 (g) and are therefore also part of Bertelsmann's Combined Group Sustainability Statement.

Value-Oriented Management System

Bertelsmann's primary objective is continuous growth of the company's value through a sustained increase in profitability with efficient capital investment at the same time. To manage the Group, Bertelsmann has been using a value-oriented management system for many years, which focuses on revenues, operating earnings, and capital investment. For formal reasons, Bertelsmann makes a distinction between strictly defined and broadly defined operational performance indicators.

Strictly defined operational performance indicators, including revenues and operating EBITDA adjusted, are used to directly assess current business performance and are correspondingly used in the outlook. As distinguished from strictly defined performance indicators, broader performance indicators are also used and are partially derived from the above-mentioned indicators or are strongly influenced by them. These include the EBITDA margin (operating EBITDA adjusted as a percentage of revenues) and organic revenue growth. The financial management system, with defined internal financing targets, is also part of the broadly defined value-oriented management system. Details of the expected development of performance indicators used in the broader sense are provided at best as additional information and are not included in the outlook.

To explain the business performance, and to control and manage the Group, Bertelsmann uses additional alternative performance measures that are not defined in accordance with IFRS accounting standards (more details are given in the section "Alternative Performance Measures").

Strictly Defined Operational Performance Indicators

To control and manage the Group, Bertelsmann uses revenues and operating EBITDA adjusted. Revenue is used as a growth indicator of businesses. In the 2025 financial year, Group revenues fell by 0.2 percent to €19.0 billion (previous year: €19.0 billion) as a result of exchange rate and portfolio effects.

A key performance indicator for measuring the profitability of the Group and the divisions is operating EBITDA adjusted. Operating EBITDA adjusted decreased during the reporting period due to exchange rate and portfolio effects by 2.9 percent to €3,019 million (previous year: €3,111 million).

Broadly Defined Performance Indicators

To assess business development, other performance indicators are used that are partially derived from revenues and operating EBITDA adjusted or are strongly influenced by these figures.

The EBITDA margin and organic revenue growth are used as additional criteria for assessing business performance. In the 2025 financial year, the EBITDA margin decreased to 15.9 percent after 16.4 percent in the previous year. Organic growth came to 1.9 percent compared with 3.3 percent in the previous year.

Bertelsmann's financial management system is defined by the internal financial targets outlined in the section "Net Assets and Financial Position." These financing principles are pursued in the management of the Group and are included in the broadly defined value-oriented management system.

The non-financial performance indicators (employees, corporate responsibility, and similar topics) are not included in the broadly defined value-oriented management system as they have not yet been used materially for the management of the Group. However, Bertelsmann takes sustainability into account in the Group's management and decision-making processes and plans to incorporate ESG performance indicators into its value-oriented management system in the medium term.

Non-Financial Performance Indicators

The following section refers to the non-financial performance indicators at Bertelsmann. For more information about the organization, management and key topics of corporate responsibility, including additional information on employee concerns, please refer to the section “Combined Group Sustainability Statement.”

Employees

Bertelsmann’s employees are the most important key for the Group’s long-term success. At the end of the financial year 2025, Bertelsmann employed 76,965 members of staff worldwide (December 31, 2024: 74,607).

Further information and employee-related non-financial performance indicators are presented in the “Social Information” section (“Combined Group Sustainability Statement”).

Innovations

Businesses invest in the research and the development of new products in order to ensure their long-term competitiveness. Bertelsmann has a similar imperative to create innovative media content, media-related products, and services and educational offerings in a rapidly changing environment. Instead of conventional research and development activities, Bertelsmann views the Group’s innovation capability as particularly important for business development. The long-term success of the Group depends heavily on product innovations, investing in growth markets, and integrating new technologies. Furthermore, innovative expertise is very important for strategy implementation.

Bertelsmann relies on innovation and growth in core businesses and new business areas. The key success factors of Bertelsmann’s innovation management include continuously tracking cross-industry trends and observing new markets. At the Group level, Bertelsmann works with the divisions to continuously identify and implement innovative business strategies. Alongside market-oriented activities, support is given to Group-wide initiatives that actively promote knowledge transfer and collaboration. Furthermore, cooperation is being expanded among the divisions in particular for the application of new technologies and data-driven products.

Building on the Tech & Data Agenda, Bertelsmann continued to systematically push ahead with the Group-wide use of AI in the reporting year. The AI Hub and the Tech & Data Advisory Board are responsible for organizing operational implementation along central fields of action and coordinating Group-wide development projects with strategic technology partners such as OpenAI, Microsoft, or Google. The aim is to integrate AI into central value creation processes with a targeted approach, realize economies of scale, and systematically tap into efficiency and earnings potential. With the adoption of a Group-wide AI policy and an Executive Board guideline on AI governance, clear guidelines aligned with compliance requirements and EU regulations have been established. Governance follows a multilateral approach: Local management teams remain responsible; divisional AI governance committees including legal, data protection, and IT security as well as a Group-wide AI governance committee ensure uniform standards and the structured evaluation of high-risk AI applications. At the same time, mandatory AI competency training courses were rolled out for employees who work with AI and Group-wide qualification measures were expanded. Concrete practical applications – such as development projects for personalized digital offerings, the use of generative AI in content production, and the first Group-wide applications in internal processes – illustrate the transition from explorative use to the sustainable, value-oriented implementation of AI at Bertelsmann.

Innovations at RTL Group in the 2025 financial year focused on the continuous development of content, the expansion of digital platforms, and the more efficient monetization of reach through personalized offers and technology-driven advertising solutions. A key cross-divisional priority was the increased use of AI in creative, technical, and operational workflows. RTL Hungary continued preparations to act as host broadcaster for the 2026 UEFA Champions League final. In addition to a modern production environment, the interactive analytics interface “StatZone” within RTL+ was further developed to enable data-driven viewer interaction and enhance the digital user experience. Several new entertainment, reality, and gaming formats were launched in various markets and digital components were added to existing content. Cooperations were also further expanded to facilitate the integration of streaming offerings in additional use scenarios. Measures to address younger target groups were implemented for gaming and interactive platforms in particular. In advertising technology, progress was made on the further development of the SmartX platform from Smartclip to further strengthen digital TV advertising and Group-wide ad tech structures. RTL AdAlliance introduced “AdManager,” a pan-European self-service solution that provides advertisers simplified access to a curated premium inventory. In Germany, Ad Alliance applied generative AI in special advertising formats for the first time. AI remained a central innovation driver. UFA Serial Drama began to automate its production and post-production processes. RTL Deutschland introduced “Merm:ai:d,” an AI-supported tool for the age classification of audiovisual content. Fremantle launched “Imaginae Studios” for the systematic research and operational implementation of AI-supported creative processes. Smartclip launched “Sidekicks,” an agent-based AI platform for optimizing internal workflows across the media sector.

Innovation at Penguin Random House was driven by investments across content, audience reach, and operational excellence that strengthened the company’s competitive advantage. A core priority remains the responsible deployment of advanced AI-driven technologies to increase commercial capability and operational efficiency, while rigorously safeguarding authors’ copyrights and intellectual property. BookBoost, the company’s first-party, data-driven marketing platform, progressed toward a fully integrated, cross-channel system, enhancing discoverability and sales across Penguin Random House titles. Proprietary machine-learning tools were expanded to improve demand forecasting, automate print quantities and order flows, and enable data-driven pricing across print and digital formats. To support sustainable growth, Penguin Random House invested in new, cutting-edge distribution centers in Spain and Australia. These facilities leverage advanced automation and robotics to significantly enhance the precision, speed, and resilience of Penguin Random House’s end-to-end logistics operations. Additionally, their highly digitalized and centralized infrastructure provides a scalable, future-ready platform that promotes continued process innovation and further strengthens Penguin Random House’s ability to serve readers worldwide.

Innovations at BMG advance its commitment to operational efficiency and enhance support for artists and songwriters through cutting-edge technology, a central pillar of its BMG Next strategy. The company expanded GenAI use across core workflows, including an agentic, AI-supported recommendation engine for sync licensing, alongside new tools for marketing automation, content creation, and playlist management, unlocking faster decision-making and incremental opportunities for rightsholders. Strategic partnerships with Google Cloud, OpenAI, and the TUM School of Management further amplified BMG’s AI capabilities, with a strong focus on safeguarding rights and fair compensation. Operationally, BMG launched the Pulse sales analytics app, completed the rollout of its new global copyright technology platform, and transitioned its physical supply chain. The new Sync+ brand unified Commercial Sync, Production Music, and Media Services under a single integrated offering. BMG also renewed and expanded direct licensing agreements with several Digital Service Providers, including a landmark US publishing deal with Spotify and an expanded partnership with TikTok.

AI systems and modern automation solutions were a key driver of innovation for Arvato Group's subsidiaries, helping to optimize processes and expand existing services or develop new ones. For example, Arvato commissioned an automated shuttle warehouse for a major customer in the fashion e-commerce sector at its Stryków site in Poland and, together with the provider Nomagic, implemented tailored, AI-supported picking solutions at various locations in order to streamline fulfillment processes and increase picking accuracy. Financial services provider Riverty launched a Group-wide AI initiative in the reporting period and introduced an AI-based next-generation customer service platform. IT service provider Arvato Systems has expanded its services in the field of sovereign AI, among other things, to help its customers holistically optimize their value chain.

Innovations at Bertelsmann Marketing Services in the 2025 financial year focused primarily on the further optimization of processes and the development of new services. New, often AI-based technologies and digital solutions were employed in particular. In the reporting year, a division-wide AI strategy was developed and adopted, and the "AI Arena," a division-wide competition for ideas, was held to initiate AI projects at the individual units. The Territory agency group has increasingly integrated generative AI tools into its workflows to create content and optimize campaigns for clients. DeutschlandCard has also completed its strategic repositioning as an agile commerce media platform for highly personalized direct-to-consumer marketing and has finalized its offering.

Innovations at the Bertelsmann Education Group mainly consisted of developing digital, technology-based, and customized education and service offerings to provide an effective process for training and continuing education, with the objective of addressing the increasing lack of healthcare professionals. Accordingly, Afya focused on expanding and further developing its range of digital solutions aimed at enhancing classroom-based delivery methods for the education of medical practitioners, and at supporting doctors in patient care by providing data-driven applications. Relias further expanded its product portfolio in the field of HR and compliance management solutions. Following the acquisition in December 2024, Relias successfully integrated the product offering of Feedtrail Healthcare XM, a specialist in patient and employee surveys, and reputation management, into its existing product portfolio. Alliant reached an important milestone in the university segment in fall 2025: Both the bachelor's and master's degree programs in Nursing Sciences have been accredited by the CCNE ("Commission on Collegiate Nursing Education"), which underscores the high quality standards of the study programs. Alliant also continued to expand its degree programs in the field of mental health and plans to enroll the first students in the new occupational therapy program in early 2026.

Innovations at Bertelsmann Investments were advanced through investments in growing digital businesses worldwide, promoting entrepreneurial talent, the exchange of knowledge within the Group, and tapping into new lines of business. The division made extensive investments through its venture capital funds, acquired a majority stake in the Indian logistics company LetsTransport, strengthened its offering in the pharma tech sector with the acquisition of Docuvera and a majority stake in Medicines.ie, and enhanced its offering in the HR tech sector with the acquisition of Vocanto. Bertelsmann Investments also supported the further development of proprietary technology solutions at Applike.

Intangible Resources

The following disclosures on Bertelsmann's key intangible resources are made in connection with the requirements of the Corporate Sustainability Reporting Directive (CSRD, Directive (EU) 2022/2464) and Sections 289 (3a) and 315 (3a) of the proposed draft amendment to the German Commercial Code (HGB-E). Intangible resources are of central importance to the Bertelsmann Group's value creation and future viability. At Bertelsmann, they comprise human, social, and intellectual capital and include both recognized intangible assets (including goodwill) and unrecognized resources. Further information on recognized intangible assets can be found in the Consolidated Financial Statements.

Human capital consists of Bertelsmann's employees and managers, and is essential for the Group's value creation and innovative strength. The qualifications, motivation, and diversity of the workforce are key success factors when it comes to providing customers and end users with first-class media offerings and innovative service solutions. Topics such as fair working conditions, diversity, health & well-being, and learning are key components of Bertelsmann's most important intangible resources. The underlying guidelines and Bertelsmann policies form the framework for ensuring the desired standards are adhered to (see explanations in sections S1 and S2 under "Social Information" in the Sustainability Report). The involvement of employees and their representatives in decision-making processes forms an integral part of the corporate culture. Regular employee surveys, various communication channels, and dialogue formats promote engagement and further development. The learning strategy is implemented by Bertelsmann University and the Bertelsmann Vocational School, while international committees such as the Talent & Learning Committee and the international Bertelsmann Management Representative Committee (BMRC) support the ongoing development of learning opportunities and the corporate culture. The Bertelsmann Essentials and the Leadership Principles provide guidance and promote entrepreneurship and empowerment. In the 2025 employee survey, the Entrepreneurship Index, which reflects the share of positive responses to questions concerning this topic, was 77 percent (2023: 72 percent), while the Empowerment Index reached 87 percent (2023: 85 percent).

Relationship capital at Bertelsmann involves building loyalty among customers, suppliers, and the capital market. A partnership based on mutual respect and trust defines the relationship between Bertelsmann and its business partners. Bertelsmann values and considers the interests of consumers and end users (see disclosures under section S4 "Social Information" in the Sustainability Report). The Bertelsmann Code of Conduct contains a set of standards and guidelines governing relationships with business partners and third parties. Important topics for customers as well as suppliers, such as digitalization, automation, and artificial intelligence, are consistently advanced with the necessary investments. The implementation of new and innovative approaches is carried out in close collaboration with customers and suppliers. In particular, Bertelsmann's service businesses benefit from special access to customer and supplier groups. Additionally, the use of internally generated software, brands, and patents promotes long-term loyalty to the company. Capital market relationships make a considerable contribution to Bertelsmann's financial security and independence. The Group leverages various instruments to diversify its financing. Capital market financing plays an important role in the financing strategy. Since 2002, ratings agencies Moody's and S&P Global Ratings have rated Bertelsmann as investment grade. Bertelsmann's responsible fiscal policies and adherence to set financing targets create long-term trust. Thanks to its strong credit rating and its transparency to the capital market, Bertelsmann is able to obtain financing on the capital market at reasonable terms.

For Bertelsmann as a media, services, and education company, intellectual capital is of particular importance. Creative content is at the heart of the media business. For long-term business success, Bertelsmann places high importance on its own innovative strength, particularly product innovations, investments in future markets, and the integration of new technologies. Intellectual capital is of crucial relevance, especially for content creation in the TV and magazine businesses, video production, as well as the book, music, marketing, and education businesses. Capitalized intangible assets at Bertelsmann particularly refer to music, film, and broadcasting rights at RTL Group and BMG, as well as licenses at Bertelsmann Education Group. Also of importance for the long-term competitiveness and innovation capability of Bertelsmann are self-created values of intellectual capital that are not recognized in fixed assets. Alongside entrepreneurship, creativity is therefore one of the two Bertelsmann Essentials. In 2024, Bertelsmann developed and introduced the "Creativity Principles." These guidelines on working with creative content aim to provide support to creatives in the face of changing political, social, and cultural conditions. In the 2025 employee survey, the Creativity Index reached 79 percent (2023: 78 percent). Protecting intellectual capital is a high priority for Bertelsmann. The Group recognizes its responsibility in the creation and distribution of content and is committed to ensuring creative and journalistic independence and freedom of expression. Bertelsmann also attaches great importance to the responsible use of artificial intelligence and the protection of data and intellectual property (see explanations in the section "Entity-Specific Information" UN 1-6 in the Sustainability Report).

Report on Economic Position

Corporate Environment

Overall Economic Developments

The global economy proved resilient to geopolitical and economic policy challenges that arose in 2025 and continued on its course of moderate expansion. At 3.3 percent, real gross domestic product (GDP) growth remained at the previous year's level. The United States's protectionist trade policy led to anticipatory effects in the international trade of goods at the start of the year, which were followed by significant rebound effects as the year progressed. Inflation continued to fall, albeit more slowly than expected, and the easing of restrictive monetary policies continued in many countries.

Economic activity picked up in the eurozone. According to the EU's Eurostat office, real GDP rose 1.5 percent in 2025, compared to 0.8 percent in the previous year. The development was marked by clear variation among the member states, whereby the overall economic picture was primarily characterized by a strong services sector and stable domestic demand, while industry continued to weaken.

After two years of recession, the German economy was in a phase of weak recovery. As reported by the Federal Statistical Office, real GDP increased by 0.2 percent in 2025, after a 0.5 percent decline in the previous year. Aside from the persistent economic headwinds, this can also be attributed to structural challenges such as the industrial transformation and subdued investment momentum. In France, the economy grew by 0.9 percent in 2025 after 1.1 percent in the previous year according to Insee, National Institute of Statistics and Economic Studies. Economic growth in the United Kingdom accelerated to 1.3 percent after 1.1 percent in the previous year.

In the United States, the growth momentum continued, albeit at a slower pace. The Bureau of Economic Analysis reported that real GDP growth reached 2.2 percent in 2025, compared to 2.8 percent in the previous year. Momentum was largely driven by private consumption and investments in the technology sector.

Developments in Relevant Markets

The following analysis focuses on markets and regions that are of a sufficient size and are strategically important from a Group perspective.

The European television advertising markets saw mixed development in 2025. While in Germany and France a strong decline was recorded, the TV advertising market in Hungary showed slight growth. The streaming market in Germany posted strong growth, while Hungary posted significant growth compared to the previous year.

In 2025, the markets for printed books showed a slight overall decline. Revenues from printed books fell slightly in the United States and moderately in Germany. In the United Kingdom, revenues from printed books were stable, while moderate growth was recorded in the Spanish-speaking regions. The market for e-books was stable in the United States and the United Kingdom. Revenues from digital audiobooks grew slightly in the United States and moderately in the United Kingdom.

The global music market recorded strong growth in the publishing market segment and significant growth in the recording market segment in 2025.

The service markets relevant for Arvato Group – logistics services, financial services, and IT services – were characterized by moderate growth.

The German offset printing market and the North American book printing market experienced a moderate decline in 2025.

The market for IT solutions for healthcare in the United States where Bertelsmann is involved showed significant growth in 2025; the Brazilian market for medical university courses exhibited strong growth.

The mobile gaming advertising market recorded moderate growth in 2025.

Significant Events in the Financial Year

In February 2025, Arvato acquired 100 percent of the shares in the US third-party logistics provider Carbel LLC, as well as its sister companies United Customs Services LLC and Astur Cargo LLC. This step marks the company's entry into the growth market of logistics services for fashion, beauty, and lifestyle providers in the United States.

In June 2025, Penguin Random House acquired 100 percent of the shares in Aardvark Topco Limited, which is the parent company of Wonderbly, a fast-growing independent publisher in the United Kingdom and a global leader in personalized gift books, including its Historic Newspapers business.

In June 2025, RTL Group announced that it has signed a definitive agreement to acquire Sky Deutschland (DACH). The transaction will create a future-ready entertainment company with around 12 million paying subscribers. Together, the business is well-positioned to meet evolving consumer demands and compete with global streamers. The transaction combines Sky's premium sports rights – including Bundesliga, DFB-Pokal, Premier League, and Formula 1 – with RTL's leading entertainment and news brands across RTL+, free-to-air, and pay TV. It also unites the fastest growing streaming offers in the German market, RTL+ and WOW. The purchase price consists of €150 million in cash and a variable consideration linked to RTL Group's share price performance. The transaction is subject to regulatory approvals. In September 2025, Germany's Commission on Concentration in the Media (KEK) approved RTL Deutschland's planned acquisition of Sky Deutschland. In February 2026, RTL Group formally notified the European Commission of its proposed acquisition of Sky Deutschland (DACH) and remains confident of obtaining regulatory approval and to close the transaction in the first half of 2026.

In June 2025, the Dutch Authority for Consumers and Markets (ACM) approved the sale of RTL Nederland to DPG Media. RTL Group closed the transaction on July 1, 2025. The purchase price amounted on a debt and cash-free basis and with normalized net working capital to €1.1 billion and was paid in cash upon closing.

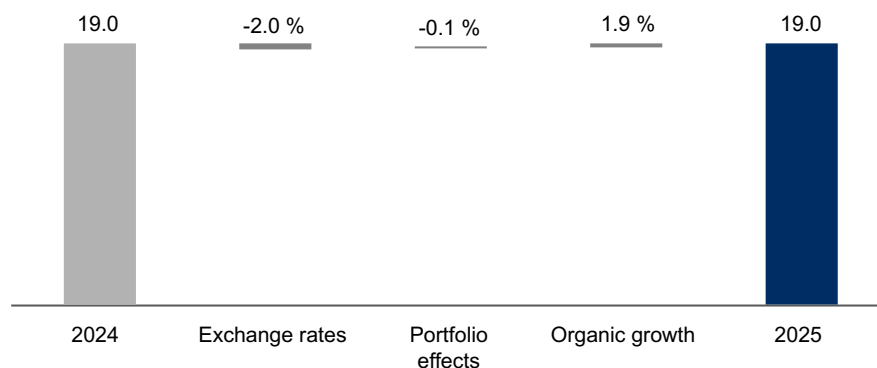
In July 2025, RTL Group fully acquired an international video format development and production (IVDP) business in Europe.

At its meeting on November 13, 2025, the Supervisory Board appointed Thomas Coesfeld, current Chief Executive Officer of the BMG division and member of the Executive Board of Bertelsmann, as the new Chairman and Chief Executive Officer of Bertelsmann with effect from January 1, 2027. He succeeds Thomas Rabe, whose contract will end on December 31, 2026, marking the end of his 15-year tenure as Chairman and CEO.

Results of Operations

Revenue Development

Revenue Breakdown in € billions



Group revenues fell in the 2025 financial year by 0.2 percent to €19.0 billion (previous year: €19.0 billion). Adjusted by exchange rate and portfolio effects, the Group generated organic growth of 1.9 percent. While acquisitions and disposals practically offset each other at Group level in the reporting year, the weak US dollar in particular had a noticeable negative impact on revenues.

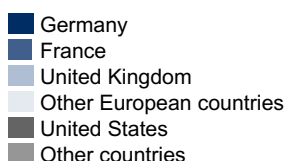
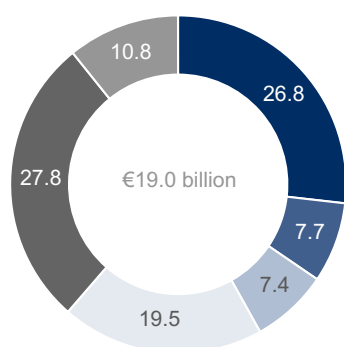
At RTL Group, revenue decreased 8.2 percent to €6,326 million (previous year: €6,888 million). Organic decline was 3.9 percent. The sale of RTL Nederland had a negative impact on revenue due to portfolio effects. The decline in revenue was also attributable to a decrease in TV advertising revenues and lower revenues at Fremantle. Positive development was recorded for the streaming business, which continues to grow. The revenue of Penguin Random House rose by 1.3 percent to €4,981 million (previous year: €4,917 million). Organic growth was 3.3 percent. Strong bestseller performance and the expansion of the business through acquisitions offset negative exchange rate effects. BMG recorded a drop in revenue of 6.5 percent to €900 million (previous year: €963 million). The main reasons for this were the sale of non-core businesses in the live segment as well as negative exchange rate effects. Organic decline was 1.5 percent. The revenue of Arvato Group rose by 13.1 percent to €4,378 million (previous year: €3,871 million), due in particular to organic growth in the core businesses and the acquisitions made in the logistics business. Organic growth was 9.4 percent. The revenue of Bertelsmann Marketing Services decreased by 5.5 percent to €1,029 million (previous year: €1,088 million), mainly due to the continued difficult market environment for print activities and subdued demand from advertising customers for marketing services. Organic decline was 4.8 percent. Bertelsmann Education Group reported revenue growth of 2.7 percent to €949 million (previous year: €924 million) despite negative exchange rate effects. Organic growth was 7.7 percent. Growth was driven in particular by organic growth at Afya and increased growth at Relias. The revenues of the Bertelsmann Investments division are mainly generated by the activities of Bertelsmann Next. The revenue growth of 10.6 percent to €623 million (previous year: €563 million) can be attributed to the strong business development of Applike in particular. Organic growth was 18.8 percent.

Revenues by Division

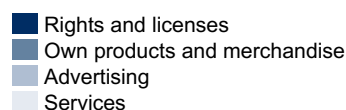
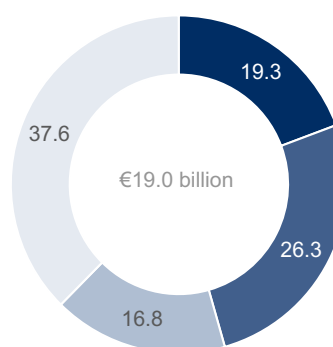
in € millions	2025			2024		
	Germany	International	Total	Germany	International	Total
RTL Group	2,382	3,943	6,326	2,436	4,452	6,888
Penguin Random House	328	4,653	4,981	311	4,606	4,917
BMG	62	838	900	78	885	963
Arvato Group	1,768	2,609	4,378	1,705	2,166	3,871
Bertelsmann Marketing Services	613	416	1,029	639	449	1,088
Bertelsmann Education Group	6	942	949	5	919	924
Bertelsmann Investments	48	574	623	150	413	563
Total divisional revenues	5,208	13,976	19,184	5,324	13,890	19,214
Corporate/Consolidation	(122)	(104)	(227)	(122)	(105)	(227)
Continuing operations	5,086	13,871	18,957	5,202	13,786	18,988

There were slight changes in the geographical breakdown of revenues compared to the previous year. The share of revenues generated in Germany was 26.8 percent compared to 27.4 percent in the previous year. The revenue share generated by France came to 7.7 percent (previous year: 8.3 percent). In the United Kingdom, the revenue share was 7.4 percent (previous year: 7.2 percent). The share of total revenues generated by the other European countries was 19.5 percent, compared to 19.7 percent in the previous year. The revenue share generated by the United States increased to 27.8 percent (previous year: 27.3 percent), and the other countries achieved a revenue share of 10.8 percent (previous year: 10.1 percent). This means that the share of total revenues generated by foreign business rose slightly to 73.2 percent (previous year: 72.6 percent). The ratio of the four revenue sources to total sales has changed compared to the previous year as follows. The share of services in revenue was 37.6 percent (previous year: 34.8 percent). The revenue share from rights and licenses was 19.3 percent (previous year: 20.6 percent). The revenue share from products and merchandise increased to 26.3 percent (previous year: 26.2 percent). The revenue share from advertising fell to 16.8 percent (previous year: 18.4 percent), due in particular to the sale of RTL Nederland in mid-2025. The declining share of advertising in the Group's revenue is increasingly having a stabilizing effect on the Group's overall portfolio.

Consolidated Revenues by Region in percent



Consolidated Revenues by Category in percent



Operating EBITDA Adjusted

In the 2025 financial year, operating EBITDA adjusted was down 2.9 percent to €3,019 million (previous year: €3,111 million). Adjusted for foreign exchange and portfolio effects, earnings were above the previous year's level. Following the trend set by revenue performance, earnings performance was noticeably influenced by negative exchange rate effects (-2.5 percent). Positive earnings performance at BMG, Arvato Group, Bertelsmann Education Group and Bertelsmann Investments partially offset the losses caused by negative exchange rate effects and the decrease in earnings in RTL Group's TV advertising and content business. The EBITDA margin fell to 15.9 percent (previous year: 16.4 percent).

Operating EBITDA adjusted at RTL Group fell by 15.2 percent to €983 million (previous year: €1,158 million), mainly due to the negative portfolio effects following the sale of RTL Nederland and lower contributions from RTL Deutschland, Groupe M6, and Fremantle. Penguin Random House posted a decline in earnings, mainly due to growth-related expenses in the US core business along with negative exchange rate effects. Operating EBITDA adjusted decreased by 4.7 percent to €704 million (previous year: €739 million). Despite a drop in revenues, BMG reported a higher result, boosted by the deliberate prioritization of digital revenue sources and long-term profitability. Operating EBITDA adjusted rose by 6.9 percent to €284 million (previous year: €265 million). Arvato Group posted a 12.3 percent increase in operating EBITDA adjusted to €720 million (previous year: €641 million). This strong growth was largely driven by the dynamic development at Arvato and Riverty and reinforced by positive earnings effects from the expansion of the business portfolio through acquisitions. Operating EBITDA adjusted at Bertelsmann Marketing Services was down 35.4 percent to €22 million (previous year: €34 million), primarily due to earnings losses in the Digital Marketing segment. At Bertelsmann Education Group, operating EBITDA adjusted rose by 8.3 percent to €375 million (previous year: €347 million). In addition to revenue growth, the main reason behind this increase was improved cost efficiency across all business units. Earnings from operational activities at Bertelsmann Investments recorded equally strong growth to €84 million (previous year: €75 million), as a result of the positive business development of Applike in particular.

Results Breakdown

in € millions	2025	2024
Operating EBITDA adjusted		
RTL Group	983	1,158
Penguin Random House	704	739
BMG	284	265
Arvato Group	720	641
Bertelsmann Marketing Services	22	34
Bertelsmann Education Group	375	347
Bertelsmann Investments	84	75
Total operating EBITDA adjusted by division	3,172	3,260
Corporate/Consolidation	(153)	(149)
Operating EBITDA adjusted	3,019	3,111
Amortization/depreciation, impairment/reversals of impairment losses on intangible assets, property, plant and equipment, and right-of-use assets not included in special items	(1,197)	(1,137)
Special items	66	(277)
EBIT (earnings before interest and taxes)	1,888	1,697
Financial result	(302)	(255)
Earnings before taxes	1,586	1,442
Income tax expense	(579)	(406)
Group profit or loss	1,007	1,036
thereof: Earnings attributable to Bertelsmann shareholders	698	784
thereof: Earnings attributable to non-controlling interests	309	252

Special Items

Special items in the 2025 financial year totaled €66 million compared to €-277 million in the previous year. They consist of impairments or reversals of impairment losses on other financial assets at amortized cost of €-1 million (previous year: –), impairments or reversals of impairment losses on investments accounted for using the equity method amounting to €9 million (previous year: €-7 million), results from disposals of investments amounting to €665 million (previous year: €4 million), fair value measurement of investments amounting to €-174 million (previous year: €-22 million), as well as reorganization expenses and other special items totaling €-434 million (previous year: €-252 million). In the reporting period, there was no adjustment to the carrying amounts of assets held for sale after €-1 million in the previous year. The result from the disposal of investments includes in particular the disposal gain from the sale of RTL Nederland; after deducting transaction costs, this amounted to €651 million. The change in the fair value measurement of investments, which was largely driven by negative exchange rate effects, is attributable in particular to companies in the Bertelsmann Investments portfolio. The increase in reorganization expenses and other adjustments resulted primarily from measures at RTL Deutschland and Fremantle.

EBIT

EBIT amounted to €1,888 million in the financial year 2025 (previous year: €1,697 million), based on operating EBITDA adjusted and after accounting for special items totaling €66 million (previous year: €-277 million) and amortization, depreciation, impairment and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets totaling €-1,197 million (previous year: €-1,137 million), which were not included in the special items.

Group Profit

The financial result was €-302 million, compared with the previous year's amount of €-255 million. The income tax expense increased to €-579 million compared with €-406 million in the previous year. The increase in tax expense is primarily attributable to valuation effects related to deferred tax assets in Germany. Group profit therefore amounted to €1,007 million (previous year: €1,036 million). The share of Group profit attributable to non-controlling interests came to €309 million (previous year: €252 million). The share of Group profit attributable to Bertelsmann shareholders came to €698 million (previous year: €784 million). For the 2025 financial year, a dividend payout of €220 million (previous year: €220 million) will be proposed at the Annual General Meeting of Bertelsmann SE & Co. KGaA.

Net Assets and Financial Position

Financing Guidelines

The primary objective of Bertelsmann's financial policy is to achieve a balance between financial security, return on equity, and growth. For this, Bertelsmann bases its financing policy on the requirements of a solid investment grade credit rating and the associated qualitative and quantitative criteria. Credit ratings and capital market transparency make a considerable contribution to the company's financial security and independence.

In accordance with the Group structure, the capital allocation is made centrally by Bertelsmann SE & Co. KGaA, which provides the Group companies with liquidity and manages the issuance of guarantees and letters of comfort for them. The Group consists largely of a single financial unit, thereby optimizing the raising of capital and investment opportunities.

Bertelsmann utilizes a financial management system employing quantitative financial targets concerning the Group's economic debt and, to a lesser extent, its capital structure. One of the financial targets is a dynamic leverage factor calculated as the ratio of economic debt to operating EBITDA adjusted; this factor should not regularly exceed the defined maximum of 2.5. As of December 31, 2025, the leverage factor was 2.0 (December 31, 2024: 2.0).

As of December 31, 2025, economic debt fell to €5,070 million compared to €5,445 million in the previous year. Net financial debt totaled €2,654 million and was below the level of the previous year (December 31, 2024: €2,883 million). As of December 31, 2025, recognized lease liabilities were €1,394 million (December 31, 2024: €1,418 million). At €609 million as of December 31, 2025, provisions for pensions and similar obligations were below the level of the previous year (December 31, 2024: €731 million).

Another financial target is the (interest) coverage ratio. This is calculated as the ratio of the operating EBITDA adjusted, used to determine the leverage factor, to the financial result, and should exceed four. In the reporting period, the coverage ratio was 9.0 (previous year: 11.0). The Group's equity ratio rose to 48.9 percent (December 31, 2024: 47.5 percent), remaining significantly above the self-imposed minimum of 25 percent.

Financial Targets

	Target	2025	2024
Leverage Factor: Economic debt/Operating EBITDA adjusted ¹	≤ 2.5	2.0	2.0
Coverage Ratio: Operating EBITDA adjusted/Financial result ¹	> 4.0	9.0	11.0
Equity ratio: Equity as a ratio to total assets (in percent)	≥ 25.0	48.9	47.5

¹ After modifications.

Financing Activities

In April 2025, the debt issuance program was renewed with a maximum total volume of €5 billion. In September 2025, a maturing bond with a nominal value of €750 million was redeemed with an outstanding amount of €517 million. A benchmark bond of €750 million with a coupon of 3.375 percent and a term of eight years was issued in October 2025 under the debt issuance program. Furthermore, €455 million of the hybrid bond with a call option in April 2027 was repaid ahead of schedule as part of a public repurchase offer in November 2025. Finally, in December 2025, a promissory note with a nominal value of €150 million was repaid at maturity, and a bond maturing in July 2026 with a variable interest rate and a volume of €300 million was repaid early.

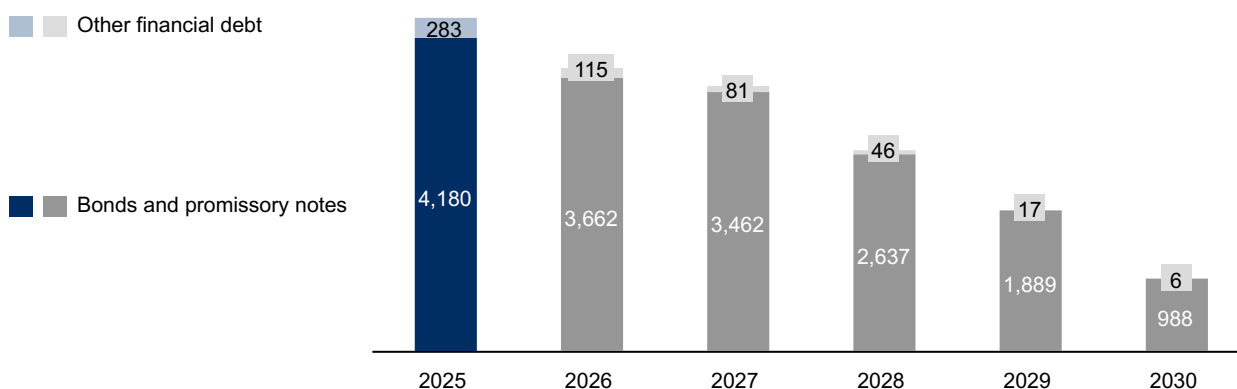
Rating

Bertelsmann has been rated by the rating agencies Moody's and Standard & Poor's Global Ratings (S&P) since 2002. The issuer ratings facilitate access to the international capital markets and are therefore a key element of Bertelsmann's financial security. Bertelsmann is currently rated by Moody's as "Baa2" (outlook: stable) and by S&P as "BBB" (outlook: stable). Both credit ratings are in the investment-grade category. Bertelsmann's short-term credit quality rating is "P-2" from Moody's and "A-2" from S&P.

Credit Facilities

In addition to available liquidity, the Bertelsmann Group has access to a syndicated credit facility with major international banks. This credit facility that was unutilized as of December 31, 2025, forms the backbone of the strategic credit reserve; Bertelsmann can utilize up to €1.5 billion of revolving funds from this facility until 2029. In July 2025, €1.4 billion of the facility was extended early until 2030.

Maturity Structure of Financial Debt in € millions



Cash Flow Statement

During the reporting period, cash flow from operating activities was generated in the amount of €2,059 million (previous year: €2,172 million). Cash flow from investing activities was €-586 million (previous year: €-1,287 million). Of that amount, €-1,432 million (previous year: €-1,128 million) was attributable to investments in intangible assets, property, plant, and equipment and financial assets. Purchase price payments for consolidated investments (less acquired cash and cash equivalents) were €-484 million (previous year: €-488 million). Proceeds from the sales of subsidiaries and other business units as well as of other fixed assets were €1,331 million (previous year: €328 million). Cash flow from financing activities amounted to €-1,876 million (previous year: €-1,629 million). Dividend payments to Bertelsmann SE & Co. KGaA shareholders totaled €-220 million (previous year: €-220 million). Dividends paid to non-controlling interests and payments to partners in partnerships amounted to €-192 million (previous year: €-204 million). As of December 31, 2025, Bertelsmann had cash and cash equivalents of €1,809 million (previous year: €2,242 million).

Consolidated Cash Flow Statement (Summary)

in € millions	2025	2024
Cash flow from operating activities	2,059	2,172
Cash flow from investing activities	(586)	(1,287)
Cash flow from financing activities	(1,876)	(1,629)
Change in cash and cash equivalents	(403)	(744)
Exchange rate changes and other changes in cash and cash equivalents	(34)	16
Cash and cash equivalents as of 1/1	2,246	2,974
Cash and cash equivalents as of 12/31	1,809	2,246
Less cash and cash equivalents of disposal groups	-	(3)
Cash and cash equivalents as of 12/31 (according to the consolidated balance sheet)	1,809	2,242

Off-Balance-Sheet Liabilities

The off-balance-sheet liabilities include contingent liabilities and other financial commitments, almost all of which result from operating activities conducted by the divisions. The off-balance-sheet liabilities increased compared with the previous year. The off-balance-sheet liabilities existing as of December 31, 2025, had no significant negative effects on the Group's net assets, financial position or results of operation for the past or the following financial year.

Investments

Total investments, including acquired financial debt of €17 million (previous year: €73 million), amounted to €1,933 million in the 2025 financial year (previous year: €1,688 million). Investments as reported in the cash flow statement amounted to €1,916 million (previous year: €1,614 million). As in previous years, the majority of the €490 million investments in property, plant and equipment (previous year: €396 million) stemmed from Arvato Group. Investments in intangible assets came to €685 million (previous year: €586 million) and were primarily attributable to BMG for the acquisition of music catalogs and RTL Group for investments in film rights. The sum of €257 million was invested in financial assets (previous year: €146 million). Purchase price payments for consolidated investments (less acquired cash and cash equivalents) totaled €484 million (previous year: €488 million) and were mainly attributable to the acquisition of the third-party logistics provider Carbel LLC by Arvato Group and the acquisition of the British publisher Wonderbly by Penguin Random House.

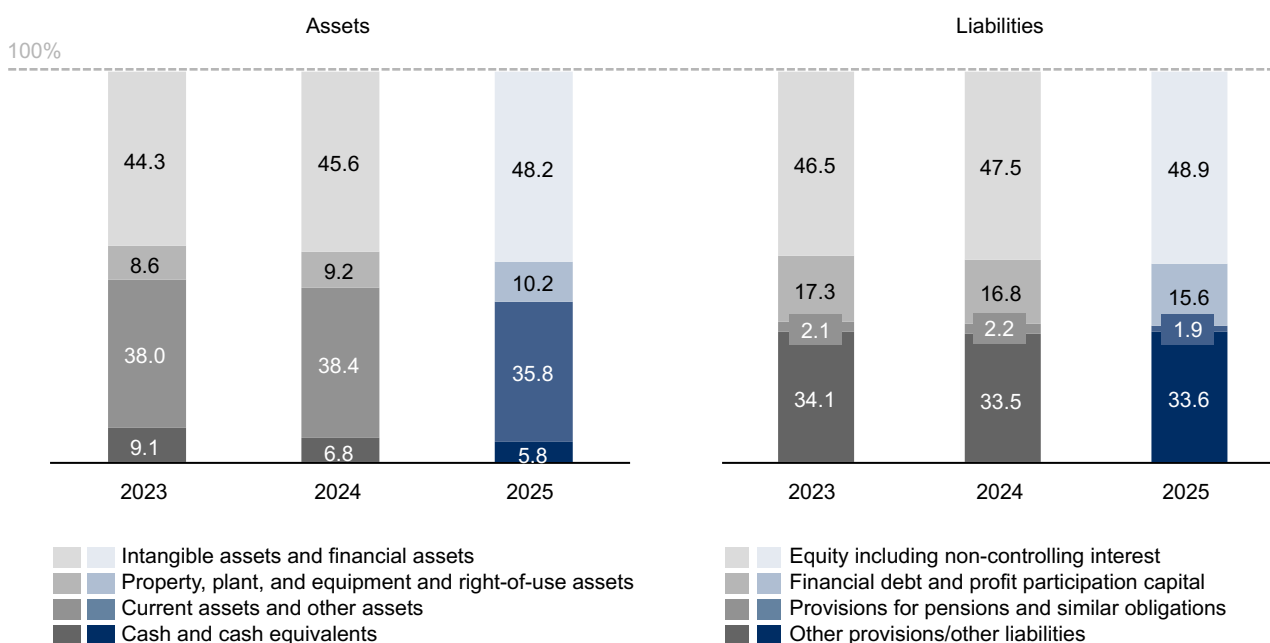
Investments by Division

in € millions	2025	2024
RTL Group	358	404
Penguin Random House	246	178
BMG	361	313
Arvato Group	520	266
Bertelsmann Marketing Services	29	34
Bertelsmann Education Group	136	246
Bertelsmann Investments	262	169
Total investments	1,912	1,610
Corporate/Consolidation	4	5
Total investments	1,916	1,614

Balance Sheet

Total assets came to €31.3 billion as of December 31, 2025 (previous year: €33.0 billion). Cash and cash equivalents amounted to €1.8 billion (previous year: €2.2 billion). Equity amounted to €15.3 billion after €15.6 billion in the previous year. This resulted in an equity ratio of 48.9 percent (previous year: 47.5 percent). Equity attributable to Bertelsmann SE & Co. KGaA shareholders was €13.2 billion (previous year: €13.5 billion). Provisions for pensions and similar obligations amounted to €609 million (previous year: €731 million). Gross financial debt totaled €4.5 billion, compared to €5.1 billion as of December 31, 2024. Apart from that, the balance sheet structure remained largely unchanged from the previous year.

Balance Sheet in percent



Profit Participation Capital

Profit participation capital had a par value of €301 million as of December 31, 2025, as in the previous year. If the effective interest method is applied, the carrying amount of profit participation capital was €413 million as of December 31, 2025 (previous year: €413 million). The 2001 profit participation certificates (ISIN DE0005229942) account for 94 percent of par value of profit participation capital, while the 1992 profit participation certificates (ISIN DE0005229900) account for the remaining 6 percent.

The 2001 profit participation certificates are officially listed for trading on the Regulated Market of the Frankfurt Stock Exchange. Their price is listed as a percentage of par value. The highest closing rate of the 2001 profit participation certificates during the 2025 financial year was 275.75 percent in May; their lowest closing rate was 254.50 percent in November.

Under the terms and conditions of the 2001 profit participation certificates, the payout for each full financial year is 15 percent of par value, subject to the availability of sufficient Group profit and net income at the level of Bertelsmann SE & Co. KGaA. These conditions were met in the past financial year. Accordingly, a payout of 15 percent of the par value of the 2001 profit participation certificates will also be made for the financial year 2025.

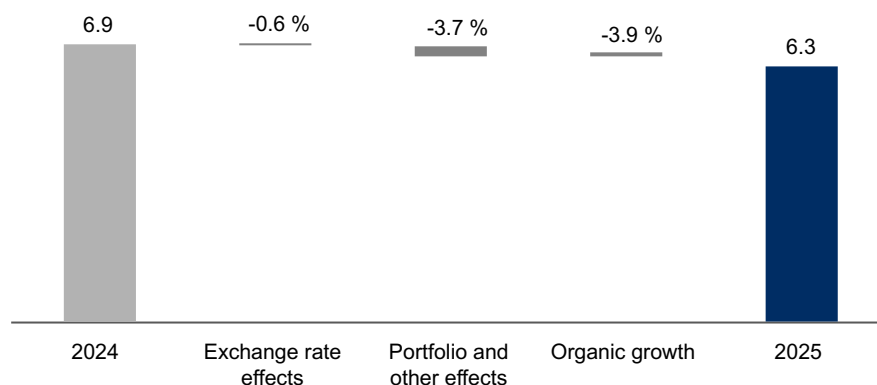
The 1992 profit participation certificates, approved for trading on the Regulated Market in Frankfurt, only have a limited liquid trading on the stock exchange due to their low volume. Payouts on the 1992 profit participation certificates are based on the Group's return on total assets. Because the return on total assets for the 2025 financial year was 5.01 percent (previous year: 4.53 percent), the payout on the 1992 profit participation certificates for the 2025 financial year will be 6.01 percent of their par value (previous year: 5.53 percent).

The payout distribution date for both profit participation certificates is expected to be May 6, 2026. Under the terms and conditions of the profit participation certificates, the auditors appointed by Bertelsmann SE & Co. KGaA are responsible for verifying whether amounts to be distributed have been calculated correctly. The auditors of both profit participation certificates provide confirmation of this.

Performance of the Group Divisions

RTL Group

Revenue Breakdown in € billions



In the past financial year, RTL Group recorded declines in both revenues and operating profit amid a challenging market environment. Revenues decreased by 8.2 percent to €6.3 billion (previous year: €6.9 billion), primarily due to the completion of the sale of RTL Nederland in July 2025, lower revenues at Fremantle and lower TV advertising revenues, which were only partially offset by growth in streaming revenues. Operating EBITDA adjusted decreased by 15.2 percent to €1.0 billion (previous year: €1.2 billion), mainly due to the negative portfolio effects following the sale of RTL Nederland and lower contributions from RTL Deutschland, Groupe M6, and Fremantle. Organically, revenues declined by 3.9 percent compared to the previous year. The EBITDA margin was 15.5 percent (previous year: 16.8 percent).

In line with the Bertelsmann Boost strategy, RTL Group continued to invest in attractive programming content, the expansion of its streaming and production businesses, and the development of innovative partnerships. At RTL Deutschland, this included extending the partnership with Deutsche Telekom, ensuring that RTL+ Premium will remain included in almost all MagentaTV price plans until at least 2030; launching RTL+ as an additional channel on Amazon Prime Video; entering into partnerships with Warner Bros. Discovery in advertising sales and content; and bundling RTL+ with HBO Max, which launched in 2026. In France, M6+ was also added as an additional channel to Amazon Prime Video.

In June, RTL Deutschland announced its planned acquisition of Sky Deutschland (DACH) to significantly strengthen its streaming business and further diversify its revenue streams. The transaction will create a future-ready entertainment company with around 12 million paying subscribers. Together, the business is well-positioned to meet evolving consumer demands and compete with global streamers. The transaction combines Sky's premium sports rights – including Bundesliga, DFB-Pokal, Premier League, and Formula 1 – with RTL's leading entertainment and news brands across RTL+, free-to-air, and pay TV. It also unites the fastest growing streaming offers in the German market, RTL+ and WOW. Approval by the European Commission is expected in the first half of 2026.

Following the sale of RTL Nederland to DPG Media in July, the parties agreed on a partnership in the areas of technology, international advertising sales, and content. In addition, RTL AdAlliance concluded exclusive advertising sales agreements with FranceTV Publicité and ORF-Enterprise.

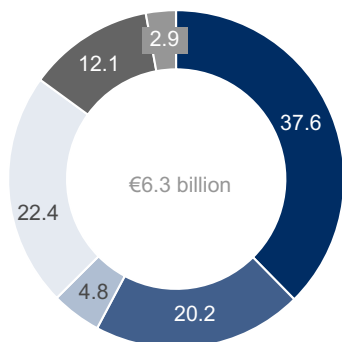
RTL Deutschland's average audience share in the 14-59 target group was 25.8 percent in the reporting period (previous year: 26.3 percent). The lead over its main commercial competitor, the ProSiebenSat.1 family of channels, was 5.1 percentage points (previous year: 6.3 percentage points). In September 2025, the publishing brands "Gala," "Brigitte," and "Eltern" were sold.

In France, the Groupe M6 family of channels further expanded its audience share in the commercial target of viewers aged 25 to 49, partly driven by the new format "Tout beau, tout n9uf" by French entertainer Cyril Hanouna on W9. With an average audience share of 21.0 percent in the commercial target group (previous year: 19.6 percent), Groupe M6 was the second most-watched private broadcasting group in France.

The streaming services RTL+ in Germany and Hungary and M6+ in France continued to record dynamic growth. The total number of paying subscribers to the three services rose by 19.2 percent to 8.06 million (previous year: 6.76 million) in the reporting period. Streaming revenues grew by 26.3 percent to €509 million (previous year: €403 million), primarily driven by a significantly higher number of paying subscribers, increased subscription prices in Germany and rapidly growing advertising revenue on RTL+ in Germany and M6+ in France.

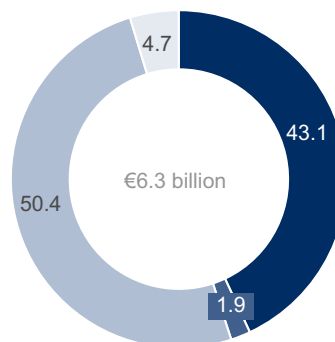
In 2025, Fremantle invested in the development of proprietary formats, the acquisition of IP rights, and the use of artificial intelligence across the entire value chain. New creative labels were established with the launch of Fremantle Sports, Imaginae Studios, and Fremantle Global Originals. Fremantle demonstrated its creative strength through high-profile productions for international streaming platforms, including "Maxton Hall" and "Hotel Costiera" on Amazon Prime Video, as well as "Sullivan's Crossing," "Evil Influencer," and "The Monster of Florence" on Netflix. With a total of 145 awards, Fremantle celebrated significant creative achievements.

Revenues by Region in percent (without intercompany revenues)



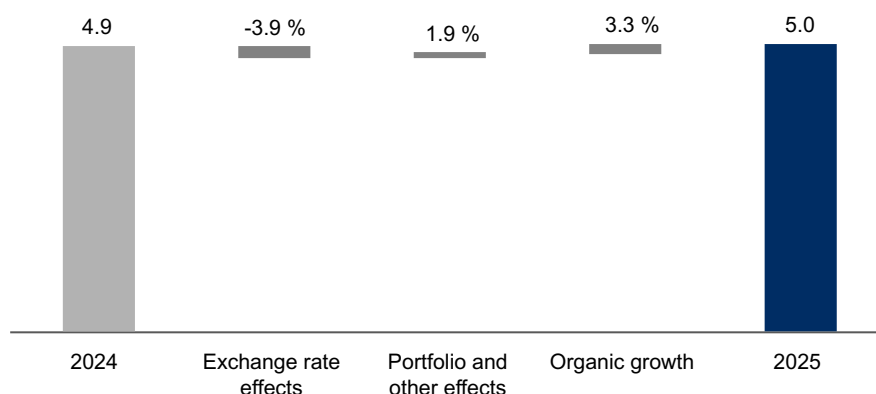
- Germany
- France
- United Kingdom
- Other European countries
- United States
- Other countries

Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € billions



The world’s largest trade publishing group, Penguin Random House, recorded a slight increase in revenues to €5.0 billion in the reporting period (previous year: €4.9 billion), despite negative exchange rate effects. Operating EBITDA adjusted amounted to €704 million (previous year: €739 million). The decline in earnings was mainly due to growth-related expenses in the US core business along with negative exchange rate effects. The EBITDA margin reached 14.1 percent, slightly below previous year’s level of 15.0 percent.

Penguin Random House increased its market share in most of its markets in 2025, mainly on the strength of a broad bestseller base. Among the most successful titles worldwide was “The Let Them Theory” by Mel Robbins, which became the year’s best-selling frontlist title with around six million copies sold worldwide. Other global bestsellers included “The Secret of Secrets” by Dan Brown, “Always Remember” by Charlie Mackesy, and James Clear’s perennial bestseller “Atomic Habits.” One of the most significant acquisitions during the year was Wonderbly, a fast-growing independent publisher in the United Kingdom and the world’s leading provider of personalized gift books.

Penguin Random House US once again outperformed the overall market in 2025, reflecting the strength and diversity of its publishing program. In addition to “The Let Them Theory” and “Atomic Habits,” “The Secret of Secrets” ranked among the best-selling titles. SenLinYu’s novel “Alchemised,” published in September, made a record-breaking debut in North America in its first week. Penguin Random House Publishing Services and the audio publishing divisions also made positive contributions.

Penguin Random House UK increased its revenues in the reporting year, driven by strong new releases from Richard Osman (“The Impossible Fortune” and “We Solve Murders”), Dan Brown (“The Secret of Secrets”), and Charlie Mackesy (“Always Remember”), as well as the successful debut of “Alchemised” by SenLinYu.

Penguin Random House Grupo Editorial achieved strong growth worldwide in the past financial year and published a record number of titles. Among the top-selling books were “The Housemaid” (“La asistenta”) by Freida McFadden, and “Mi nombre es Emilia del Valle” by Isabel Allende.

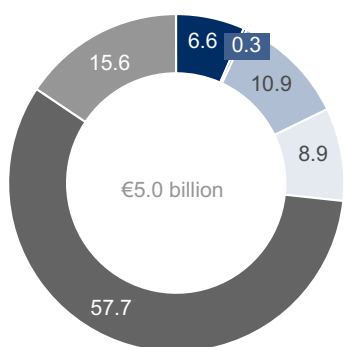
Penguin Random House Verlagsgruppe in Germany recorded revenue growth during the reporting period. Among the most successful titles were “Die Let Them Theorie” (“The Let Them Theory”) by Mel Robbins, “Dunkles Wasser” (“Dark Waters”) by Charlotte Link, and “Die Kollegin” (“The Coworker”) by Freida McFadden. The publishing group significantly increased its audio revenues by making most of its audio catalog available on Spotify as part of a global agreement.

Penguin Random House continued to invest in the expansion of its global infrastructure in 2025. In Australia and New Zealand, the publishing group opened a new state-of-the-art distribution center featuring goods-to-person automation. In Spain, Grupo Editorial opened a new distribution center in Cerdanyola equipped with cutting-edge technology and robotics. Additionally, new imprints such as Storehouse Voices (United States), Puffin Press (United Kingdom), and Blush (Germany) were launched to serve targeted growth segments.

In the United States, Penguin Random House was named one of TIME100’s Most Influential Companies of 2025, in recognition of its leadership in protecting the right to read.

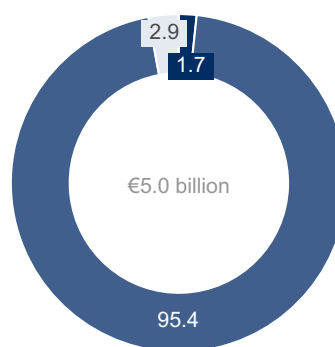
Numerous Penguin Random House authors received prestigious awards in 2025, including the Nobel Prize for Literature awarded to László Krasznahorkai and the Pulitzer Prize for Fiction given to Percival Everett. Alexei Navalny’s book “Patriot” was named Book of the Year at the British Book Awards and also earned the US National Book Critics Circle Award for Best Autobiography.

Revenues by Region in percent (without intercompany revenues)



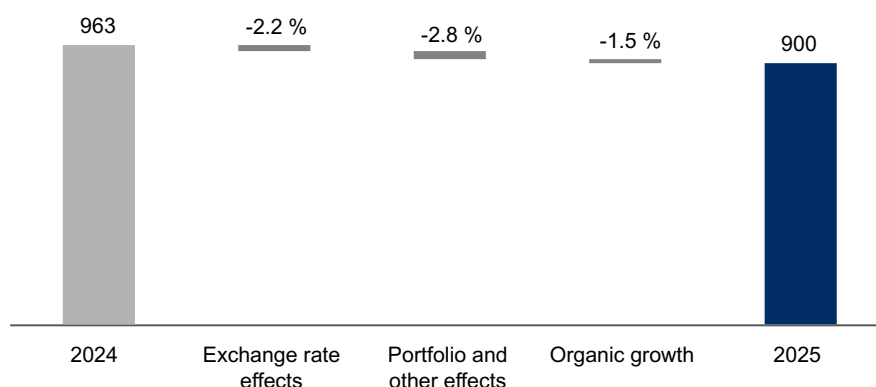
- Germany
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Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € millions



Revenue at Bertelsmann’s music subsidiary BMG declined by 6.5 percent to €900 million (previous year: €963 million) in the reporting period, reflecting the company’s deliberate portfolio and strategic choices, including the divestment of non-core businesses in the Live segment as well as negative exchange rate effects. The organic revenue decline was 1.5 percent, partly due to BMG’s continued prioritization of digital revenue sources and long-term profitability. Digital businesses accounted for 71 percent of BMG’s total revenues (previous year: 68 percent) and underlying recorded music streaming subscription revenue saw double-digit growth. As a result of the favorable business mix both in publishing and recorded music as well as continued investment in music catalogs, operating EBITDA adjusted increased to €284 million (previous year: €265 million). The EBITDA margin reached a record 31.5 percent (previous year: 27.5 percent).

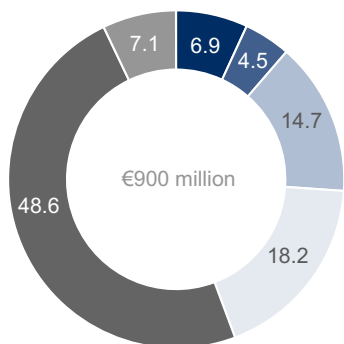
Fueled by Bertelsmann’s Boost strategy, BMG made the single largest catalog acquisition in its history with the purchase of the recorded rights of country superstar Jason Aldean along with interests in the recorded catalog and publishing rights from a cross-section of 23 artists and songwriters. Since the launch of the Boost program, BMG has invested more than \$1.5 billion in music rights. During the reporting period, BMG completed 30 catalog acquisitions and expanded its portfolio through new signings and extensions with artists such as OneRepublic, Brantley Gilbert, Olly Murs, FREDRIK, Atlus, i-dle, Jessi, and Joyce Wright in the recording business, as well as James Arthur, Tom Walker, ALOK, Dardan, and Juicy Bae in music publishing.

In the recording business, BMG achieved success with new releases from Lily Allen, Jason Aldean, MARINA, Wiz Khalifa, Blake Shelton, and Caparezza. BMG artist Lainey Wilson won a total of four Country Music Association Awards and, for the second year in a row, received the title of “Entertainer of the Year,” the highest honor at the awards. BMG clients also achieved major success at the 2026 Grammys, receiving 20 direct nominations and winning awards in 12 categories. Country star Jelly Roll secured three awards including “Best Contemporary Country Album,” “Best Country Duo/Group Performance,” and “Best Contemporary Christian Music Performance/Song” – his first ever Grammy awards.

In the music publishing business, works written by Ghost, Jessie Reyez, Kontra K, Pashanim, CMAT, Lewis Capaldi, FKA twigs, and Pulp were among the most successful projects. In addition, BMG songwriters contributed significantly to the globally successful singles “Die With a Smile” (Bruno Mars and D’Mile), “APT.” (Bruno Mars), and “luther” (roselilah and Kamasi Washington).

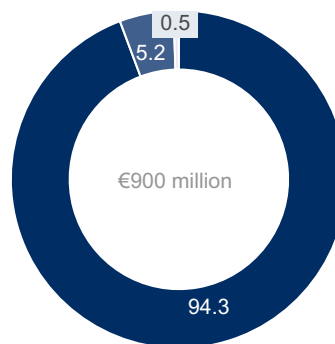
As part of the Next strategy, BMG further developed its digital distribution structure, including new and expanded direct recorded and publishing licensing agreements with leading digital platforms such as Spotify and TikTok. Through a cross-functional initiative to leverage generative AI, BMG made significant progress in several areas, including marketing and sync licensing, enabled by strengthened strategic partnerships with Google, OpenAI as well as a deepened research partnership with the TU Munich GenAI Lab. BMG also unveiled a comprehensive brand refresh, marking an important milestone in its evolution as a forward-thinking music company. To further expand its service offering, BMG unified its sync and production music business units under a single, customer-focused Sync+ structure, providing a comprehensive integrated solution for repertoire licensing.

Revenues by Region in percent (without intercompany revenues)



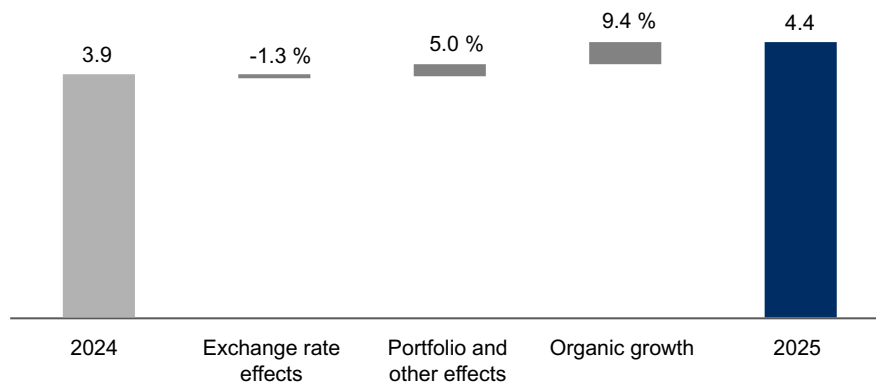
- Germany
- France
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- United States
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Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € billions



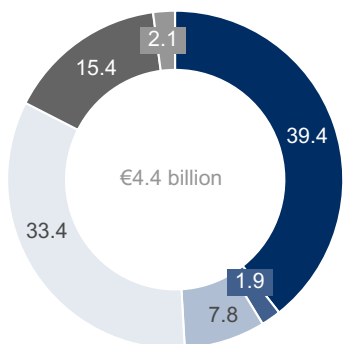
The logistics, financial, and IT services businesses bundled within the Arvato Group once again achieved profitable growth in the reporting period. Arvato’s logistics businesses were the primary drivers of this positive performance. The financial services provider Riverty and the IT service provider Arvato Systems also contributed to the revenue and earnings growth of the internationally active services group. Revenues increased by 13.1 percent to €4.4 billion (previous year: €3.9 billion), while operating EBITDA adjusted rose by 12.3 percent to €720 million (previous year: €641 million). The Arvato Group’s EBITDA margin reached 16.4 percent, compared with 16.6 percent in the previous year.

Arvato’s logistics services businesses grew both organically and through acquisitions in the reporting period and once again significantly exceeded the prior-year level. Through the acquisitions of ATC Computer Transport & Logistics, Carbel LLC, and United Customs Services, Arvato strengthened its position in fast-growing segments such as data center services, fashion logistics, and customs solutions, while expanding its global network with specialized capabilities and deep industry expertise. The integration of the three companies enabled Arvato to further expand its business with global hyperscalers and leading fashion brands and to establish new locations in Europe and the United States. With the opening of its first distribution center in Dubai in the GCC (Gulf Cooperation Council) region, Arvato entered one of the world’s most dynamic logistics and trade hubs. Services at the Dubai site go beyond traditional warehousing and fulfillment and also include data center services for cloud computing and data service providers in the region.

Riverty continued its growth trajectory in the reporting period, with both revenues and earnings rising again in 2025. In the spring, the financial services provider launched a group-wide AI initiative, including the establishment of a central AI team and the implementation of a “next-generation” customer service platform. Riverty is laying the foundation for further growth and a future-ready organization through these investments in AI systems and corresponding employee training. Riverty also launched its flexible payment product Flex in the Netherlands and Germany during the reporting period and presented its long-term vision, Fintech 2040. The report offers a research-based, forward-looking view of the technological, legal, and societal changes expected to shape the financial value chain over the next 15 years.

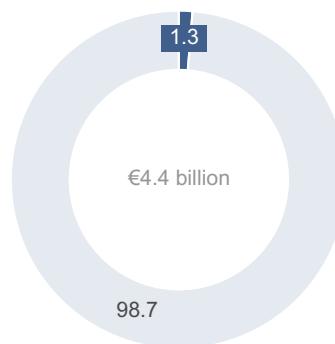
IT service provider Arvato Systems also saw further growth in the 2025 financial year and strengthened its position as a provider of sovereign IT solutions for regulated markets. The company assumed operational responsibility for the Microsoft Azure-based sovereign Delos Cloud, a central building block for digital sovereignty in the public sector. This positive development in a key market segment is further underscored by the BSI C5 attestation (type 2) for its own Virtual Private Cloud, BSI certification for sovereign gateway administration, and its status as an AWS European Sovereign Cloud Launch Partner. In addition, Arvato Systems signed several important new customer contracts during the year, including in the energy and healthcare sectors.

Revenues by Region in percent (without intercompany revenues)



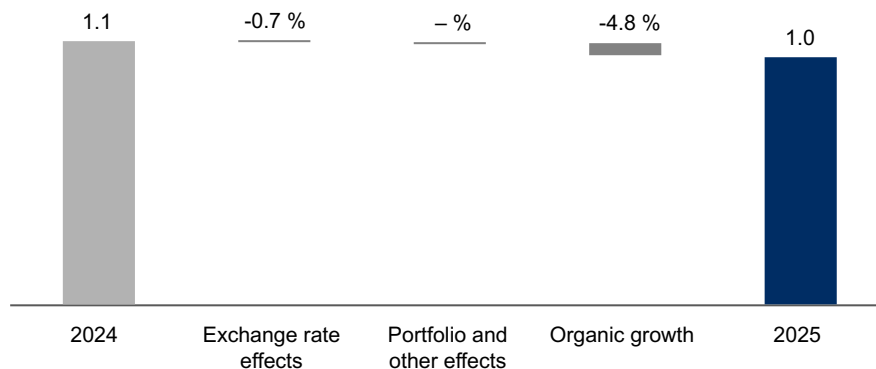
- Germany
- France
- United Kingdom
- Other European countries
- United States
- Other countries

Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € billions



Bertelsmann Marketing Services, a marketing and printing services provider operating in Europe and North America, recorded a decline in revenues in the 2025 financial year amid a moderately shrinking printing market, as well as subdued demand from advertising companies in marketing services. In addition, the planned closures of subsidiaries MBS and OPM had a dampening effect on business performance. Revenues declined by 5.5 percent year-on-year to €1.0 billion (previous year: €1.1 billion). Operating EBITDA adjusted fell by 35.4 percent to €22 million (previous year: €34 million). The EBITDA margin amounted to 2.2 percent (previous year: 3.2 percent).

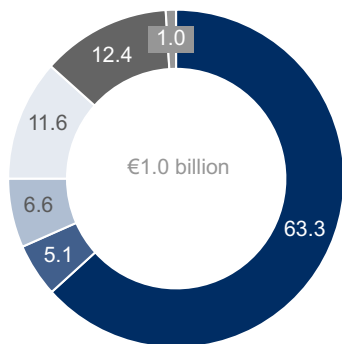
Companies in the Digital Marketing segment faced pressure throughout the year due to restrained advertising activity by business customers in the direct marketing and agency markets. At DeutschlandCard, the loss of a key customer in the first quarter negatively affected performance. Over the course of the year, the business model was therefore strategically realigned toward a data-driven, retailer-independent commerce media platform. The Territory group of agencies continued its organizational development and adjusted its strategic orientation. Campaign achieved profitable growth by acquiring new customers in campaign management and in transaction printing.

The offset printing businesses in Germany recorded very high utilization throughout the entire financial year. Despite higher print volumes, revenues declined slightly in the reporting period, primarily due to changes in customer-provided paper arrangements. Key contracts were renewed and new customers were acquired across all four market segments: brochures, magazines, catalogs, and books. Mohn Media saw a moderate year-on-year improvement in earnings, while the book printing business within GGP Media grew profitably, excluding effects from paper provision (customer-supplied paper). This development was supported, among other factors, by the positive performance of major publishing customers and the targeted expansion of production capacities in color trimming.

The book printing business in the United States improved its operating result despite declining revenues, mainly as a result of ongoing efficiency and optimization measures. The sale of OPM's property in Dallas, Pennsylvania, provided additional positive effects. In addition, contracts with major existing customers were extended on a long-term basis.

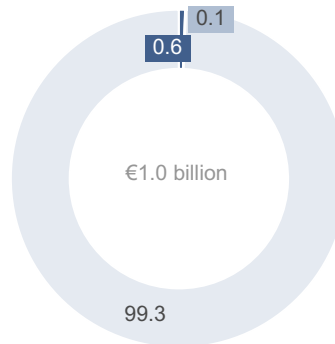
Sonopress slightly increased production volumes across all disc formats compared with the previous year, despite a market that continued to decline. Production capacities for the environmentally friendly EcoRecord were expanded in Germany. In addition, the company commissioned a new production machine for sustainable LPs in the United States and manufactured its first orders for customers in Asia.

Revenues by Region in percent (without intercompany revenues)



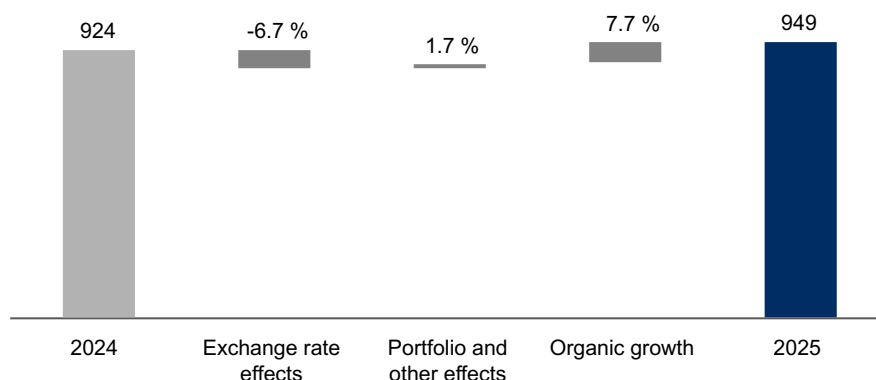
- Germany
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Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € millions



The education companies bundled within the Bertelsmann Education Group recorded an increase in both revenues and operating EBITDA adjusted in the 2025 financial year. This development was driven primarily by organic growth across all operating units, particularly Afya, as well as portfolio effects from the acquisition of Unidompedro in July 2024 and the acquisition of Feedtrail in December 2024. Afya, the leading Brazilian university group for medical education, the US provider of continuing education and compliance and workforce management solutions Relias, and the professional practice-oriented Alliant University, expanded their portfolio of services and programs.

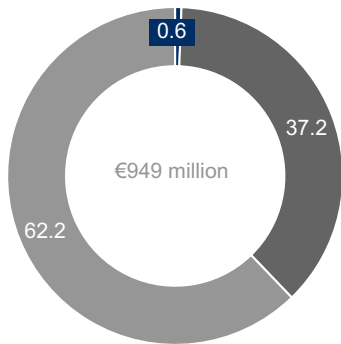
Bertelsmann Education Group generated revenues of €949 million in 2025 (previous year: €924 million), representing an increase of 2.7 percent compared with 2024. Organic growth was 7.7 percent. Operating EBITDA adjusted rose by 8.3 percent to €375 million (previous year: €347 million), while the EBITDA margin increased significantly to 39.6 percent, up from 37.5 percent in the previous year.

Afya continued its dynamic growth in the past financial year. Higher revenues from tuition fees and a further increase in student numbers were key growth drivers. The acquisition of Faculdade Masterclass Ltda. (“Afya Contagem”), completed in May, strengthened Afya’s footprint in the Greater Belo Horizonte area and increased the total number of medical school places by 60 to 3,753 per year.

Relias, with more than 13,000 customers in the healthcare sector, continued to benefit from the shift toward online learning and rising demand for its workforce and compliance management solutions. During the reporting period, Relias contributed to Bertelsmann Education Group’s revenue growth through the organic expansion of its subscriber base as well as the acquisition of Feedtrail, which was completed in December 2024. The acquisition in December of LearnBase GmbH, a German niche online education provider for the social services sector, further advanced the company’s expansion strategy. During the reporting period, Relias received several industry awards, including eighth place among the 50 leading companies in the field of health technology, three Gold Awards in the Digital Health Awards program, and two Bronze Awards in the technology category.

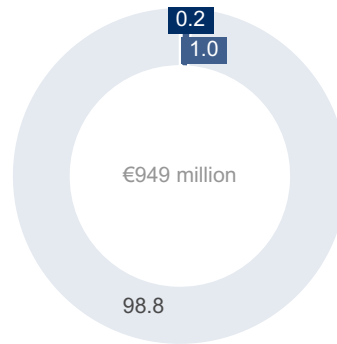
The organic revenue growth seen at Alliant University, specializing in the education and certification of psychologists, healthcare professionals, and teachers, was primarily attributable to the ongoing expansion of its program portfolio, particularly in the area of mental health. Alliant also recorded growth in new enrollments for its mental health programs, particularly in the master's program in social work. In addition, new enrollments increased for both the MBA program and the nursing program at the Alliant School of Nursing and Health Sciences in Phoenix, Arizona.

Revenues by Region in percent (without intercompany revenues)



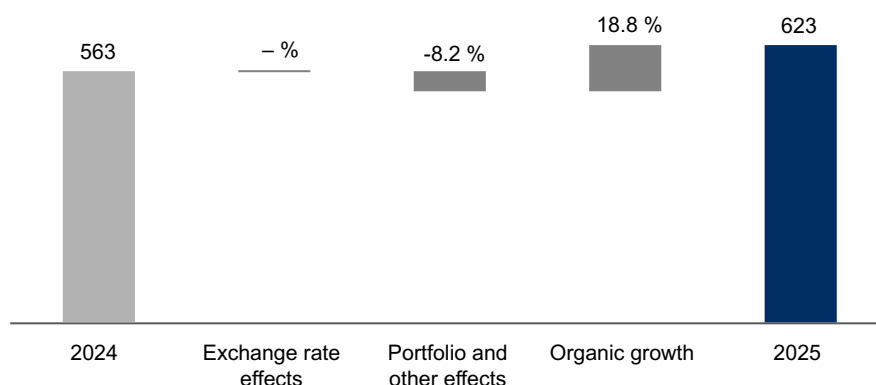
- Germany
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- Other countries

Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

Revenue Breakdown in € millions



Bertelsmann Investments (BI) made a total of 51 new investments and 23 follow-on investments in innovative companies and funds through its venture capital activities in the 2025 financial year. As of December 31, 2025, the active portfolio comprised 307 investments worldwide. Since BI was launched in 2006, more than €2.1 billion has been invested in companies and funds, while returns over the same period totaled approximately €1.5 billion. In 2025, BI realigned its venture capital activities and expanded its portfolio beyond the existing regional vehicles Bertelsmann Asia Investments (BAI) and Bertelsmann India Investments (BII) to include two thematic funds. These two new funds invest in artificial intelligence and technology companies (Futurepresent) and in health tech (Bertelsmann Healthcare Investments) in the United States and Europe.

BI’s revenues – generated by Bertelsmann Next activities in mobile ad tech (Applike), HR tech (EMBRACE), pharma tech (corneo), and India (LetsTransport) – amounted to €623 million in 2025 (previous year: €563 million). Organic growth was 18.8 percent and was significantly impacted by Applike in particular. Operating EBITDA adjusted rose to €84 million (previous year: €75 million).

Bertelsmann Asia Investments (BAI) made investments in DiDi Finance, the fintech subsidiary of DiDi Global and one of the leading online lenders in Latin America, as well as in SparkView, an AI-based platform for the professional editing of video and film. In addition, two BAI portfolio companies operating in the fields of AI and LiDAR technology – Deepexi and Seyond – successfully completed their initial public offerings on the Hong Kong Stock Exchange.

Bertelsmann India Investments (BII) recorded the highest level of investment activity in its history in 2025. As part of the Boost program, nearly €100 million was invested. This included new investments in Snabbit, a digital platform for booking domestic workers, and in Scimplify, a B2B marketplace for chemicals that benefits from the Indian government’s “Make in India” agenda.

The Futurepresent fund invested in 13 strong founding teams across the United States and Europe in its first year, focusing on artificial intelligence in the physical world, AI infrastructure, and AI agents in vertical industries. Its investments included General Intuition, the largest social network for gamers, which leverages a unique gameplay data set from which the founding team has developed one of the world’s leading models in the field of physical AI.

Several new investments were made in the fast-growing field of digital health, including in the AI lifecycle management platform Flinn. The AI company Phare Health achieved a successful sale to R1, the US market leader in revenue cycle management. After several years of successful investment activity, BI announced in January 2026 the establishment of Bertelsmann Healthcare Investments, an independent investment vehicle

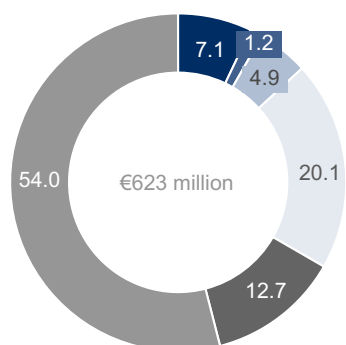
that will bundle all investment activities in the strategically relevant healthcare sector. In the reporting period, BI also opened its fund Bertelsmann Digital Media Investments (BDMI) to a broader group of investors.

The Bertelsmann Next growth unit encompasses the incubation activities and buy-and-build strategies of Bertelsmann Investments, with a focus on the fields of mobile ad tech, HR tech, pharma tech, and India.

The mobile ad tech company Applike continued its strong global organic growth, supported in part by the expansion of its business in Asia. In the HR tech segment, EMBRACE completed the acquisition of Vocanto, an e-learning platform for commercial and industrial-technical apprenticeships. The pharma tech segment corneo successfully completed the full acquisition of Docuvera and acquired a majority stake in medicines.ie, Ireland’s information platform for drug information.

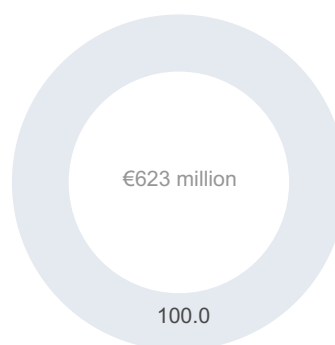
In India, a majority stake was acquired in the logistics marketplace LetsTransport, in which BII had already invested in 2018 and which will represent a fourth growth field of Bertelsmann Next. LetsTransport marked the successful execution of Bertelsmann Investments’ first strategic majority stake acquired in India.

Revenues by Region in percent (without intercompany revenues)



- Germany
- France
- United Kingdom
- Other European countries
- United States
- Other countries

Revenues by Category in percent



- Rights and licenses
- Own products and merchandise
- Advertising
- Services

General Statement by Company Management on the Economic Situation

In the 2025 financial year, Bertelsmann recorded solid business performance on the whole and met the expectations which were revised over the course of the year against the prevailing backdrop of a challenging macroeconomic environment. The Group once again benefited from its broad positioning across businesses and regions, which proved to be an important strategic advantage in uncertain times. Penguin Random House, Arvato Group, Bertelsmann Education Group, and Bertelsmann Investments were the main growth drivers.

As reported, Bertelsmann's Group revenues fell marginally by 0.2 percent to €19.0 billion in the 2025 financial year (previous year: €19.0 billion) and were therefore stable at the previous year's level, as expected (forecast in the 2024 Annual Report: moderate increase in revenues; revised forecast in the Interim Report 2025: slight increase in revenues; revised forecast in the Q3 press release: stable revenues). Organic revenue growth in the reporting year amounted to 1.9 percent (previous year: 3.3 percent). Operating EBITDA adjusted decreased by 2.9 percent to €3,019 million (previous year: €3,111 million) and therefore fell moderately below the previous year's figure in line with expectations (forecast in the 2024 Annual Report: slight increase in earnings; revised forecast in the Q3 press release: moderate decline in earnings). The main reasons behind the negligible drop in revenue and earnings performance were negative exchange rate effects, in particular due to the weaker US dollar, the loss of revenue and earnings contributions from RTL Nederland in the second half of 2025, and the significant decline in the TV advertising markets in Germany and France. The revenue contribution of RTL Nederland in the first half of 2025 amounted to €307 million. The book publishing, services, and education businesses, as well as the further expansion of Bertelsmann Investments' activities, made significant contributions to the stable development. In the past reporting period, Bertelsmann once again demonstrated its ability to achieve stable results even in a challenging market environment, while at the same time consistently pursuing key growth areas.

Net assets and financial position remain strong. Bertelsmann's leverage factor of 2.0 continued to be lower than the defined level of 2.5 (December 31, 2024: 2.0). As of December 31, 2025, the cash and cash equivalents were reported at €1.8 billion (December 31, 2024: €2.2 billion). The rating agencies Moody's and S&P continue to rate Bertelsmann as "Baa2" and "BBB," respectively, with a stable outlook.

Alternative Performance Measures

In this Combined Management Report, the following Alternative Performance Measures, which are not defined in accordance with IFRS accounting standards, are used to explain the results of operations and/or net assets and financial position. These should not be considered in isolation but as complementary information for evaluating Bertelsmann's business situation, and they are differentiated in terms of strictly defined and broadly defined key performance indicators, in the same way as in the value-oriented management system.

Organic Revenue Growth

in percent	2025	2024
Organic revenue growth	1.9	3.3
Exchange rate effects	(2.0)	(0.7)
Portfolio and other effects	(0.1)	(8.5)
Reported revenue growth	(0.2)	(5.9)

The organic growth is calculated by adjusting the reported revenue growth for the impact of exchange rate effects, corporate acquisitions, and disposals, as well as other effects. The other effects include changes in methods and presentation, for example. When determining the exchange rate effects, the functional currency that is valid in the respective country is used. Exchange rate effects are calculated by comparing the revenues of the current year with the exchange rates of the previous year. Portfolio effects are calculated to the exact month: in the case of acquisitions, the relevant months in the current year and in the following year

are adjusted; in the case of sales, the non-comparable months in the previous year of the current year and in the previous year of the following year are excluded.

Operating EBITDA Adjusted

in € millions	2025	2024
EBIT (earnings before interest and taxes)	1,888	1,697
Less special items	66	(277)
attributable to: RTL Group	318	(61)
attributable to: Penguin Random House	5	(17)
attributable to: BMG	(18)	(20)
attributable to: Arvato Group	(84)	(172)
attributable to: Bertelsmann Marketing Services	(15)	(6)
attributable to: Bertelsmann Education Group	14	(33)
attributable to: Bertelsmann Investments	(156)	27
attributable to: Corporate/Consolidation	1	6
Less amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets	(1,261)	(1,151)
Less adjustments to amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets included in special items	65	14
Operating EBITDA adjusted	3,019	3,111

Operating EBITDA adjusted is determined as earnings before interest, tax, depreciation, amortization, and impairment losses and reversals of impairment losses, and is adjusted for special items. The adjustments for special items serve to determine a sustainable operating result that could be repeated under normal economic circumstances and is not affected by special factors or structural distortions. These special items primarily include impairment losses and reversals of impairment losses, fair value measurements, reorganization expenses, and results from disposals of investments. This means operating EBITDA adjusted is a meaningful performance indicator. Not included in the special items are disposal effects of real estate transactions. To preclude a double adjustment, amortization/depreciation, impairment, and reversals already included in the special items are eliminated by means of a correction.

Economic Debt

in € millions	2025	2024
Gross financial debt	4,462	5,126
Less cash and cash equivalents	1,809	2,242
Net financial debt	2,654	2,883
Pension provisions	609	731
Profit participation capital	413	413
Lease liabilities	1,394	1,418
Economic debt	5,070	5,445

Net financial debt is calculated on the basis of gross financial debt, which comprises the balance sheet items current and non-current financial debt, minus cash and cash equivalents. Economic debt is defined as net financial debt plus provisions for pensions and similar obligations, profit participation capital, and lease liabilities. Economic debt is modified for the purposes of calculating the leverage factor.

Leverage Factor

in € millions	2025	2024
Economic debt	5,070	5,445
Modifications	250	250
Economic debt ^{LF}	5,320	5,695
Operating EBITDA adjusted	3,019	3,111
Modifications	(302)	(311)
Operating EBITDA adjusted ^{LF}	2,717	2,800
Leverage factor	2.0	2.0

One of the financial targets is a dynamic leverage factor calculated as the ratio of economic debt to operating EBITDA adjusted; this factor should not regularly exceed the defined maximum of 2.5. In determining the leverage factor, the economic debt and the operating EBITDA adjusted are modified to enable financial management that corresponds to the Group's structure. The modifications in regard to the economic debt largely relate to cash and cash equivalents, which are tied up in the Group, while the modifications in regard to the operating EBITDA adjusted address the Group's structure and its co-shareholder shares. The leverage factor determined in this way is thus always more conservative than the figure that would be obtained using only the items recognized in the balance sheet.

Risks and Opportunities

Risk Management System

The purpose of the Bertelsmann risk management system (RMS) is the early identification and evaluation of, as well as response to, internal and external risks. 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 possible future developments or events that could result in a negative deviation from the outlook or objectives for Bertelsmann. In addition, risks can negatively affect the achievement of the Group's strategic, operational, reporting, and compliance-related objectives and its reputation. The internal control system (ICS), as an integral component of the RMS, monitors the effectiveness of the risk response measures that have been implemented for risk management purposes in all of the involved divisions at the local and central level. Sustainability aspects are also addressed and continually updated, based on regulatory requirements. The RMS also includes a compliance management system (CMS).

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 the 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. These risks are aggregated at the division and Group levels. This ensures that risks are registered where their impact would occur. There is also a Group-wide reassessment of critical risks every six months. Ad hoc reporting requirements ensure that significant changes in the risk situation during the course of the year are brought to the attention of the Executive Board. 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 timely implementation of risk response measures. For ESG risks, a long-term risk assessment is additionally carried out. The basis for determining the main Group risks is the three-year period, similar to medium-term corporate planning. Risk assessment is the product of the estimated negative impact on Group free cash flow should the risk occur, and the estimated probability of occurrence. Risk monitoring is conducted by Group management on an ongoing basis.

The auditor inspects the risk early-warning system for its capacity to identify developments early on that could threaten the existence of Bertelsmann SE & Co. KGaA according to section 91(2) of Germany's Stock Corporation Act (AktG), and then reports the findings to the Supervisory Board of Bertelsmann SE & Co. KGaA. Corporate Audit conducts ongoing reviews of the adequacy and functional capability of the RMS in all divisions apart from RTL Group, Groupe M6, and Afya. The RMS of RTL Group, Groupe M6, and Afya is evaluated by the respective internal auditing department and by the external auditor. The Bertelsmann Executive Board defined the scope and focus of the RMS based on the specific circumstances of the company. The RMS, along with its component ICS, is constantly undergoing further development and is integrated into ongoing reporting to the Bertelsmann Executive Board and Supervisory Board. Divisional risk management meetings are held to ensure compliance with statutory and internal requirements. **Based on the insights gained as of the date of preparation of the Combined Management Report, the Executive Board had no indications that the two systems, in their respective entirety, were not appropriate or not effective (this statement is not subject to the audit of the financial statements).** However, even an appropriately designed and functional RMS cannot guarantee with absolute certainty that risks will be identified and controlled.

Accounting-Related Risk Management System and Internal Control System

The objectives of the accounting-related RMS and accounting-related ICS are to ensure that external and internal accounting are proper and reliable in accordance with applicable laws and that information is made available without delay to the various recipients. Reporting should also present a true and fair view of Bertelsmann's net assets, financial position, and results of operations. The following statements pertain to the Consolidated Financial Statements (including the Notes to the Consolidated Financial Statements and the Combined Management Report), interim reporting, and internal management reporting.

The ICS for the accounting process consists of the following areas: The Group's internal rules for accounting and the preparation of financial statements (e.g., IFRS manual, guidelines, and circulars) are made available without delay to all employees involved in the accounting process. The Consolidated Financial Statements are prepared in a reporting system that is uniform throughout the Group. Extensive automatic system controls ensure the consistency of the data in the Group reporting packages. The system is subject to ongoing development through a documented change process. Systematized processes for reconciling intercompany transactions serve to prepare the corresponding consolidation steps. Circumstances that could lead to material misstatements in the Consolidated Financial Statements are monitored centrally by employees of Bertelsmann SE & Co. KGaA, and then verified by external experts as required. Central contact persons from Bertelsmann SE & Co. KGaA and the divisions are also in continuous contact with local subsidiaries to ensure IFRS-compliant accounting as well as compliance with reporting deadlines and obligations. These preventive measures are supplemented by specific controls in the form of automated and manual analyses by the Corporate Financial Reporting department of Bertelsmann SE & Co. KGaA. The purpose of such analyses is to identify any remaining inconsistencies. The controlling departments at the Group and division levels are also integrated into the internal management reporting. Internal and external reporting are reconciled during the segment reconciliation process. The further aim of a globally binding control framework for the decentralized accounting processes is to achieve a standardized ICS format at the level of the local accounting departments of all fully consolidated Group companies. The findings of the auditors, Corporate Audit, and the internal auditing departments of RTL Group, Groupe M6, and Afya are promptly discussed with the affected companies, and solutions are developed. An annual self-assessment is conducted to establish reporting on the quality of the ICS in the key fully consolidated Group companies. The findings are discussed at the divisional level. The accounting-related ICS also cannot guarantee with absolute certainty that material misstatements in the accounting process can be prevented or identified.

Corporate Audit and the internal auditing departments of RTL Group, Groupe M6, and Afya evaluate the accounting-related processes as part of their auditing work. In addition, the auditor also reports to the Audit and Finance Committee of the Bertelsmann SE & Co. KGaA Supervisory Board on any material weaknesses of the accounting-related ICS, and on findings regarding the risk early-warning system.

Sustainability-Related Risk Management System

The sustainability-related risk management system (RMS) underwent further development in the 2025 financial year, with a focus on improving the local implementation of the globally binding control framework for sustainability reporting implemented in the previous year. The aim was to further increase the quality and consistency of decentralized control activities and to sustainably incorporate the standardized structure of the internal control system (ICS) at the level of local data collection and reporting processes. Detailed information on the sustainability-related RMS can be found in GOV-5 “Risk Management and Internal Controls over Sustainability Reporting.”

Major Risks to the Group

Bertelsmann is exposed to a variety of risks. The major risks to Bertelsmann identified in the risk reporting are listed in order of priority in the table below. In line with the level of possible financial loss, the risks are classified as low, moderate, significant, considerable, or severe. The risk inventory carried out did not identify any risks that would be classified as considerable or severe. The assessment of risk-bearing capacity at the Group level, conducted through Monte Carlo simulation, confirms that there are no indications of a threat to the going-concern assumption, as sufficient liquidity is available to cover potential risks.

Overview of Major Risks to the Group

Priority	Type of risk	Risk Classification				
		Low	Moderate	Significant	Considerable	Severe
1	Changes in market environment			■		
2	Customer risks			■		
3	Cyclical development of economy			■		
4	Pricing and discounting			■		
5	Legal and regulatory risks			■		
6	Supplier risks		■			
7	Information security risks		■			
8	Audience and market share		■			
9	Employee-related risks		■			
10	Financial market risks	■				

Risk classification (potential financial loss in three-year period): low: < €50 million, moderate: < €100 million, significant: < €250 million, considerable: < €500 million, severe: > €500 million.

■ Existing risks

Given the diversity of the businesses in which Bertelsmann is active, and the corresponding diversity of risks to which the various divisions are exposed, the key strategic and operational risks to the Group that have been identified are initially specified below. This is followed by an outline of the overarching Group risks. These include employee-related risks, risks from acquisitions, legal and regulatory risks, information security risks, and financial market risks. These risks are largely managed at the corporate level. In certain cases, risks related to AI are also managed centrally, but are incorporated in varying degrees into the development of the material types of risk associated with individual Group businesses and are therefore described at both levels.

Strategic and Operational Risks

The global economy continued to grow at a moderate pace in 2025 despite ongoing geopolitical and economic policy uncertainties. At 3.3 percent, real gross domestic product (GDP) growth was on a par with the previous year. Global inflation continued to fall, albeit to a lesser extent than expected, and measures to ease restrictive monetary policies were continued in many countries. The global economy is expected to remain on a path of moderate expansion in 2026. However, the rather moderate economic growth is accompanied by ongoing geopolitical and political uncertainties – including geopolitical conflicts that may have direct and indirect impacts on Bertelsmann – as well as increasing tensions in global trade. The advent of protectionist policies entails significant economic downside risks and upside risks to inflation. Renewed inflationary pressure could delay the reversal of monetary policy, affecting the sustainability of public finances and financial stability. Bertelsmann's business development is also subject to other risks arising from its divisions.

In addition to the intensified competition for audience attention and the acquisition of programming content, the ongoing transformation of the media and advertising markets remains a major risk for RTL Group. The accelerated structural change resulting from digitalization, the fragmentation of audience markets, and increasing competition from global platforms may have a negative impact on reach, advertising revenues, and market shares. To limit its exposure to these risks, RTL Group is continuously adapting its channel, content, and distribution strategies, making targeted investments in strong local content and intellectual property, further expanding addressable and data-driven advertising offerings, and consistently pushing ahead with the transition from linear offerings to streaming and digital platforms. Strategic partnerships support the competitiveness and reach of RTL Group's offerings. RTL Group's business development remains closely linked to economic developments, as macroeconomic volatility has a direct impact on advertising demand and customer spending behavior. RTL Group counters these risks by continuously monitoring market developments, conducting scenario analyses based on the findings, disciplined cost management, and the ongoing expansion and diversification of its revenue base, including through international content production and non-advertising business activities. Increasing competition from streaming platforms can also lead to additional pressure on audience and advertising market shares in both the linear and non-linear sectors. RTL Group counters these risks through targeted investments in a varied range of content, the optimization of user streams, the further development of direct customer relationships (direct-to-consumer offerings), and through flexible marketing strategies tailored to the local markets. RTL Group also recognizes growing risks in relation to the use of artificial intelligence. These relate in particular to questions pertaining to intellectual property, the potential misuse of digital replicas, ethical issues, and potential reputational risks. To limit these risks, RTL Group relies on clear governance structures, legal expertise, targeted training measures, and binding guidelines for the responsible use of artificial intelligence.

The business development of Penguin Random House is subject to risks from possible market changes that could have a negative impact on the results of operations. The company is also exposed to bad debt risks, which are limited within the framework of established processes. General economic developments can also have a dampening effect on sales development. Further risks arise from procurement and the structure of supply chains, particularly in connection with rising raw material and energy costs. Such developments can lead to cost increases and have a negative impact on earnings. The aforementioned risks are countered by suitable control and monitoring measures, whereby flexible cost structures and ongoing adjustments to procurement processes can help the company respond to changing conditions.

BMG remains exposed to growing risks arising from the use of artificial intelligence (AI), driven primarily by the lack of adequate legal frameworks regulating content creation, monetization, and the use of BMG's repertoire. There is also a risk that the increasing use of content generated by artificial intelligence could lead to a detrimental redistribution of royalties within existing revenue models. In the area of digital sales, there are risks associated with potential changes to remuneration and price bundling models of digital streaming platforms. Furthermore, risks that affect BMG concern the structure of the client portfolio, in particular contract extensions with artists and authors as well as contractual relationships with business partners for digital and physical distribution as well as film, TV, and advertising. Market and sell-side risks, especially changes in the market environment with increased competitive pressures and declining sales volumes, are addressed through pricing and high revenue diversification in the dimensions of repertoire (client groups, music genres), geographic coverage, and segments, as well as by integrating new technologies into the BMG business models. Furthermore, measures for minimizing risks include the implementation of an internal management system to monitor the use of content by AI, strategic alliances, contractual agreements to secure advance payments made, the receipt of prepayments received, and minimum revenue guarantees.

In an environment of macroeconomic uncertainty, Arvato Group is particularly exposed to the risk of losing key customers and the risk of facing challenges when integrating new customers. Both risks are being countered through contracts offering wide-ranging service packages with simultaneously flexible cost structures and ongoing project support. A further slowdown of the economy could also result in declining revenues and thus lower margins, which would necessitate cost-cutting measures and capacity downsizing. Broad diversification across regions and sectors as well as the constant optimization of cost and organizational structures help to reduce this risk. Growing competition for qualified professionals as well as the continued rise in labor costs represent significant personnel-related risks. The risks are addressed by using targeted HR instruments. On the supplier side, there are risks associated with the availability of services and the further rise in factor costs. Countermeasures include an active exchange with existing suppliers and entering into long-term framework agreements.

The potential loss of customers also represents a significant risk for Bertelsmann Marketing Services. The persistent increase in digital substitution is accelerating the decline in the printing business, in particular in the magazine and catalogue segments. A deterioration in the economic environment may also lead to a decline in circulation and a more rapid decline of the print market. The market environment, which is characterized by overcapacity, is also causing price and margin pressures. The price situation on the raw materials and energy markets is expected to ease, leading to a decline in risk on the supplier side. Risk mitigation strategies are based, in particular, on the expansion of innovative print and marketing services, ongoing initiatives to expand existing customer relationships, and to sign up new customers, as well as constantly optimizing cost structures and processes. High factor costs are to be gradually offset by higher service prices in the printing and marketing business.

For the Bertelsmann Education Group, product innovations and the market entry of new competitors, particularly in the US healthcare market, may lead to the substitution of existing products. Changes in the market environment could result in increased price and margin pressures and reduced customer acquisition, potentially impacting planned growth targets. These risks are particularly significant if product innovation or improvements fail to adequately respond to market changes. The risks are being mitigated primarily through strategic partnerships, long-term customer agreements, targeted customer retention measures, and product portfolio expansion. Relias is also exposed to potential risks from non-compliance with contractual obligations and the terms for licensing of third-party content. To manage these risks, the contractual licensing conditions are continuously monitored. Additionally, higher education is highly regulated in the United States and Brazil, especially regarding government-backed financial aid programs and the number of medical seats in Brazil. Non-compliance with current or future laws and regulations, or shifts in the regulatory environment, could adversely affect the business operations of Afya, Alliant, and Relias. For example, regulatory changes leading to an increase in the number of medical seats in Brazil could result in an oversupply, negatively affecting Afya's revenue growth and margin profile. Countermeasures include ongoing monitoring of political and regulatory developments to address potential risks at an early stage and ensuring full compliance with all regulatory standards as well as continually upholding high academic quality. Furthermore, the Bertelsmann Education Group is exposed to macroeconomic risks including currency fluctuations and political uncertainty in Brazil and the United States.

The key risks for the venture capital activities at Bertelsmann Investments are declining portfolio valuations and the absence of sales proceeds. These risks are being addressed through a standardized investment process and the continuous monitoring of the investment portfolio, including possible exit opportunities. Lower than expected rates of economic development, pressure on margins as a result of increased competitiveness, changes in market conditions, and technological disruptions (in particular in the mobile advertising market) represent material risks in the Bertelsmann Next unit. These risks are countered by diversifying the customer base and revenue streams, concluding long-term contracts with suppliers and customers, and continually dealing with new technologies and changing market conditions, including the targeted development of the necessary expertise.

Employee-Related Risks

The ever-increasing pace of change in the markets and in Bertelsmann's business segments means employees will need to be even more willing and able to adapt in the future. Furthermore, there are demographic risks from shifts in the age structure that affect the recruitment, development, and retention of talent. Furthermore, the skills shortage has continued to worsen in many operational business areas, and suitable measures, in particular customized training opportunities, comprehensive health programs, competitive remuneration, and flexible working models, are required to counteract this shortage. Bertelsmann is also enhancing its talent management by continually digitalizing recruiting processes and measures, and is making it easier for employees to switch jobs within the Group by further harmonizing processes and structures.

Acquisition-Related Risks

The Group's strategy encompasses both organic growth and business acquisitions. The risk of potential mistakes when selecting investments and allocating investment funds is minimized by means of strict investment criteria and clearly defined processes. Acquisitions present both opportunities and risks. For example, integration into the Group requires one-time costs that are usually offset by long-term benefits due to synergy effects. However, there is a risk that integration costs may exceed expectations or that the predicted level of synergies may not fully materialize. Management continuously monitors the integration processes in order to mitigate these risks.

Legal and Regulatory Risks

Bertelsmann, with its worldwide operations, is exposed to a variety of legal and regulatory risks concerning, for example, litigation, official proceedings, or varying interpretations or revisions of legal and tax assessment criteria. The media activities pursued in several countries are subject to a wide range of regulatory requirements, compliance with which must be ensured on an ongoing basis. In this context, legal risks may also arise from journalistic and publishing activities, for example in connection with the protection of personal rights. Other business areas, including education and financial services activities, are also subject to specific regulatory requirements from government bodies and supervisory authorities. Group companies could achieve significant market positions in individual markets, which could in turn result in restrictions on growth through acquisitions due to competition law. In addition, antitrust issues, including in connection with market-dominating digital platforms, can lead to legal disputes. Other risks include litigation relating to company acquisitions and disposals, as well as increased data protection regulations, which may affect data-based business models in particular. The legal and regulatory risks mentioned above are being continuously monitored and analyzed by the relevant divisions within the Group.

Several subsidiaries of RTL Group are being sued by the broadcaster RTL 2 Fernsehen GmbH & Co. KG and its sales house, El Cartel Media GmbH & Co. KG, before the regional court in Düsseldorf, Germany. The objective of this action is the disclosure of information to substantiate a possible claim for damages. The proceedings follow the imposition of a fine in 2007 by the German Federal Cartel Office for abuse of market dominance with regard to discount scheme agreements (share deals) granted by Ad Alliance GmbH (formerly IP Deutschland GmbH) and SevenOne Media GmbH to media agencies. Cartel Media appealed the regional court verdicts. At the end of 2024, the Düsseldorf Higher Regional Court ruled that an expert report needed to be obtained to estimate the alleged damage. In March 2025, the parties submitted proposals to the court for the appointment of an expert, on which the court is yet to rule. As the outcome of the expert report is yet to be released, it is not possible to reliably estimate the likelihood of this appeal succeeding at this point in time.

In June 2016, the main competitors of Fun Radio alleged that a host of the morning show had influenced the results in a Médiamétrie survey by encouraging his listeners to give favorable treatment to Fun Radio. In response to these allegations, Médiamétrie decided not to publish the results for Fun Radio. Following a legal procedure initiated by Fun Radio, Médiamétrie was required to reinstate Fun Radio in the audience results surveys as of September 2016. Nevertheless, Médiamétrie decided to lower Fun Radio's audience results in its published surveys, alleging the existence of a "halo effect." Following a proceeding initiated by Fun Radio, a judicial expert was appointed in December 2017 to examine Médiamétrie's assessment of the alleged "halo effect." In September 2019, the judicial expert issued his final report which confirmed the "halo effect" but assessed that Fun Radio's results were over-corrected. As of September 2017, Médiamétrie has again published the full audience results for Fun Radio. In parallel to the above proceeding, the main competitors of Fun Radio also filed, in December 2016, a claim for damages, claiming unfair competition, but this proceeding was suspended until the report has been submitted. In the meantime, four of the six claimants withdrew their claim from the proceedings. On January 23, 2023, the Court allowed the claim of unfair competition. Fun Radio appealed the Court's decision on January 26, 2023, and is confident to achieve a favorable decision before the appeals court. A hearing is scheduled for 2026. The consultants and the lawyers mandated by Fun Radio are confident that the appeals court will significantly reduce the amount of damages to be paid.

In November 2019, the Spanish Competition Authority (CNMC) arrived at a decision in disciplinary proceedings imposing a fine on Atresmedia and Mediaset, and barring both operators from specified courses of conduct. The parties were ordered to take steps to align their commercial and contractual relations to the requirements of the decision. The fine imposed on Atresmedia amounted to €38 million. In 2020, Atresmedia challenged the decision by filing an application for judicial review with the Administrative Chamber of the Audiencia Nacional, Spain's national court, which has since been deemed admissible. Consequently, Atresmedia will proceed with the appeal in the aforementioned court. The directors and legal advisors of Atresmedia believe that the application for judicial review against the CNMC's decision is likely to succeed. A decision is expected in the first half of 2026.

The investment environment in China is subject to ongoing changes that can only be predicted to a limited extent and thereby poses potential risks for future business development. Political and regulatory interventions, particularly in selected technology sectors and with regard to capital market and exit structures, could influence the framework conditions for investments. In addition, increasing political ideologization can be observed at a global level, which could intensify further against the backdrop of economic challenges and social tensions. In this context, increased tensions in relations between the United States and China cannot be ruled out, which could potentially have a negative impact on existing holdings and investments. At the same time, measures to stabilize the economy and promote growth have recently become apparent, although it remains to be seen whether these represent a sustainable change of course. No material negative effects on the portfolio can be identified at the present time. Political, regulatory, and economic developments are monitored and evaluated on an ongoing basis in order to identify potential impacts at an early stage.

Trade policy measures, in particular the introduction or extension of import duties on paper and wood products, printed products, films, and series, pose potential risks to future business development. Such measures could have an impact on internationally oriented production, procurement, and supply chains. In particular, they could lead to cost increases, which could have a negative impact on earnings and margins, and require adjustments to existing production and procurement processes. At the present time, no material negative impacts on operating performance can be identified. Further trade policy developments are being continuously monitored.

Aside from the matters outlined above, no further significant legal and regulatory risks to Bertelsmann are apparent at this time.

Information Security Risks

The ability to provide information in a timely, complete, and confidential way, and to process it without disruptions, is crucial to Bertelsmann's success. Against the backdrop of advancing digitalization, the increased use of artificial intelligence and growing regulatory requirements, information security is becoming even more important. Bertelsmann is addressing the operating environment, which is made tougher by cyber threats, at the management level by operating and continuously improving a Group-wide Information Security Management System (ISMS) based on industry standard ISO/IEC 27001. The ISMS's goals are the structured management of cyber risks and to monitor the implementation of and compliance with minimum Group standards that are refined based on the current state of the art. To strengthen cyber resilience, Bertelsmann is also addressing the increased threat situation with targeted measures. These include, in particular, the further expansion and development of the Security Operations Center on the basis of a Group-wide target operating model, clearly defined requirements for application and cloud security, and the first structured initiatives in the field of security in relation to artificial intelligence. A fundamental distinction is made between the use of artificial intelligence as a protective measure, the security of artificial intelligence applications, and protection against attacks supported by artificial intelligence. In order to ensure access to modern cybersecurity technologies and specialized expertise at all times, both in standard operations and in the event of a crisis, Bertelsmann supplements the establishment and further development of its own resources with a network of external partners and is an active member of the German Cyber Security Organization (DCSO). An indicative assessment of information security risks was conducted in the 2025 financial year using the method applied across the Group to assess operative Group risks. The results indicate that information security risks are moderate, analogous to the categorization of major Group risks.

Financial Market Risks

As an international corporation, Bertelsmann is exposed to various forms of financial market risk, especially interest rate and currency risks. These risks are primarily monitored centrally by the Finance Department on the basis of guidelines set up by the Executive Board. Derivative financial instruments are used solely for hedging purposes. Currency derivatives are primarily used to hedge currency risks from financing measures and operating activities. Currency risks from the operating activities of the divisions are hedged on an ongoing and pro rata basis depending on the probability of occurrence. A number of subsidiaries are based outside the eurozone. The resulting translation risks to the leverage factor (ratio of economic debt to

operating EBITDA adjusted) is managed over the long term by aligning the debt in the main foreign currencies with the current leverage factor and the maximum defined leverage cap of 2.5 for the entire Group. Foreign currency translation risks arising from net investments in foreign entities are not hedged. The cash flow risk from interest rate changes is centrally monitored and controlled as part of interest rate management. The aim is to achieve a balanced ratio of different fixed-interest rates through the selection of appropriate maturity periods for the primary financial assets and liabilities affecting liquidity, and through the ongoing use of interest rate derivatives. The liquidity risk is regularly monitored on the basis of the budget planning. The syndicated credit facility and appropriate liquidity provisions form a sufficient reserve for ensuring solvency. Counterparty risks exist in the Group in respect to invested cash and cash equivalents, as well as in case a counterparty to derivative transactions potentially defaults. Transactions involving money market securities and financial derivatives are exclusively conducted with a defined group of banks with high credit ratings. Within the guidelines, a risk limit specified by the Executive Board has been issued for financial investments and derivatives for each counterparty. Compliance with this limit is regularly monitored by the Finance Department. The guidelines concerning the investment of cash and cash equivalents are continuously monitored and extended if necessary. Financial investments are made on a short-term basis, so that the investment volume can be reduced if the credit rating changes. Financial market risks are at a low level.

Risks Related to the Use of Artificial Intelligence

AI in general – and generative AI in particular – creates a vast range of opportunities as well as different risks for the business operations of the Bertelsmann Group. The use of relevant technologies can help to increase efficiency and support the further development of existing business models and the introduction of new ones. At the same time, certain risks are particularly relevant in content businesses. These include data protection and information security, copyright, and other intellectual property rights, as well as liability issues in connection with content generated by artificial intelligence. In addition, there may be risks to journalistic reputation, brand integrity, and the possible substitution of media content with offerings based on artificial intelligence. Governance and management structures have been established at Group level for the structured management of opportunities and risks associated with artificial intelligence. These aim to promote transparency and expertise, define uniform Group-wide guidelines for the use of artificial intelligence technologies, and identify and address potential risks at an early stage. The further development and application of artificial intelligence technologies is continuously supervised and monitored against this backdrop.

General Statement on the Risk Situation

The risks identified in the 2025 financial year are not endangering. Neither are there any substantial discernible risks that could threaten the existence of the Group.

Overall, risk exposure has declined slightly compared to the previous year. Against the backdrop of ongoing macroeconomic and geopolitical uncertainties, risks from changes in the market environment, from customer relationships, and from economic developments are among the main challenges for future business development. Other relevant risk types include pricing and margin risks, legal and regulatory risks, and risks related to suppliers. However, as a result of the broad diversification of the Group, there are no significant dependencies on individual business partners or products in either procurement or sales. The Group's financial position is solid. Liquidity needs are covered by available liquidity and approved credit facilities.

Opportunity Management System

An efficient opportunity management system enables Bertelsmann to secure its corporate success in the long term, and to exploit potential in an optimal way. Opportunities are possible future developments or events that could result in a positive deviation from the outlook or objectives for Bertelsmann. The opportunity management system is, like the RMS, an integral component of business processes and company decisions. During the strategy and planning process, significant opportunities are determined each year from the profit-center level upward, and then aggregated step by step at the division and Group levels. By systematically recording them on several reporting levels, opportunities that arise can be identified and exploited at an early stage. This also creates an interdivisional overview of Bertelsmann's current opportunities. A review of major changes in opportunities is conducted at the division level every six months. In addition, the largely decentralized opportunity management system is coordinated by central departments in the Group in order to derive synergies through targeted cooperation in the individual divisions. The cross-divisional experience transfer is reinforced by regular meetings of the Group Management Committee.

Opportunities

While the above-mentioned risks are, in the event of a positive development, countered by corresponding opportunities, certain risks are entered into in order to realize the associated potential opportunities. This link to the key Group risks offers strategic, operational, legal, regulatory, and financial opportunities for Bertelsmann.

Strategic opportunities can be derived primarily from the Group's further strategic development (see the section "Strategy"). In particular, there are opportunities in some cases for exploiting synergies as a result of the strategic portfolio expansions. There are individual operating opportunities in the individual divisions, in addition to the possibility of more favorable economic development.

Key opportunities for RTL Group lie in strategic, financial, and regulatory aspects. Better-than-expected development in streaming and advertising technology as well as increasing demand for content could additionally bolster the growth of business activities. More favorable macroeconomic development would potentially positively impact the growth of the advertising market. In addition, successful programming and changes in the regulatory environment, particularly in TV advertising, could contribute to higher market shares. Additional value potential arises from possible consolidation steps that support RTL Group's strategy of forming national cross-media champions and strengthen its competitiveness among global technology platforms. The targeted use of synergies in cross-content, cross-platform, and cross-target group collaboration may open up further potential for efficiency and growth. RTL Group refines its business models on a continuous basis, redesigns operational processes, and intensifies collaboration across content, streaming, advertising, technology, data, and social media. The aim behind this is to establish an integrated, agile, and efficient organizational structure that enables faster market development and improved value creation. Rapid progress in the field of artificial intelligence has paved the way to considerable opportunities for RTL Group to increase efficiency. In particular, this includes cost savings in content production, program planning, and overhead functions. There is also potential to increase user loyalty and improve the monetization of streaming services through greater personalization and optimized marketing and sales processes.

For the trade book publishing group Penguin Random House, opportunities lie in signing new authors and new book projects. The publishing group is well positioned to invest in new markets and content, and to offer its products to the widest possible readership. In general, the digital evolution transforming book markets offers the potential for new product development, and broader and more efficient marketing channels as well as better accessibility to the backlist. Digital audiobooks are experiencing growth worldwide, while new technologies could make books more appealing and bring book content to wider audiences. The development of new marketing tools and platforms is expanding opportunities for author engagement with their readers.

In addition to concluding additional contracts with artists and songwriters, BMG's growth opportunities lie primarily in the acquisition of music rights and their monetization in the core areas of Recordings and Publishing. In addition, the increasing international market penetration of subscription-based streaming services offers the opportunity for better monetization, for example through rising end customer prices for streaming subscriptions, through more advantageous contractual agreements with streaming providers and through market expansions, for example in the areas of gaming or fitness.

At Arvato Group, strategic partnerships and major projects can provide additional opportunities for acquiring new customers. The global e-commerce market is expected to continue its persistent growth over the next few years. Arvato Group can participate in this growth through further business expansion, particularly with the logistics service provider Arvato and the financial services provider Riverty. At Arvato Systems, ongoing digitalization is opening up further growth opportunities for the range of multi-cloud-based IT services, particularly in the sovereign IT services segment.

Bertelsmann Marketing Services businesses may decline less steeply through additional volumes from existing and new customers in the printing area. Furthermore, increased consolidation in the market could result in an additional strengthening of Bertelsmann Marketing Services' own competitive position. The Digital Marketing unit can grow sustainably through data-based multi-channel marketing and campaign management services as well as modern communication solutions.

A continued trend toward online and skill-based learning and training formats, along with the persistent high demand for medical university education, presents significant additional growth opportunities for Bertelsmann Education Group. The growing shortage of skilled professionals in the fields of healthcare and education further enhances the potential for organic growth. For example, Relias in the United States has the potential to grow more rapidly than expected by expanding its offerings for healthcare professionals in the area of compliance and workforce management solutions for healthcare organizations, such as hospitals and nursing homes. At Afya, additional growth opportunities arise from ongoing market consolidation in medical education and the increasing demand for digital healthcare solutions. Alliant expects additional growth opportunities through the introduction and expansion of new programs in the fields of healthcare and mental health.

For the venture capital activities of Bertelsmann Investments, there is the opportunity to realize higher-than-expected contributions to earnings thanks to increasing portfolio valuations or through the sale of portfolio companies. At Bertelsmann Next and for the other investments, there are opportunities arising in particular from improved macroeconomic conditions that could, for example, lead to a stronger organic growth dynamic.

The current innovation efforts detailed in the section "Innovations" offer further potential opportunities for the individual divisions.

Other opportunities could arise from advantageous changes to the legal and regulatory environment.

The financial opportunities are largely based on a favorable development of interest and exchange rates from Bertelsmann's point of view.

Outlook

Anticipated Overall Economic Development

The global economy is forecast to largely maintain its moderate pace of growth in 2026. The global economy will likely remain stable, even if structural burdens persist. Trade conflicts, protectionist measures, and increasing fragmentation of the international economic order are curbing potential growth. The dampening effects of the persistently high US tariffs are likely to become increasingly apparent. At the same time, fiscal stimuli are having a bolstering effect, particularly through increased government investment and higher defense spending in many countries. Investments in technological progress and the easing of monetary policy remain important growth drivers. According to the economic forecasts published by the International Monetary Fund (IMF) in January 2026, global production will increase by 3.3 percent in 2026 after a rise of 3.3 percent in 2025.

Real economic growth in the eurozone should continue in 2026 and is expected to reach 1.3 percent according to estimates by the IMF. Germany is also expected to catch up with the other eurozone countries in terms of growth. The IMF forecasts real GDP growth of 1.1 percent for Germany. In addition to rising private consumption, increased public investment as a result of the stimulus packages is also likely to contribute to growth. The growth rate in France is expected to be 1.0 percent in real terms. For the United Kingdom, GDP is expected to increase by 1.3 percent in real terms in 2026. In the United States, the IMF expects real economic growth of 2.4 percent in 2026. Growth is being driven primarily by rising consumer spending and continued high corporate investment in AI technologies.

Anticipated Development in Relevant Markets

The worldwide media industry is primarily influenced by global economic developments and the resulting growth dynamic. The continued trend toward digitization of content and distribution channels, changes in media usage, and the increasing influence of emerging economies will continue to present risks and opportunities in the years to come. With its strategic focus, Bertelsmann expects to benefit to an increasing extent from the resulting opportunities. Through its media, services, and education businesses, Bertelsmann operates in a variety of different markets and regions whose developments are subject to a range of factors and that do not respond in a linear fashion to overall economic tendencies. The following takes into account only those markets and regions that are large enough to be relevant for forecasting purposes and whose expected development can be appropriately aggregated and evaluated, or that are strategically important from a Group perspective.

For 2026, a stable to slightly declining development is expected in the relevant TV advertising markets. The streaming market is expected to grow significantly in Germany and moderately in Hungary. Furthermore, the market for printed books is expected to record slight growth. In the relevant music market, the music publishing market segment and recorded music market segment are expected to grow significantly. The markets for logistics, IT and financial services are predicted to show moderate growth in 2026. A moderate decline is expected for the German offset printing market, while a slight decline is forecast for the North American book printing market. Overall, sustained significant to strong growth is anticipated for the relevant US markets for IT solutions for healthcare, and for the Brazilian market for medical university education. The mobile gaming advertising market is expected to grow significantly.

Expected Business Development

The following assessments are subject to a particularly high degree of uncertainty. If restrictive monetary policies are abandoned prematurely, the risk of yet another rise in inflation should not be neglected. Likewise, the further economic consequences of the Ukraine war and the escalation in the Middle East are not foreseeable and therefore cannot be properly forecast. Assessing the effects on the markets relevant for Bertelsmann and the anticipated overall economic development therefore represents a challenge. In addition, further geopolitical crises, national deficits, currency turbulence, including the risk of a continued weakening US dollar, or the introduction of higher tariffs as a result of rising protectionist tendencies could interfere with economic performance. The resulting developments could also adversely affect the overall economic situation, which is a key factor influencing Bertelsmann's business performance. The following expectations are based on the assumption of a continued gradual recovery in the overall economic situation, and an assumption that most of the forecasted market developments and economic predictions of the research institutions will be realized.

For the 2026 financial year, Bertelsmann anticipates stable to slightly declining TV advertising markets, slightly growing book markets, and growing service, music, and education markets. The growth stimuli created through strategic portfolio expansions will continue to have a positive impact on Bertelsmann's growth profile.

In addition to the assumed market developments, the predicted economic developments in the geographic core markets of Western Europe and the United States are the basis of the expected business development. With revenue and earnings share within Western Europe currently expected at around two-thirds, the range of growth is above all based on the forecasted economic developments in this economic zone. As a result of the mid-2025 sale of RTL Nederland, its contribution to the first half of 2026 will no longer be included. Despite this effect, Bertelsmann expects a stable revenue performance and a stable operating EBITDA adjusted for the 2026 financial year, taking into account the prevailing economic outlook. These expectations are based on operational planning for the 2026 financial year and on the exchange rates calculated for 2026.

At present, the expected performance of any individual division of key significance for the Bertelsmann Group is not expected to deviate significantly from that of the Group.

Depending on how the economy develops, Bertelsmann does not currently anticipate interest rate changes to have any material impact on the average financing costs of medium- to long-term financing. The liquidity situation in the forecast period is expected to be sufficient.

These forecasts are based on Bertelsmann's business strategy, as outlined in the section "Corporate Profile." In general, the forecasts reflect careful consideration of risks and opportunities. All statements concerning potential future economic and business developments represent opinions established on the basis of the information that is currently available. Should underlying assumptions fail to apply and/or further risks arise, actual results may differ from those expected. Accordingly, no assurances can be provided concerning the accuracy of such statements.

Notes to the Financial Statements of Bertelsmann SE & Co. KGaA (in Accordance with HGB, German Commercial Code)

In addition to the Group reporting, the business development of Bertelsmann SE & Co. KGaA is outlined below. Bertelsmann SE & Co. KGaA is the parent company and group holding company of the Bertelsmann Group. As a group holding company, it exercises key corporate functions such as the definition and further development of group strategy, capital allocation, financing and management. There are also service functions for individual divisions within the Corporate Center. Furthermore, it is the controlling company of the tax group for most of the domestic subsidiaries. The position of Bertelsmann SE & Co. KGaA is essentially determined by the business success of the Bertelsmann Group.

The Annual Financial Statements of Bertelsmann SE & Co. KGaA, in contrast to the Consolidated Financial Statements, have not been prepared in accordance with the International Financial Reporting Standards (IFRS), but in accordance with the regulations of the German Commercial Code (HGB) and the supplementary regulations of the German Stock Corporation Act (AktG).

Results of Operations of Bertelsmann SE & Co. KGaA

Income Statement of Bertelsmann SE & Co. KGaA in Accordance with HGB

in € millions	2025	2024
Revenues	114	111
Other operating income	60	135
Cost of materials	(19)	(19)
Personnel costs	(114)	(115)
Amortization, depreciation and write-downs	(21)	(21)
Other operating expenses	(194)	(159)
Income from other participations	1,248	1,362
Interest income	42	(44)
Write-downs of long-term financial assets	–	(44)
Taxes on income	(30)	(14)
Earnings after taxes	1,086	1,192
Other taxes	(1)	(3)
Net income	1,085	1,189
Income brought forward	1,308	339
Transfer to other retained earnings	–	–
Net retained profits	2,393	1,528

The results of operations of Bertelsmann SE & Co. KGaA are significantly affected by the amount of income from other participations, due to Bertelsmann SE & Co. KGaA's role as the parent company of the Bertelsmann Group. The net income of €1,085 million (previous year: €1,189 million) is primarily attributable to the income from other participations.

The decrease in other operating income by €75 million is primarily attributable to a decrease of reversal of allowances for receivables to affiliated companies. The increase of €35 million in other operating expenses is largely attributable to the increase of loss allowances on receivables and the increase in losses from derivatives for managing exchange rate fluctuation risks of Bertelsmann Pension Trust e.V.

Income from other participations is primarily affected by the amount of income from profit and loss transfer agreements with Reinhard Mohn GmbH, Gütersloh, and Bertelsmann Capital Holding GmbH, Gütersloh as well as from dividend distributions from subsidiaries. The profit transfer received from Reinhard Mohn GmbH decreased by €848 million compared to the previous year, in particular due to a decrease in dividend distributions from subsidiaries. Conversely, the profit transfer from Bertelsmann Capital Holding GmbH increased by €329 million due to an increase in the profits transferred from subsidiaries. Dividend

distributions from subsidiaries increased primarily as a result of higher distributions from Bertelsmann Inc., Wilmington, North Carolina, in the amount of €460 million.

The increase in interest income is largely down to lower interest rates applied to the allocation accounts with subsidiaries.

The taxes on income for the 2025 financial year primarily relate to tax expenses for previous years. No tax expenses in connection with the global minimum tax (Pillar Two) were incurred in the reporting period.

Net Assets and Financial Position of Bertelsmann SE & Co. KGaA

Balance Sheet of Bertelsmann SE & Co. KGaA in Accordance with HGB (Summary)

in € millions	12/31/2025	12/31/2024
Assets		
Fixed assets		
Intangible assets	4	5
Tangible assets	330	339
Long-term financial assets	20,587	19,184
	20,921	19,528
Current assets		
Receivables and other assets	6,572	6,596
Securities	314	371
Cash-in-hand and bank balances	171	254
	7,057	7,221
Prepaid expenses and deferred charges	18	19
	27,996	26,768
Equity and liabilities		
Equity	11,908	11,043
Provisions	572	567
Liabilities	15,510	15,154
Deferred income	6	4
	27,996	26,768

The total assets of Bertelsmann SE & Co. KGaA rose €1,228 million from the previous year to €27,996 million. A high ratio of equity (43 percent) and long-term financial assets (74 percent) to total assets continues to characterize net assets and financial position.

Of the increase in long-term financial assets, €771 million relates to the contributions to Bertelsmann Capital Holding GmbH, Gütersloh, and in the amount of €596 million to loans granted to Bertelsmann Inc., Wilmington, North Carolina. The decrease in securities by €57 million and in cash-in-hand and bank balances by €83 million is due to a lower investments of cash funds that were deposited by subsidiaries with Bertelsmann SE & Co. KGaA and financing activities.

Equity increased by the net income for the reporting year of €1,085 million less the dividend of €220 million paid out for the 2024 financial year. Liabilities are primarily characterized by an increase in liabilities to affiliated companies of €1,045 million, which mainly results from the increased capital contributions to Bertelsmann Capital Holding GmbH. Conversely, the liabilities decreased by €1,423 million due to the repayment of bonds and obligations. In contrast, a new bond in the amount of €750 million was issued in the reporting year and led to an increase in liabilities.

Risks and Opportunities for Bertelsmann SE & Co. KGaA

As Bertelsmann SE & Co. KGaA is largely linked to the Bertelsmann Group companies, among other things through financing and guarantee commitments, as well as through direct and indirect investments in the subsidiaries, the situation of Bertelsmann SE & Co. KGaA in terms of risks and opportunities is primarily dependent on the risks and opportunities of the Bertelsmann Group. In this respect, the statements made by corporate management concerning the overall assessment of the risks and opportunities also constitute a summary of the risks and opportunities of Bertelsmann SE & Co. KGaA (see the section “Risks and Opportunities”).

Outlook for Bertelsmann SE & Co. KGaA

As the parent company of the Bertelsmann Group, Bertelsmann SE & Co. KGaA receives from its subsidiaries dividend distributions and income or expenses from profit and loss transfer agreements, as well as income from services provided to its subsidiaries. Consequently, the performance of Bertelsmann SE & Co. KGaA is primarily determined by the business performance of the Bertelsmann Group (see the section “Outlook”). Bertelsmann SE & Co. KGaA expects its results for the 2026 financial year to allow a dividend payment at the same level as the dividend for the reporting year.

Dependent Company Report (Statement in Accordance with Section 312 of the German Stock Corporation Act (AktG))

The Executive Board of Bertelsmann Management SE, as general partner of Bertelsmann SE & Co. KGaA, has submitted a voluntary report to the Supervisory Board of Bertelsmann SE & Co. KGaA in accordance with sections 278 (3) and 312 (1) of the German Stock Corporation Act, in which it outlines its relationships with affiliated companies for the 2025 financial year. The Executive Board hereby declares that Bertelsmann SE & Co. KGaA received adequate consideration in return for each and every legal transaction under the circumstances known at the time the transactions were undertaken.

Combined Group Sustainability Statement (Sustainability Report)

General Information

This section contains information on the general principles applied for the preparation of the Sustainability Report, information on governance and strategy, and information on the management of impacts, risks, and opportunities.

Basis for preparation

BP-1 General basis for preparation of the Sustainability Report

This section presents the combined Group Sustainability Statement of Bertelsmann SE & Co. KGaA (Sustainability Report). The Sustainability Report was prepared to comply with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as sections 315b and 315c of the German Commercial Code (HGB) with regard to a consolidated non-financial statement and sections 289b to 289e of the HGB with regard to a separate non-financial statement.

The Sustainability Report was prepared in accordance with the European Sustainability Reporting Standards (ESRS), which were voluntarily applied as a framework pursuant to section 289d of the HGB. Bertelsmann makes use of the reliefs relating to the transitional provisions (“phase-in”) introduced by the adopted Delegated Act amending ESRS Set 1 (Delegated Regulation (EU) 2023/2772), the so-called “quick fix.” Since all aspects described apply equally to Bertelsmann SE & Co. KGaA and the Group, a framework within the meaning of section 289d of the HGB was not applied separately to the parent company. Bertelsmann would like to draw attention to the general uncertainty, in particular with regard to the matter of interpretation concerning the use of ESRS as a framework for non-financial statements.

The Sustainability Report for the 2025 financial year was reviewed by the Supervisory Board of Bertelsmann SE & Co. KGaA and KPMG AG Wirtschaftsprüfungsgesellschaft on behalf of the Audit and Finance Committee with respect to the disclosures required under sections 315b and 315c in conjunction with sections 289b to 289e of the HGB for the purpose of obtaining limited assurance. It was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board (IAASB). The metrics in this Sustainability Report were not additionally audited by another external body.

The Sustainability Report was prepared on a consolidated basis in the same manner as the consolidated financial statements. The following information relates to Bertelsmann SE & Co. KGaA and the Bertelsmann Group (“Bertelsmann”) with its incorporated, fully consolidated Group companies (“Group companies”) in accordance with sections 315b and 315c of the HGB, in conjunction with sections 289b to 289e of the HGB. The reporting period covers the 2025 financial year (January 1, 2025, to December 31, 2025).

The Sustainability Report refers to Bertelsmann’s own divisions and selected value chains. The upstream and downstream stages of these value chains were considered in the double materiality assessment when determining the material impacts, risks, and opportunities. If there are policies, actions, and/or targets related to the upstream and downstream value chains in place at Bertelsmann, they are described in the appropriate sections of this Sustainability Report. Data from the upstream and downstream value chains are included for certain metrics in this Sustainability Report.

This includes metrics on Scope 3 greenhouse gas emissions related to, for example, purchased goods and services, or the upstream and downstream transportation of materials and products.

All the necessary information in accordance with BP-1 section 5(d) has been included in this Sustainability Report. The exceptions pursuant to BP-1 section 5 (e) were utilized to the extent they are applicable to Bertelsmann.

BP-2 Disclosures in relation to specific circumstances

Time horizons

This Sustainability Report uses the time horizons defined in ESRS 1 (short term: one year or less; medium term: one to five years; long term: more than five years).

Estimates and simplifications

For companies with fewer than 50 employees, whose business activities are not considered to be emission- and energy-intensive, greenhouse gas emissions, and energy consumption are calculated using estimation methods. Data on resource inflows are also estimated to a minor extent.

Indirect sources are used for Scope 3 greenhouse gas emissions (see section E1-6) related to the upstream and downstream value chain. Estimation methods and simplifications are also used to calculate the rate of recordable work-related accidents (see section S1-14), the remuneration metrics (see section S1-16), and payment practices (see section G1-6). The aforementioned disclosures are therefore subject to a higher degree of measurement uncertainty. Estimation methods and simplifications, including the source of the information used (e.g., third-party providers or sector averages), are referred to where applicable in a corresponding location in this Sustainability Report.

In individual cases, rounding may result in individual figures not adding up to the totals shown and percentages may not add up exactly to the figures shown.

Changes in preparation or presentation of sustainability information

Changes in the presentation of sustainability information as a result of revised estimates, changes in the calculation of metrics or targets, and corrections to prior-year information are explained in the relevant context at the appropriate locations in the topic-specific sections of this Sustainability Report. In 2025, this affects sections E1-4, E1-5, E1-6, and S1-17.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

In addition to the disclosure requirements of the CSRD and the associated ESRS, this Sustainability Report also covers the disclosure requirements of the EU Taxonomy Regulation. Further information is available in the EU Taxonomy section.

Incorporation by reference

Disclosure requirements included by reference to information outside this Sustainability Report are shown in the IRO-2 section in the table that provides an overview of the material disclosure requirements applicable to Bertelsmann.

Events after the reporting period

In February 2026, the Executive Board adopted the revised Bertelsmann 2030 Climate Target. Revalidation by the Science Based Targets initiative (SBTi) was completed in the same month. In the course of the revision and revalidation, the emissions included in the base year 2018 were updated with regard to portfolio changes, new calculation methods, and the exclusion of certain emission sources in Scope 3.1 and Scope 3.9. The revised reference value is 2,570,000 tons of CO₂ equivalents (CO₂e) (previously 2,500,000 CO₂e). All material parameters of the original Bertelsmann 2030 Climate Target (target year, base year, level of reduction of 50 percent, scope of emission sources included) remain unchanged. Offsetting of unavoidable Scope 1 and 2 emissions is to take place voluntarily from 2030 onwards by means of CO₂ offset certificates.

In addition, the second Bertelsmann Corporate Responsibility Program (2026–2028) and the Bertelsmann Policy Inclusion were also adopted by the Executive Board in February 2026. This had no impact on 2025 reporting.

Governance

GOV-1 The role of the administrative, management, and supervisory bodies

Bertelsmann SE & Co. KGaA is a capital market-oriented but unlisted partnership limited by shares.

Executive Board

The general partner, Bertelsmann Management SE, represented by its Executive Board, is responsible for independently managing the Group. Its duties consist of determining the corporate objectives, the strategic direction of the Group, corporate planning, management, financing, and the executive development. Sustainability is taken into account in the Group's management and decision-making processes.

The Executive Board is responsible for the sustainability performance of Bertelsmann and, among other things, approves the material sustainability topics subject to mandatory reporting for the Group as well as the principles, actions, and targets for addressing material impacts, risks, and opportunities. Responsibility for compliance rests with the Chairman of the Bertelsmann Executive Board, without prejudice to the overall responsibility of the Bertelsmann Executive Board and the management bodies of the Group companies. The Chief Human Resources Officer (CHRO) is responsible for topics related to employees and the environment. He is responsible for the Group's HR agenda and heads the committee responsible for the management and strategic further development of Corporate Responsibility (CR), the CR Council. The CR Council prepares Executive Board decisions. It also manages the further development of Group-wide sustainability topics that support corporate strategy, including the management of impacts, risks, and opportunities, sustainability reporting, and the cross-divisional coordination of sustainability activities. The Chief Financial Officer (CFO) has overall responsibility for external Group reporting and is responsible for Bertelsmann's financial and sustainability-related risk management and internal control system. The CHRO and CFO share joint responsibility for the preparation and further development of the legally mandatory sustainability reporting.

Supervisory Board

The Supervisory Board of Bertelsmann SE & Co. KGaA supervises the management of the business by the general partner and uses its extensive information and control rights for this purpose, including in relation to the sustainability of Bertelsmann. In addition, the Supervisory Board committees advise the Executive Board on strategic matters and significant transactions. The Executive Board and Supervisory Board work in close, trusting cooperation and are able to reconcile the demands of effective corporate governance with the need for rapid decision-making processes.

The Audit and Finance Committee assists the Supervisory Board in carrying out its monitoring tasks and in particular manages the accounting, accounting process, sustainability reporting process and effectiveness of the financial and sustainability-related risk monitoring and management system, the internal control system, and the internal audit system. In addition, the committee is responsible for making preparations for the Supervisory Board's audit of the Sustainability Report.

The appropriate size of the Supervisory Board committees as well as the experience and professional expertise of their members, who are drawn from a broad range of industries and areas of activity, are key factors in the effectiveness and independence of the work carried out by the Supervisory Board. With the exception of Supervisory Board members who are also members of the Mohn family (Dr. Brigitte Mohn, Christoph Mohn, Liz Mohn) and the employee representatives on the Supervisory Board (Günter Göbel, Theonitsa Gosh-Roy (Kalispera), Jens Maier, Ilka Stricker) including the representative of the Bertelsmann Management Representative Committee (Núria Cabutí), the Supervisory Board considers all other members of the Supervisory Board (Dominik Asam, Prof. Dr. Werner Bauer, Pablo Isla, Bernd Leukert, Gigi Levy-Weiss, Henrik Poulsen, Hans Dieter Pötsch, Bodo Uebber) to be independent as defined in the German Corporate Governance Code. Although Bertelsmann, as a media company, is free to determine its political direction as defined in the German “Works Constitutions Act” (Tendenzschutz) and therefore is not subject to statutory co-determination in the Supervisory Board, five employee representatives are currently appointed as members of the Supervisory Board on a voluntary basis. Accordingly, the Supervisory Board of Bertelsmann SE & Co. KGaA consists of 50 percent independent members and 31 percent employee representatives.

Diversity of the members of the administrative, management, and supervisory bodies

	Executive Board		Supervisory Board	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Number of executive members	5	5	0	0
Number of non-executive members	0	0	16	16
Share of women/men (in %)	0/100	0/100	31/69	31/69
Gender diversity (shown as ratio female/male)	0:5	0:5	5:11	5:11

The members of the Supervisory Board and Executive Board are listed in the section “Boards/Mandates” of this Annual Report.

The members of the Supervisory Board and the Executive Board in their entirety are familiar with the sectors, products, services, and geographical locations where Bertelsmann SE & Co. KGaA operates. Their competency profile also includes expertise on the sustainability topics that are most relevant to the Group.

GOV-2 Information provided to and sustainability topics addressed by the undertaking’s administrative, management, and supervisory bodies

All levels of the Group – from employees and managers to the Executive Board and Supervisory Board – are involved in sustainability topics that have material impacts, risks, and opportunities for the Group.

Under the leadership of the CHRO, managers from the divisions and the Corporate Center meet three to four times a year in the CR Council to further develop the CR strategy, which includes making progress on the management of material topics and sustainability reporting. The achievement of division-specific targets in relation to the Bertelsmann 2030 Climate Target is discussed as part of annual meetings held between the Executive Board and divisional heads. The Corporate Compliance Committee (CCC) submits an annual Compliance Report to the Bertelsmann Executive Board. In the event of serious compliance violations, an ad hoc report is also submitted to the Executive Board. In addition, the Executive Board is given information on specific sustainability topics as required.

Every year, the CHRO provides the Supervisory Board with comprehensive information on progress in the field of sustainability with respect to adopted principles, targets, actions, and metrics on material topics. Material topics in 2025 included:

- Planning of the new Bertelsmann Corporate Responsibility Program (2026–2028)
- Further integration of climate management into Group-wide processes

The Audit and Finance Committee receives regular updates on sustainability reporting by the CFO in the presence of the auditor of the financial statements and the auditor of the Sustainability Report. In addition, it is given information on specific reporting topics as required. Material topics in 2025 included:

- Implementation of the CSRD
- The audit of the Sustainability Report

At the recommendation of the Audit and Finance Committee and after discussion with the auditor of the financial statements and the auditor of the Sustainability Report, and following its own audit, the Supervisory Board approves the Annual and Consolidated Financial Statements and the Combined Management Report of Bertelsmann, including the Sustainability Report. A compliance report is also submitted by the CCC to the Audit and Finance Committee on an annual basis. In the event of serious compliance violations, an ad hoc report is submitted to the committee.

The Group's management, decision-making, and monitoring processes take the impacts, risks, and opportunities of material sustainability topics into account at various levels. One of the ways this is implemented is in the Group strategy, in which ESG is an enabler (see section SBM-1 "General Information"), and in the incentive schemes (see section GOV-3 "General Information"). Through a Group-wide binding control framework for the decentralized data collection processes for sustainability reporting and overarching controls at Group level, consideration is also given within the risk management and internal control system (see section GOV-5 "General Information").

GOV-3 Integration of sustainability-related performance in incentive schemes

Bertelsmann's remuneration system includes, among others, a short-term performance-based remuneration component, known as the STIP (Short-Term Incentive Plan). The STIP is evaluated on the basis of quantitative and qualitative targets, which are revised annually. As part of the qualitative targets, sustainability-related targets were set in the STIP for the management of the divisions, for which greenhouse gas emissions are significant in relation to Bertelsmann's 2030 Climate Target for reducing greenhouse gas emissions.

In the long-term remuneration component, known as the LTIP (Long-Term Incentive Plan), an ESG criterion was implemented in 2025 at Group level. This is defined as a reduction in carbon emissions (Scope 1 and 2 market-based as a subset of Bertelsmann's 2030 Climate Target as presented in section E1-4) in 2027 compared to the initial year 2024, and is determined in accordance with ESRS standards and the GHG Protocol. The calculation is based on Group-wide fuel consumption, process energy, purchased electricity, and purchased heat as well as fugitive emission sources. The ESG criterion accounts for 20 percent of the total value of the LTIP. In addition, the ESG criterion is used as a metric in the LTIP 2025–2027 at Group level for the following groups of people: Bertelsmann Executive Board, main department heads at the Corporate Center as well as employee levels below the aforementioned level and defined on the basis of a grading methodology.

The assessment, approval, and redefinition of the targets for the STIP and LTIP are carried out by the overarching decision-making authority. This is the Supervisory Board for the Executive Board and the respective Nomination and Compensation Committees for the divisions.

GOV-4 Statement on sustainability-related due diligence

The following table shows where information on the core elements of due diligence can be found in the Sustainability Report.

Core elements of sustainability-related due diligence

Core elements of sustainability-related due diligence	Section in the Sustainability Report
Embedding due diligence in governance, strategy, and business model	GOV-1 (General Information) GOV-1 – G1 GOV-2 (General Information) GOV-3 (General Information) GOV-3 – E1 SBM-1 (General Information) SBM-3 (General Information) SBM-3 – E1 SBM-3 – E3 SBM-3 – E4 SBM-3 – E5 SBM-3 – S1 SBM-3 – S2 SBM-3 – S4 SBM-3 – G1 Entity-Specific Information
Engaging with affected stakeholders in all key steps of due diligence	GOV-2 (General Information) SBM-2 (General Information) IRO-1 (General Information) S1-2 S2-2 S4-2 G1-1 Entity-Specific Information
Identifying and assessing adverse impacts	IRO-1 (General Information) IRO-1 – E1 IRO-1 – E3 IRO-1 – E4 IRO-1 – E5 IRO-1 – G1 SBM-1 (General Information) SBM-3 – E1 SBM-3 – E3 SBM-3 – E4 SBM-3 – E5 SBM-3 – S1 SBM-3 – S2 SBM-3 – S4 SBM-3 – G1 Entity-Specific Information
Taking actions to address those adverse impacts	E1-1 E1-3 E3-2 E4-1 E4-3 E5-2 S1-3 S1-4 S2-3 S2-4 S4-3 S4-4 Entity-Specific Information
Tracking the effectiveness of these efforts and communicating	E1-3 E1-4 E3-2 E3-3 E4-3 E4-4 E5-2

Tracking the effectiveness of these efforts and communicating	E5-3
	S1-4
	S1-5
	S2-4
	S2-5
	S4-4
	S4-5
	MDR-T – G1
	Entity-Specific Information

GOV-5 Risk management and internal controls over sustainability reporting

Sustainability-related risk assessments are undertaken as part of the double materiality assessment with the involvement of various stakeholders. The approach to risk assessment applied, including the risk prioritization method, is presented in section IRO-1 “General Information.” Identified impacts, risks, and opportunities are outlined at the beginning of each topic and entity-specific section in this Sustainability Report. Bertelsmann addresses its material impacts, risks, and opportunities through various policies, actions, and targets. These are described in the sections below the tables that present the impacts, risks, and opportunities. Available information from the risk management process was used to identify ESG risks as part of the double materiality assessment. In the medium term, Bertelsmann plans to interlink the materiality assessment and risk management processes more closely.

Bertelsmann also carried out a climate risk analysis in 2024, the methodology and results of which are described in detail in section IRO-1 of chapter E1. The results of the climate risk analysis were taken into account in the double materiality assessment.

Risks connected with sustainability reporting include the accuracy of the information and the completeness of reporting. A new minimum control framework has been defined for material data points to ensure that the information disclosed in the Sustainability Report is accurate and complete. Controls from the accounting-related internal control system for financial reporting that were already in place have been revised and, where appropriate, used for the new minimum control framework. New controls tailored to sustainability reporting have also been developed. A Group-wide mandatory control framework governing decentralized data collection processes for sustainability reporting is designed to ensure that the internal control system is set up in a standardized manner at the level of local fully consolidated Group companies. In 2025, the focus was on improving the quality of local checks. The binding Group-wide control framework helped to consolidate and further develop the standardized structure of the internal control system at the level of the fully consolidated Group companies.

A number of overarching controls for sustainability reporting are also in place at the Group level. Experts from Corporate Responsibility, Human Resources, and Integrity & Compliance are responsible for the implementation of these controls and quality assurance on the topics of environmental, social, and governance, respectively, in close coordination with decentralized contact persons. The system is subject to ongoing development through a documented change process. As part of this process, all participants involved share information to identify shortcomings and initiate targeted improvement measures. In addition, an annual self-assessment is conducted to review the quality of the internal control systems in place at material fully consolidated Group companies. The findings are discussed at the divisional level. Risks from sustainability reporting are incorporated into the regular reporting to the Executive Board and Supervisory Board through the risk management and internal control system. The internal control system associated with sustainability reporting cannot guarantee with absolute certainty that material misinformation can be prevented or identified.

Corporate Audit and the internal auditing departments of Group companies evaluate the processes for sustainability reporting on the basis of risk as part of their auditing work. As part of the auditing process, the Group auditor also reports to the Audit and Finance Committee of the Bertelsmann SE & Co. KGaA Supervisory Board about any material weaknesses of the internal control system that were identified during the audit.

Strategy

SBM-1 Strategy, business model, and value chain

Business model

Bertelsmann is a global company that operates in the core business fields of media, services, and education in around 50 countries worldwide with 76,965 employees. The total number of employees by country is presented in section S1-6. Its geographic core markets are Western Europe – in particular, Germany, France, and the United Kingdom – and the United States. In addition, Bertelsmann is active in countries including Brazil, India, and China. Please consult the section “Corporate Profile” in the Combined Management Report to learn more about the various divisions. A breakdown of the total revenues reported in the financial statements under the relevant ESRS sectors is presented in the section “Segment Information” of the Notes to the Consolidated Financial Statements.

The overarching goal of Bertelsmann is to increase the Group’s value over the long term. A number of resources are employed as input factors to achieve this goal. The main resources include a skilled, motivated, and diverse workforce, financial capital, the use of information and other technology, business relationships, and the responsible use of materials and natural resources used in the production of Bertelsmann products and services. Results achieved by the use of these resources – outputs – include high-quality media and educational offerings as well as innovative service solutions, satisfied employees, customers and suppliers in addition to the sustainable creation of a brand value and brand image for the Group and its divisions. Building on the Bertelsmann Essentials, which encompass the corporate values of creativity and entrepreneurship, as well as other Group-wide rules and regulations, Bertelsmann takes responsibility for its employees, for society and for the environment with the goal of making a positive difference. The success of Bertelsmann’s business models is also supported through various cross-divisional platforms (e.g., the “Bertelsmann Collaboration Platform”) and working groups (e.g., the “Freedom of the Press Working Group”), which promote ongoing collaboration and knowledge sharing between divisions and consequently drive innovation.

Value chain

Bertelsmann’s business activities can be defined by three overarching value chains: Content creation and marketing, services, and venture capital activities. All three value chains are based on the aforementioned input factors and outputs.

Bertelsmann’s business activities in the field of content creation and marketing, include researching and producing new content, and aggregating and modifying existing and externally purchased content and licenses. This includes the TV segments, motion picture production as well as the book, music, marketing, and education segments. The generated, aggregated and modified content is converted into various formats such as videos, online texts, online learning formats, e-books, audio books, digital music streams, print books, and brochures. Once ready for market, the content products are marketed and distributed through physical and digital channels to distributors such as telecommunications companies and commercial enterprises, and to end users such as media users, students, and professionals. As media segments in particular thrive on the diversity of the content they produce and distribute, their success relies on creative talent. The business models employed in the education segment are primarily based on the combined use of highly qualified employees and innovative technology. In the printing segment, Bertelsmann processes paper and ink, among other things, from its suppliers to produce media and advertising products for its respective customers. Printing presses are externally acquired and used for this purpose.

In terms of logistics, financial and IT services, and mobile gaming marketing Bertelsmann's business activities consist of developing innovative services, modifying purchased solutions to meet industry or customer requirements, marketing and selling its own services, implementing them within customers' companies, and providing support during the contractual term. World-renowned companies from an array of different sectors – telecommunications providers and utility companies, banks and insurance companies, e-commerce, IT and internet providers – are customers of Bertelsmann's portfolio of services. These services are offered not only to Bertelsmann's customers but also to end users of these customers, otherwise known as business-to-business-to-consumer (B2B2C) services. The service business relies in particular on the expertise of highly-qualified employees, technology, and the use of natural resources in the form of energy and materials. Hardware and standard software are purchased from external suppliers, while software for specific applications is also developed in-house.

Venture capital activities consist of identifying and investing in start-ups with upside potential, advising these start-ups on scaling up their business activities, and then increasing or selling the holding.

Sustainability goals and anchoring in the corporate strategy

The Bertelsmann boards are obliged to secure the continuity and independence of the Group and to enhance the enterprise value in the long term through responsible corporate management. Bertelsmann has set itself an ambitious climate target: The Group's greenhouse gas emissions accounted for in the 2018 base year are to be reduced by 50 percent by 2030. The three major action areas are employees, sites, and products. Separate targets for Bertelsmann's divisions have been defined and corresponding actions derived on the basis of the Group's target. Furthermore, the Group's target has not been broken down into groups of products and services, customer categories or geographic areas. See sections E1-1 and E1-4 for more information on the Bertelsmann 2030 Climate Target.

Bertelsmann's strategic focus remains on a profitable growth in a digital, international, and diversified Group portfolio. In addition, ESG is an enabler for the corporate strategy – in addition to People, Tech & Data, and Communication – and supports the implementation of the Group strategy (see section "Strategy" in the Combined Management Report). ESG is incorporated in investment decisions, risk management (see section GOV-5 "General Information"), and incentive systems (see section GOV-3 "General Information"), and codified and integrated in Executive Board guidelines and policies in order to promote sustainable value creation. In 2025, the second Bertelsmann Corporate Responsibility Program (2026–2028) was developed in Group-wide, topic-specific working groups in collaboration with representatives from all divisions. The program was approved by the Executive Board in February 2026 and is scheduled to be rolled out by the end of 2028.

SBM-2 Interests and views of stakeholders

Bertelsmann comes into contact with a wide range of internal and external stakeholders. On the one hand, the Group maintains a dialogue with stakeholders who influence its sustainability performance or the corresponding regulatory framework. On the other hand, Bertelsmann is in contact with stakeholders affected by its economic, social or environmental impacts. Guided by a corporate culture based on participation and partnership, Bertelsmann's ongoing dialogue with its stakeholders contributes to a better understanding of their concerns and expectations. At the same time, it promotes the aim of aligning its own sustainability efforts with the interests of its stakeholders.

The following table shows how Bertelsmann engages with its key stakeholders, the purpose behind the engagement, the topics that are important to the relevant stakeholder and examples of the results achieved.

Stakeholder engagement

Stakeholder	Type of engagement	Purposes of engagement	Key topics	Examples of results
Employees and their representatives	Bertelsmann employee survey	Ongoing engagement of employees and their representatives in the Group's decision-making processes on material employee-related topics	Working conditions	Improving topic-specific indices (e.g., on creativity, entrepreneurship)
	Personnel appraisals (e.g., performance and development dialogue, target agreement, team talk)		Equal treatment and opportunities for all	Corporate culture based on participation and partnership
	Employee networks and topic-specific working groups		Other work-related rights	Determining material sustainability topics for Bertelsmann
	Employee representatives (e.g., on the Supervisory Board)		Environmental topics (e.g., climate change mitigation and resource consumption)	
	Materiality assessment			
	Speak-up channels			
Consumers and end users	Customer service	Better understanding of the needs and expectations of consumers and end users	Information-related impacts	Improving and further developing the products and services offered
	Feedback options		Personal safety	
	Provision of information on the website		Social inclusion	Strengthening customer loyalty
Business partners	Review of business partners	Compliance with the Bertelsmann Supplier Code of Conduct	Working conditions	Minimizing risks and putting an end to violations
	Analyzing human rights and environmental risks	Protection of human and labor rights of workers in the value chain	Equal treatment and equal opportunities	Setting measures based on the results of the risk analysis and the complaints in the whistleblower system
	Speak-up channels		Other work-related rights	
	Provision of information on the website		Environmental topics (e.g., climate change mitigation and resource consumption)	Strengthening relations with business partners
Financial market participants (banks, investors, analysts, rating agencies)	Mandatory and voluntary financial market publications	Compliance with capital market obligations	Financial figures	Strengthening long-term trust
		Provision of information useful for decision-making	Sustainability performance	Securing access to the capital market
		Coverage of information requirements		
		Transparency toward the capital market		
Political decision makers	Political dialogue formats and forums	Provision of information on Bertelsmann business models	Respect for and protection of intellectual property, warranting the eligibility of associated investments for refinancing	Positions on political/regulatory proposals (see entries in the European Union Transparency Register and the German Bundestag Lobbying Register)
	Preparing and communicating positions, facts, and further information	Raising awareness of the impacts of political/regulatory decisions on the Group	Media freedom and independence	
		Compliance with regulatory requirements	Preserving cultural and journalistic diversity	
			Fair regulation of Tech & Data, warranting uniform framework conditions	

Media	Social media posts	Coverage of information requirements	Current developments in Bertelsmann's businesses, including personnel details, financial figures, and sustainability performance	Positive public perception of Bertelsmann
	Press releases	Ensuring transparency toward the public		
	Press offices and service centers			
	Press briefings as part of financial communications			
Provision of information on the website				
Non-profit organizations	Memberships in non-profit organizations with a sustainability focus (e.g., Responsible Media Forum, PROUT AT WORK Foundation, DIMPACT)	Support for sustainability-related projects	LGBTQIA+ topics	Greater awareness within the Group of topics relevant to society
	Organizing joint exchange formats	Raising awareness and actively contributing to addressing material impacts, risks, and opportunities	Content responsibility	
			Environmental topics (e.g., climate change mitigation and resource consumption)	

The concerns and expectations of the listed stakeholders are incorporated into due diligence processes and Bertelsmann's materiality assessment (see section IRO-1 "General information") and the Group's associated management and decision-making processes. They are discussed at the meetings of the CR Council in relation to material sustainability topics. In addition, the Executive Board is given information on the concerns and expectations of relevant stakeholders as required by the respective experts in the company.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The material topics determined as part of the double materiality assessment are shown in the table below. A detailed description of the associated impacts, risks, and opportunities, including their characterization, localization, and time horizons, is provided at the beginning of each topic and entity-specific section of this Sustainability Report.

Material impacts, risks, and opportunities

Category	ESRS	Topic	Sub-topic	Sub-sub-topic	Material	
Environmental	E1	Climate change	Climate change mitigation		I	
			Energy		I	
	E3	Water and marine resources	Water	Water discharge	I (only in VC)	
				Water withdrawal	I (only in VC)	
	E4	Biodiversity and ecosystems	Impacts on the extent and condition of ecosystems	Land degradation	I (only in VC)	
E5	Resource use and circular economy	Resource inflows		I		
Social	S1	Own workforce	Working conditions	Secure employment	I, R	
				Working time	I, R	
				Adequate wages	R	
				Social dialogue	I, R	
				Freedom of association	I, R	
				Collective bargaining	I	
				Work-life balance	I	
				Health and safety	R	
				Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	I, R, O
				Training and skills development	I, R, O	
	Measures against violence and harassment	R				
	S2	Workers in the value chain	Working conditions	Other work-related rights	I, R, O	
				Child and forced labor	I	
Equal treatment and opportunities for all				I		
		Other work-related rights	I			

Social	S4	Consumers and end users	Information-related impacts	I, R
			Personal safety	I, R
			Social inclusion	I, R
Governance	G1	Business conduct	Corporate culture	I, R
			Protection of whistleblowers	R
			Political engagement and lobbying activities	I, R
			Management of relationships with suppliers including payment practices	R
			Corruption and bribery	R
			Content responsibility	I, R
Entity-Specific			Creative/journalistic independence & freedom of expression	I
			(Digital) media literacy	I
			Artificial intelligence	I, R
			Handling of data	R
			Intellectual property	I, R, O

I = impact, R = risk, O = opportunity, VC = value chain

Beyond identifying, assessing, and prioritizing the impacts, risks, and opportunities of its material sustainability topics, Bertelsmann did not carry out a resilience analysis in accordance with ESRS. Group-wide work programs were developed for selected material topics as part of the Bertelsmann Corporate Responsibility Program (2026–2028), which were approved by the Group Executive Board in February 2026.

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities

Material impacts, risks, and opportunities were identified and assessed in a documented process in accordance with the double materiality principle. The double materiality assessment was prepared by a project team consisting of employees from the Corporate Responsibility and Corporate Financial Reporting & Accounting departments with the involvement of other managers and experts from the divisions and central departments of the Corporate Center. Against the backdrop of the application of the double materiality principle, the former process used to determine material sustainability topics subject to reporting was last revised in 2024. The new process can be broken down into four steps.

Understanding the business context

Bertelsmann analyzed its corporate portfolio, encompassing its business activities, sites, resources, business relationships, products, and services across its value chain, including upstream and downstream value creation levels. Material stakeholders were identified, their roles in the valuation process defined, and potentially material sustainability matters mapped.

Key assumptions: Certain internal stakeholders were included in the double materiality assessment in order to represent the interests of relevant external stakeholders. They were selected on the basis of criteria such as their role in the Group, their expertise on certain topics, and their relationship with the stakeholder they were representing. For example, the expectations of the financial market were accounted for with the involvement of the Investor Relations department and nature as a silent stakeholder through the involvement of the Corporate Responsibility department.

Identifying material topics and related impacts, risks, and opportunities

A list of potential material topics was prepared on the basis of the sector-agnostic sustainability topics defined in ESRS 1 section AR 16. They served as a starting point for the analysis and were supplemented by sector-specific sustainability topics as stated by e.g., from the Sustainability Accounting Standards Board or the Responsible Media Forum. In addition, other topics from previously conducted materiality assessments, the existing voluntary sustainability reporting (e.g., the Global Reporting Initiative, the UN Global Compact), ESG ratings (e.g., EcoVadis, MSCI, Sustainalytics), and other internal regulations (e.g., the Bertelsmann Supplier Code of Conduct, the Bertelsmann Code of Conduct) were taken into account. The sustainability topics were then grouped and the value chain was initially mapped using a heat map in order to identify areas of particular relevance in the Group's own operations and in upstream or downstream business activities.

Potential and actual positive and negative impacts, risks, and opportunities were determined for each sustainability topic based on interviews and online research. A total of around 50 managers, experts, and employee representatives from the divisions and from Corporate Center were involved in the process. The impacts, risks, and opportunities were categorized according to their time horizons (short term: one year or less; medium term: one to five years; long term: more than five years).

Assessment

Using a qualitative scoring approach graded from 1 (lowest) to 5 (highest), the impacts were assessed in terms of their severity, expressed in terms of their scale, scope, and irremediability, as well as their likelihood (depending on their classification as positive/negative and actual/potential). Risks and opportunities were assessed using an analogous scale according to their potential financial extent and probability of occurrence. The assessment was conducted by the project team based on the interviews and online research that were carried out and taking into account existing data (e.g., from the existing risk inventory). The correlations between impacts, risks, and opportunities and their dependencies were considered and qualitatively evaluated by the project team as part of the assessment project.

Key assumptions: Impacts, risks, and opportunities were assessed at different levels of aggregation, depending on the availability of information (e.g., sub-sub-topic levels for own workforce and sub-topic levels for workers in the value chain). In the case of a potential negative human rights impact, the severity of the impact took precedence over its likelihood. Sustainability topics were considered material if at least one impact, risk, or opportunity was equal to or greater than the elected threshold of 4, either from the perspective of impact or financial materiality, or from both perspectives. Immaterial sustainability topics refer to those for which no impacts, risks, or opportunities were identified and/or for which all impacts, risks, or opportunities were below this threshold.

Completion and validation

Both the Executive Board and the Audit and Finance Committee of the Supervisory Board were involved in the double materiality assessment process and were regularly briefed and consulted on material adjustments. Once the assessment was complete, the results were consolidated and key disclosure requirements and metrics for reporting were derived qualitatively based on the "Significance of the information" and "Usefulness for users' decision-making." Following a review by the CR Council, the results were noted and validated by the Executive Board.

The double materiality assessment was based on existing due diligence processes, such as the climate risk analysis that was carried out for the first time in 2024, and data from the risk inventory. Available information from the risk management process was used to identify ESG risks as part of the double materiality assessment. In the medium term, Bertelsmann plans to interlink the materiality assessment and risk management processes more closely. Please refer to section GOV-5 “General Information” for more information on risk management.

Specific factors that may increase the risk of negative impacts for certain business models were taken into account through the separate involvement of all divisions. These factors include, for example, dependence on certain resources (e.g., wood products used in papermaking) that are significant to parts of Bertelsmann's businesses. Through the initial mapping of the value chain in the form of a heat map as well as follow-up interviews and online research, the process expressly incorporated the impacts in which Bertelsmann participates through its own business activities or business relationships.

Critical steps in the double materiality assessment process included, in particular, identifying suitable internal representatives from material external stakeholders, identifying the impacts, risks, and opportunities, and the final assessment. The process of the double materiality assessment and the identified impacts, risks, and opportunities were also comprehensively documented. In the future, Bertelsmann plans to conduct the double materiality assessment at regular intervals. Material topics are reviewed on an annual basis to account for changes in the Group's portfolio (e.g., acquisitions, disinvestments) or in its business relationships. In this context, the assessment of the material impacts, risks, and opportunities in sections E1, E3, E4, S1, S2, G1, and UN-1 to UN-6 was revised slightly in 2025.

IRO-2 Disclosure requirements in ESRS covered by the undertaking's Sustainability Report

The following table lists all disclosure requirements included in the Sustainability Report based on the results of the double materiality assessment.

Overview of material disclosure requirements for Bertelsmann

Category	ESRS	Section	Disclosure requirement	References outside of the Sustainability Report
General	General information (ESRS 2)	BP-1	General basis for preparation of the Sustainability Report	
		BP-2	Disclosures in relation to specific circumstances	
		GOV-1	The role of the administrative, management, and supervisory bodies	
		GOV-2	Information provided to and sustainability topics addressed by the undertaking's administrative, management, and supervisory bodies	
		GOV-3	Integration of sustainability-related performance in incentive schemes	
		GOV-4	Statement on sustainability-related due diligence	
		GOV-5	Risk management and internal controls over sustainability reporting	
		SBM-1	Strategy, business model, and value chain	Management Report and Notes to the Consolidated Financial Statements, “Corporate Profile” section regarding ESRS 2.40 (a) i., “Segment Information” regarding ESRS 2.40 (b), and “Strategy” regarding ESRS 2.40 (g)
		SBM-2	Interests and views of stakeholders	
		SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	
		IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	
		IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Report	

Environment	Climate change (ESRS E1)	GOV-3	Integration of sustainability-related performance in incentive schemes	
		SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	
		IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	
		E1-1	Transition plan for climate change mitigation	
		E1-2	Policies related to climate change mitigation and adaptation	
		E1-3	Actions and resources in relation to climate change mitigation and adaptation	
		E1-4	Targets related to climate change mitigation and adaptation	
		E1-5	Energy consumption and mix	
		E1-6	Gross greenhouse gas emissions (GHG) for scope 1, 2, and 3 categories and total GHG emissions	
		E1-7	GHG removals and GHG mitigation projects financed through carbon credits	
		E1-8	Internal carbon pricing	
	Water and marine resources (ESRS E3)	SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	
		IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks, and opportunities	
		E3-1	Policies related to water and marine resources	
		E3-2	Actions and resources related to water and marine resources	
		E3-3	Targets related to water and marine resources	
	Biodiversity and ecosystems (ESRS E4)	SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	
		IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities	
		E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	
		E4-2	Policies related to biodiversity and ecosystems	
		E4-3	Actions and resources related to biodiversity and ecosystems	
		E4-4	Targets related to biodiversity and ecosystems	
	Resource use and circular economy (ESRS E5)	SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	
		IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities	
		E5-1	Policies related to resource use and circular economy	
		E5-2	Actions and resources in relation to resource use and circular economy	
		E5-3	Targets related to resource use and circular economy	
			E5-4	Resource inflows
		EU Taxonomy		EU Taxonomy disclosures in terms of eligibility and alignment
	Social	Own workforce (ESRS S1)	SBM-2	Interests and views of stakeholders
			SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model
			S1-1	Policies related to own workforce
			S1-2	Processes for engaging with own workers and workers' representatives about material impacts, risks, and opportunities
S1-3			Processes to remediate negative impacts and channels for workers to raise concerns	
S1-4			Taking action on material impacts, risks, and opportunities and effectiveness of those actions	
S1-5			Targets related to managing material impacts, risks, and opportunities	
S1-6			Characteristics of the undertaking's employees	
S1-8			Collective bargaining coverage and social dialogue	
S1-9			Diversity	
S1-10			Adequate wages	
S1-14			Health and safety	
S1-16			Equal pay for equal work (pay gap and total compensation)	
S1-17			Incidents, complaints, and severe human rights impacts	

Social	Workers in the value chain (ESRS S2)	SBM-2	Interests and views of stakeholders
		SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model
		S2-1	Policies related to value chain workers
		S2-2	Processes for engaging with value chain workers about impacts, risks, and opportunities
		S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns
		S2-4	Taking action on material impacts, risks, and opportunities and effectiveness of those actions
		S2-5	Targets related to managing material impacts, risks, and opportunities
		Consumers and end users (ESRS S4)	SBM-2
	SBM-3		Material impacts, risks, and opportunities and their interaction with strategy and business model
	S4-1		Policies related to consumers and end users
	S4-2		Processes for engaging with consumers and end users about impacts, risks, and opportunities
	S4-3		Processes to remediate negative impacts and channels for consumers and end users to raise concerns
	S4-4		Taking action on material impacts, risks, and opportunities and effectiveness of those actions
	Governance	Business conduct (ESRS G1)	GOV-1
SBM-3			Material impacts, risks, and opportunities and their interaction with strategy and business model
IRO-1			Description of the processes to identify and assess material impacts, risks, and opportunities related to corporate governance
G1-1			Policies related to corporate governance
G1-2			Management of relationships with suppliers
G1-3			Prevention and detection of corruption and bribery
MDR-T			Requirements for targets
G1-4			Confirmed incidents of corruption or bribery
G1-5			Political influence and lobbying activities
G1-6			Payment practices
Entity-Specific		UN-1	Content responsibility
		UN-2	Creative/journalistic independence & freedom of expression
		UN-3	(Digital) media literacy
		UN-4	Artificial intelligence
		UN-5	Handling of data
		UN-6	Intellectual property

The following table lists all ESRS data points derived from other EU legislation (ESRS 2 Appendix B). It indicates where the corresponding data points can be found in the Sustainability Report and which data points have been classified as “material,” “only material in the value chain,” and “not material” (in terms of the double materiality assessment and fulfilment of the disclosure requirements/applicability at Bertelsmann).

Overview of ESRS data points from other EU legislation

Section	Data point	Sustainability disclosures Appendix B	SFDR reference ¹	Pillar 3 reference ²	Benchmarks Regulation reference ³	EU Climate Law reference ⁴	Material
ESRS 2 GOV-1	21 (d)	Gender diversity in administrative, management, and supervisory bodies	X		X		Yes
ESRS 2 GOV-1	21 (e)	Percentage of independent board members			X		Yes
ESRS 2 GOV-4	30	Statement on sustainability-related due diligence	X				Yes
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel	X	X	X		No
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	X		X		No
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to disputed weapons	X		X		No
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			X		No
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				X	No
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned EU benchmarks		X	X		No
ESRS E1-4	34	GHG emissions reduction targets	X	X	X		Yes
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	X				Yes
ESRS E1-5	37	Energy consumption and mix	X				Yes
ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	X				Yes
ESRS E1-6	44	Gross Scopes 1, 2, 3, and Total GHG emissions	X	X	X		Yes
ESRS E1-6	53–55	Greenhouse gas intensity	X	X	X		Yes
ESRS E1-7	56	GHG removals and GHG mitigation projects financed through carbon credits				X	Yes
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			X		Phase-in ⁵
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; location of significant assets at material physical risk		X			Phase-in ⁵
ESRS E1-9	67 (c)	Breakdowns of the carrying amount of properties by classes of energy efficiency		X			Phase-in ⁵
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			X		Phase-in ⁵
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil	X				No
ESRS E3-1	9	Concepts related to water and marine resources	X				Only in VC ⁶
ESRS E3-1	13	Special concept for the undertaking's sites in an area of high water stress	X				No
ESRS E3-1	14	Concepts for sustainable oceans and seas	X				No
ESRS E3-4	28 (c)	Total water recycled and reused	X				No
ESRS E3-4	29	Total water consumption in m ³ per net revenue from own operations	X				No
ESRS 2 SBM-3 – E4	16 (a) i	List of sites with disclosure of the activities that negatively affect biodiversity sensitive areas	X				No

ESRS 2 SBM-3 – E4	16 (b)	Material negative impacts with regard to land degradation, desertification, or soil sealing	X				Only in VC ⁶
ESRS 2 SBM-3 – E4	16 (c)	Activities affecting threatened species	X				No
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	X				Only in VC ⁶
ESRS E4-2	24 (c)	Sustainable processes or policies in the oceans/seas sector	X				No
ESRS E4-2	24 (d)	Policies to combating deforestation	X				Only in VC ⁶
ESRS E5-5	37 (d)	Non-recycled waste	X				No
ESRS E5-5	39	Hazardous waste and radioactive waste	X				No
ESRS 2 SBM3 – S1	14 (f)	Risk of forced labor	X				No
ESRS 2 SBM3 – S1	14 (g)	Risk of child labor	X				No
ESRS S1-1	20	Human rights policy commitments	X				Yes
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			X		Yes
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	X				Yes
ESRS S1-1	23	Workplace accident prevention policy or management system	X				Yes
ESRS S1-3	32 (c)	Handling of complaints	X				Yes
ESRS S1-14	88 (b); 88 (c)	Number of fatalities and number and rate of work-related accidents	X		X		Yes
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities, or illness	X				Phase-in ⁵
ESRS S1-16	97 (a)	Unadjusted gender pay gap	X		X		Yes
ESRS S1-16	97 (b)	Excessive CEO pay ratio	X				Yes
ESRS S1-17	103 (a)	Incidents of discrimination	X				Yes
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		No
ESRS 2 SBM3 – S2	11 (b)	Significant risk of child labor or forced labor in the value chain	X				Yes
ESRS S2-1	17	Human rights policy commitments	X				Yes
ESRS S2-1	18	Policies related to value chain workers	X				Yes
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		No
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			X		Yes
ESRS S2-4	36	Human rights issues and incidents connected to the upstream and downstream value chain	X				Yes
ESRS S3-1	16	Human rights policy commitments	X				No
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		No
ESRS S3-4	36	Human rights issues and incidents	X				No
ESRS S4-1	16	Policies related to consumers and end users	X				Yes
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		No
ESRS S4-4	35	Human rights issues and incidents	X				No

ESRS G1-1	10 (b)	United Nations Convention against Corruption	X			Yes
ESRS G1-1	10 (d)	Protection of whistleblowers	X			Yes
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	X		X	No
ESRS G1-4	24 (b)	Standards on anti-corruption and anti-bribery matters	X			Yes

1 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation).

2 Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR").

3 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

4 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law").

5 Material data points not yet reported on in 2025 ("phase-in").

6 For topics that are only material in the value chain (VC), no reporting takes place on quantitative data points that relate to the undertaking's own business activities.

Environmental Information

With its various business models, Bertelsmann interacts with the environment in a number of ways. The Group therefore views environmental protection as an integral part of its corporate responsibility. Bertelsmann has been pursuing a Group-wide environmental policy since 2004 and has been collecting Group-wide environmental metrics, especially on paper, energy, and greenhouse gas emissions, since 2008. These metrics demonstrate the development of Bertelsmann's environmental impacts at different levels of the Group, supporting the assessment of risks and opportunities and reporting to business partners. In addition, they also serve as a basis of information for the Executive Board and the Supervisory Board as well as external ESG ratings.

E1 Climate change

Bertelsmann sees a significant need for action toward doing business more sustainably due to climate change. As stipulated in the Bertelsmann Policy Environment, the Group supports the target of the international community to limit global warming to well below 2 degrees Celsius. Against this backdrop, Bertelsmann is committed to sustainable procurement and production, as well as to the responsible and efficient use of energy. Bertelsmann regards digitalization as an opportunity to avoid and reduce greenhouse gas emissions in its value chains.

GOV-3 Integration of sustainability-related performance in incentive schemes

Bertelsmann's remuneration system includes a short-term performance-based remuneration component, known as the STIP (Short-Term Incentive Plan), and a long-term remuneration component, known as the LTIP (Long-Term Incentive Plan). Further information on the incorporation of the Bertelsmann 2030 Climate Target in incentive schemes can be found in section GOV-3 "General Information."

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities ("IROs") related to climate change that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, actions, and the 2030 Climate Target. They are discussed in more detail in sections E1-1 to E1-4.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Climate change mitigation		Bertelsmann contributes to climate change with its Scope 1 and 2 emissions. Proportionally, the majority of direct emissions are generated in the printing plants operated by Bertelsmann Marketing Services. Scope 1 and 2 emissions are decreasing due to the decline in printing activities. Bertelsmann is also taking various actions to reduce Scope 1 and 2 emissions, such as expanding renewable energies, increasing energy efficiency, and switching to a climate-friendly vehicle fleet.	Impact Negative Actual and potential	Own operations	Short, medium, and long term
		Bertelsmann contributes to climate change with its Scope 3 emissions. The purchase of materials and services, including in particular paper, printing materials, packaging, external services, and the production of film and TV content, make the largest contribution to Scope 3 emissions.	Impact Negative Actual and potential	Upstream value chain	Short, medium, and long term

Energy	The level of energy consumption of Bertelsmann's own business activities is particularly attributable to its printing companies as well as its owned and leased logistics facilities, production studios for television and film content, data centers, and offices. The use of fossil fuels leads to greenhouse gas emissions and contributes to global warming. To counteract these effects, Bertelsmann is investing in photovoltaic systems at its sites and aims to obtain all of the electricity it purchases from renewable sources. The increased use of renewable energies represents the greatest lever for reducing the Group's own greenhouse gas emissions. Energy-saving and energy-efficient machinery and equipment can also make a further contribution to reducing electricity consumption.	Impact Negative Actual and potential	Own operations	Short, medium, and long term
	The energy consumption of Bertelsmann's products and services incorporates the transportation and delivery of printed books, magazines, and advertising materials to distribution centers, retailers, and end users. In addition, electricity is consumed during the transmission of Bertelsmann's digital content and advertising, and during consumption by end users on their digital devices such as smartphones, tablets, and PCs (streaming). The use of fossil fuels leads to greenhouse gas emissions and contributes to global climate change.	Impact Negative Actual	Downstream value chain	Short, medium, and long term
	The increasing switch from print to digital content and advertising formats is helping to significantly reduce energy consumption at energy-intensive in-house locations such as print shops. If energy from renewable sources is employed for the use of digital media, this could also help reduce the use of fossil fuels.	Impact Positive Potential	Downstream value chain	Short and medium term
	The operation of websites, digital advertising campaigns, and other online marketing activities by customers using Bertelsmann's advertising services leads to higher indirect energy consumption. In addition, end user interactions with digital marketing content created or provided by Bertelsmann, such as when visiting websites or using mobile apps, result in higher energy consumption.	Impact Negative Actual and potential		

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material climate-related impacts, risks, and opportunities

As part of the implementation of the CSRD, Bertelsmann conducted a comprehensive analysis of climate-related risks and opportunities with external support in 2024. Beyond this, no resilience analysis has been carried out in accordance with ESRS. As no material changes affecting the climate risk analysis have occurred in the Group portfolio or in the underlying climate scenarios in 2025, the results of the climate risk analysis from the previous year are still considered valid.

The analysis incorporates all divisions and relevant parts of the value chain. It examined risks related to the transition to a low-emission economy and society (so-called transition risks) as well as risks from climate-related events, such as extreme weather events (so-called physical risks). The identification of the impacts is described in section IRO-1 "General Information."

Bertelsmann has selected the scenario SSP5-8.5 of the IPCC (Intergovernmental Panel on Climate Change) for the climate-related scenario analysis of physical risks. This scenario represents a worst case scenario with high emissions and strong global warming, which thereby ensures that serious physical climate risks are included in the analysis. The "Net Zero Emissions 2050" scenario from the International Energy Agency (IEA) was used to analyze transition risks. Comprehensive data availability and the geographical granularity of the data were key factors in choosing the two scenarios. Both the analysis of transition risks and the analysis of physical risks were carried out for a short-term (until 2030), medium-term (until 2040), and long-term (until 2050) period. These time horizons were defined in line with the approaches and directives of the Task Force on Climate-Related Financial Disclosures (TCFD). The useful life of Bertelsmann's assets and the planning horizons for accounting purposes are sometimes shorter than the climate risk analysis' time horizons.

The main sites of all Bertelsmann divisions were included in the analysis of physical climate risks. The focus in this regard was placed on economic activities that could potentially be affected by physical risks, for example, revenue losses due to interruptions to operations or high repair costs for buildings and equipment following extreme weather events. By contrast, risks from the value chains were assessed at an aggregate level, because Bertelsmann is not dependent on individual suppliers or customers. The climate risks to which Bertelsmann is exposed were identified on the basis of climate models and location data. Sensitivity was analyzed taking into account the nature of the economic activities at each selected location. The risks were not quantified. The analysis did not reveal any climate-related risks and opportunities that are relevant to the Risks and Opportunities Report.

The analysis of transition risks also incorporated all divisions and their value chains. The divisions Penguin Random House, Bertelsmann Marketing Services, RTL Group and the logistics business Arvato were subjected to detailed analysis due to their financial and their potential impact on relevant GHG emissions, which could expose them to transition risks. The analysis included the assessment of the main cost drivers (e.g., energy costs, CO₂ costs, procurement costs for raw materials, auxiliary materials, and supplies), assets, procurement activities, and the markets in which the divisions operate. This approach ensured that divisions with potential transition risks and opportunities could be identified and priorities set for further detailed analyses. A quantification has not been carried out. Bertelsmann assumes that climate change will not have a material impact on the estimates and assumptions used for accounting purposes as of December 31, 2025.

The results of the analysis of climate-related risks can be summarized as follows:

Risk type	Risk/Transition event	Description
Physical – wind	Acute: Storm, cyclone, tornado	Sites can potentially be affected by strong winds, which may damage buildings. In these scenarios, operations may be interrupted.
Physical – temperature	Acute: Heat waves, forest fires, and wildfires Chronic: Heat stress	Some of the sites analyzed are at risk of heat waves, which can lead to higher energy costs for cooling and lower productivity levels among employees. In addition, some facilities are at risk of an increase in the number of days subject to heat stress. This can also lead to higher energy costs for cooling and lower productivity levels among employees.
Physical – water	Acute: Floods, droughts, heavy precipitation	Overall, the water-related risks are considered to be low.
Physical – sediment	Acute: Subsidence, landslides	At individual sites, ground subsidence may lead to structural damage, interrupting operations as a result.
Transitory – political and legal framework	Higher prices for GHG emissions, requirements and regulation of existing production processes	The pricing of GHG emissions is the most relevant transition risk in the divisions assessed. Compared with other divisions, the divisions with higher emissions (Penguin Random House, Bertelsmann Marketing Services, RTL Group, Arvato) are disproportionately affected by rising CO ₂ prices. Stricter energy efficiency requirements could pose a risk, especially for activities related to printing.
Transitory – technology	Replacing existing products and services with lower-emission alternatives, costs for transitioning to lower-emission technologies	Arvato's supply chain runs the risk of existing products and services potentially being replaced due to disruptive innovations in the logistics sector. This may lead to higher costs.
Transitory – procurement markets	Rising costs of raw materials	In particular, the lack of availability of recycled paper could lead to a risk of rising prices for Penguin Random House and Bertelsmann Marketing Services in the future.

E1-1 Transition plan for climate change mitigation

As an international company, Bertelsmann contributes to the increase in the concentration of greenhouse gases through its business activities. Bertelsmann has followed a climate strategy to reduce its emissions since 2020.

Bertelsmann's existing, current, and planned climate protection activities cover the period from 2018 to 2030. As a result, the Group does not currently plan to implement a long-term transition plan for full climate neutrality by 2050 pursuant to ESRS requirements.

In line with the Bertelsmann 2030 Climate Target, the Group's Scope 1 and 2 emissions and selected Scope 3 emissions are to be reduced by 50 percent by 2030 compared with the 2018 base year. This ambition corresponds to the 1.5 degrees Celsius target set forth in the Paris Climate Agreement, as validated by the Science Based Targets initiative (SBTi) in March 2021 (in relation to Scope 1 and 2 emissions). The inherent uncertainties in relation to the SBTi methodology are described in section E1-4. The adoption of the revised Bertelsmann 2030 Climate Target and the completion of the SBTi revalidation, both of which took place in February 2026 after the balance sheet date, are presented in section BP-2 "General Information."

To achieve its climate target, Bertelsmann is pursuing various decarbonization levers regarding its business activities:

- The adjustments to the business portfolio brought about by the Group's corporate strategy and market changes are leading to a significant reduction in greenhouse gas emissions from the traditional printing business. In addition, substantial investments are being made in other businesses with lower carbon emissions.
- As the biggest lever for reducing its own emissions, Bertelsmann has set itself the target of sourcing all of its purchased electricity from renewable sources. In order to achieve this target, the Group selects market instruments such as contractual supply agreements (green electricity tariffs) or guarantees of origin. In addition, the expansion of the Group's production of green electricity through photovoltaic installations and heating using heat pumps at its facilities is contributing to decarbonization.
- The Group is also working with its suppliers on the use of renewable energies, increase energy and resource efficiency, and use bio-based and recycled materials. The focus is particularly on paper manufacturers, printing and transport service providers, IT manufacturers, and cloud service providers.
- Bertelsmann also helps its business customers to use climate-friendly solutions. This includes optimizing packaging as well as selecting low-carbon printing papers and transport services, for example.

The Group continuously identifies and prioritizes the actions required to achieve Bertelsmann's 2030 Climate Target. Implementation is monitored by the Executive Board as part of its strategy meetings with the management of the divisions. The implementation of the actions in the period from 2025 to 2030 is expected to lead to savings in the following categories in particular:

- Expanding production and the use of renewable energies
- Increasing the energy efficiency of buildings, data centers, and the fleet
- Using climate-friendly paper in the production of printed products
- Increasing energy and material efficiency among print service providers
- Reducing transport-related greenhouse gas emissions by switching modes of transport and using sustainable packaging solutions
- Reducing greenhouse gas emissions in TV and film productions (in-house and third-party productions)

As a media, services, and education company, Bertelsmann is not exempt from the EU benchmarks aligned with the Paris Agreement in accordance with the exclusion criteria set out in Articles 12.1(d)-(g) and 12.2 of the Commission Delegated Regulation (EU) 2020/1818 (Regulation on standards for benchmarks for greenhouse gas emissions).

E1-2 Policies related to climate change mitigation and adaptation

Bertelsmann views environmental protection as an integral part of its corporate responsibility. This is particularly evident in its Policy and the Executive Board Guideline on Environment. In addition, the Bertelsmann Code of Conduct sets out further requirements, which Bertelsmann and its employees are obligated to uphold. In addition, the Bertelsmann Supplier Code of Conduct outlines the expectations and requirements for the Group's business partners. A detailed description of these rules and regulations can be found in sections S1 and S2 of this Sustainability Report.

Bertelsmann Policy Environment

The Bertelsmann Policy Environment sets out the Group's commitment to continually improving its environmental performance. Environmental topics addressed in the policy include, but are not limited to, the topics of climate change mitigation and energy, which were found to be material in relation to the E1 standard according to the double materiality assessment. The policy also takes the E1 topic climate change adaptation into account.

With regard to the topic of climate change, the policy outlines the Bertelsmann 2030 Climate Target, which is presented in detail in section E1-4 of this Sustainability Report. In terms of energy, saving energy, the efficient use of energy, and the expansion of renewable energies have been prioritized as important levers for reducing greenhouse gas emissions. The procurement of renewable energies is a key requirement for all sites with annual power consumption in excess of 100 megawatt hours. In addition, the policy outlines requirements for expanding the generation of renewable energy, such as installing photovoltaic systems at Group sites and promoting environmentally-friendly conduct among employees.

The Bertelsmann Policy Environment was last updated in 2024 by the international, cross-divisional "be green" committee, which is made up of the environmental managers from the divisions and the Corporate Center. The Corporate Responsibility department is responsible for communicating the policy to all employees and other stakeholders in coordination with the Communications department. The policy is available on both the Bertelsmann website and the Bertelsmann intranet and is reviewed every two years. As the highest decision-making body in the Group, the Executive Board determines the content of this policy along with Group-wide targets. Responsibility for implementing the policy and environmental targets, as well as for operational environmental management, lies with the management of the divisions.

The Bertelsmann Policy Environment applies to Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this policy is not already directly applicable due to existing corporate governance rules implement their own equivalent policies based on this policy. Compliance with these principles is encouraged for other companies that are not controlled by Bertelsmann. Accordingly, the scope of the policy only directly covers the Group's own business activities. Decisions and actions derived from the policy, such as procurement behavior or sustainable product offerings and references to other regulations such as the Bertelsmann Supplier Code of Conduct also have an indirect effect on upstream and downstream value creation levels.

Executive Board Guideline Environment

With the Executive Board Guideline Environment, the Executive Board sets the organizational framework for Group-wide environmental management, which includes all material environmental topics.

On the one hand, the guideline addresses the responsibilities and tasks related to Group-wide environmental management with regard to the Executive Board, the management of the divisions, the management and environmental officers of the Group companies, as well as cooperation in the CR Council and the cross-divisional "be green" committee. On the other hand, the Executive Board guideline defines the targets and responsibilities related to environmental reporting.

The Executive Board bears ultimate responsibility for this guideline. It was prepared with the involvement of various departments, the CR Council, and the "be green" committee. It applies to Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this guideline is not already directly applicable due to existing corporate governance rules implement their own, equivalent guidelines based on this guideline. As a result, the scope of the Executive Board Guideline Environment encompasses all of the Group's business activities at its sites around the globe. The Executive Board guideline is available on the Bertelsmann intranet and the Corporate Responsibility department is responsible for monitoring and updating its content.

E1-3 Actions and resources in relation to climate change mitigation and adaptation

The Bertelsmann 2030 Climate Target prioritizes actions to prevent and reduce greenhouse gas emissions ahead of offsetting any residual emissions. Separate targets for Bertelsmann's divisions have been defined and corresponding actions derived on the basis of the Group's target. The portfolio of actions comprises more than 50 targeted actions with a reduction potential in excess of 200,000 tons of CO₂e. Of these, 30 actions with a reduction potential of around 140,000 tons CO₂e were prioritized for implementation in the coming years.

In 2025, the key climate protection actions related to the Group's own business activities included boosting energy efficiency, electrifying installations powered by fossil fuels, and expanding and using renewable energies. Many Bertelsmann companies have also optimized their products and services to reduce greenhouse gas emissions:

- Numerous German sites of Arvato Group, and RTL Group, as well as the Corporate Center completed the introduction of energy management systems in accordance with ISO 50001 in the reporting year. Together with the printing sites that have been certified for many years, around 90 percent of total energy consumption in Germany is covered by certified energy management systems.
- Energy efficiency actions implemented in the reporting year included the ongoing optimization of the use of office space, switching to LED lighting, and modernizing the printing machines used at Bertelsmann Marketing Services in the United States.
- In 2025, 97 percent (previous year: 97 percent) of the electricity purchased by Bertelsmann around the globe was sourced from renewable energy sources using green electricity tariffs or guarantees of origin.
- In 2025, photovoltaic systems installed at the Group's own sites generated more than 21,300 megawatt hours of electricity (previous year: 17,300 megawatt hours), most of which was consumed by the Group itself. New photovoltaic systems were erected at Penguin Random House in the United States and at Arvato Group and Bertelsmann Marketing Services in Germany, among others.

- At Penguin Random House entities, supplier agreements were concluded to reduce the share of carbon-intensive paper and printing services.
- In the reporting year, RTL Group once again produced numerous TV programs and films in line with the sustainability requirements of regional and supraregional industry initiatives. More than 30 Fremantle shows met the sustainability criteria of “Albert” (United Kingdom), a film and television industry organization for environmental sustainability. In Germany, individual TV and film productions have been successfully awarded the “Green Motion” label of the “Green Shooting” working group, and in France the comparable “Ecoprod” label.
- In 2025, there was an increase in the number of RTL Group TV and film productions whose greenhouse gas footprint was calculated by carbon calculators of regional industry initiatives such as “Albert”, the “Green Shooting” working group (Germany), and “Carbon’Clap” (France). In France alone, greenhouse gas footprints were calculated for more than 873 program hours.
- Other product-related actions to improve resource efficiency (see section E5-2) were carried out among others at Arvato Group and Penguin Random House, which also contributed to the reduction of greenhouse gas emissions.

Targets and metrics

E1-4 Targets related to climate change mitigation and adaptation

As set out in the Bertelsmann Policy Environment, Bertelsmann supports the target of the international community to limit global warming to well below 2 degrees Celsius in line with the Paris Climate Agreement. By 2030, the Group plans to reduce its direct and selected indirect greenhouse gas emissions (Scope 1 to 3) by 50 percent compared with the base year 2018. The Bertelsmann 2030 Climate Target was developed by the Corporate Responsibility department in partnership with the divisional environmental managers and other stakeholders through discussions and workshops, adopted by the Group Executive Board in 2020, and validated by the Science Based Targets initiative (SBTi) in March 2021. SBTi is an organization that helps companies set science-based climate targets. The SBTi methodology is subject to inherent uncertainties regarding the underlying scientific evidence and forward-looking assumptions on the reduction of greenhouse gas emissions. Newer scientific findings could lead to a change in the SBTi methodology and the assessment whether the level of ambition for climate targets is sufficient to limit global warming to 1.5 degrees Celsius.

Bertelsmann’s 2030 Climate Target encompasses all direct greenhouse gas emissions (Scope 1), indirect greenhouse gas emissions from the purchase of energy (Scope 2, market-based), as well as other indirect greenhouse gas emissions (Scope 3) from the purchase of goods and services, other fuel- and energy-related activities, transportation and distribution, waste generation from own business activities, business travel, employee commuting, and from leased assets. Further information on the adjustments of values for the year 2024 not included in the target scope can be found in section E1-6 under “Reporting principles.”

Targets related to climate change mitigation

in tons CO ₂ e	Retrospective			Milestones and target years	
	2018	2024	2025	2030	Annual % of target/base year
Scope 1, 2, and selected Scope 3 GHG emissions according to the currently valid target definition (combined, market-based)	2,500,000	1,758,109	1,762,540	1,250,000	4.2 %
GHG emissions excluded from the target definition (adjusted for 2024)		830,775	894,775		
Scope 1, 2, and 3 (combined) GHG emissions (market-based) according to ESRS E1-6 (adjusted for 2024)		2,588,884	2,657,315		

In terms of the greenhouse gas emissions accounted for in the base year 2018, Bertelsmann was able to keep the reduction almost at the same level as in the previous year, at 29.5 percent (previous year: 29.6 percent). In addition to the effects of the actions outlined in section E1-3 as well as the decline in the printing business of Bertelsmann Marketing Services, countervailing effects such as increased emissions from book production at Penguin Random House led to a slight increase in emissions overall.

Unavoidable emissions related to the Group's own sites, employee mobility, and the Group's products are to be offset by 2030. The remaining emissions are to be offset through carbon credits from a portfolio of voluntary climate protection projects. The projects are carefully selected on the basis of defined criteria. For example, projects must be long-term and ensure to the greatest possible extent that offset carbon emissions are not released back into the atmosphere within a period of at least 30 years. Information on the scope of compensatory measures in the reporting year can be found in section E1-7.

Due to portfolio changes since the setting of the 2020 target scope, the updating of calculation methods, and the inclusion of additional emission sources in the greenhouse gas inventory, the Bertelsmann 2030 Climate Target and the greenhouse gas emissions to be reported for the base year 2018 were revised in 2025. At the end of 2025, the revised target was subject to revalidation by the SBTi in accordance with the applicable "Corporate Near-Term" criteria (version 5.3). The adoption of the revised Bertelsmann 2030 Climate Target and the completion of the SBTi revalidation, both of which took place in February 2026 after the balance sheet date, are presented in section BP-2 "General Information."

E1-5 Energy consumption and mix

Energy consumption and the energy mix are of great importance for achieving the Bertelsmann 2030 Climate Target. While increasing digitalization makes the Group less dependent on finite natural resources, it also increases energy consumption caused by data use. In addition to improving energy efficiency, Bertelsmann is also focusing on increasing the use of renewable energies in all divisions.

Bertelsmann aims to further increase energy efficiency at its sites around the globe, for example by consistently using energy-saving and energy-efficient equipment and through environmentally conscious conduct on the part of its employees. Bertelsmann can influence demand for climate-friendly options with its purchasing behavior when it comes to energy procurement. The transition of energy procurement to green electricity is one of the key levers for decarbonizing the Group's own business activities. In addition to the transition of electricity procurement, local in-house generation of electricity and heating will also be expanded with the help of renewable energies. The transparent overview of energy consumption on the green.screen IT platform supports energy data management at site level and facilitates cross-site comparisons and exchanges.

§ Reporting principles

Energy consumption relates to the Group's owned and leased printing and logistics facilities, office locations, the Group's own data centers, production studios for television and film content, and the Group's own vehicle fleet. It was largely determined based on meter readings, reports from energy suppliers, confirmations from lessors, or fuel receipts. For companies with fewer than 50 employees whose business activities are not considered to be energy intensive, energy consumption is calculated using estimation methods. The data per employee recorded by comparison sites is used for the estimate and extrapolated based on the employee headcount of the companies not included in the data collection. At less than 1 percent, the share of energy consumed as estimated by estimation methods contributes only insignificantly to Bertelsmann's total energy consumption.

The energy consumption report is based on the contractual supply agreements and guarantees of origin (market-based). Accordingly, the majority of electricity consumption is reported as electricity from renewable energies. The electricity mix of the respective site (location-based) is not reported.

Energy intensity per net revenue is calculated as the total consumption in high climate impact sectors relative to the net revenue from activities in those high climate impact sectors. Bertelsmann operates in the following high climate impact sectors: "Production of printed products," "Storage and provisions of other service for transport," and "Reproduction of recorded audio, video, and data media." The previous year's figure for energy consumption for the "Reproduction of recorded audio, video, and data media" was adjusted by correcting the allocation of intra-group energy supply to sectors. This has no impact on total energy consumption according to E1-5.

Energy consumption and mix

in megawatt hours (MWh)	2025	2024
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	45,063	44,156
Fuel consumption from natural gas	517,086	516,961
Fuel consumption from other fossil sources	10,360	7,627
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	56,688	59,454
Total fossil energy consumption	629,196	628,198
Share of fossil sources in total energy consumption (in %)	63	63
Consumption from nuclear sources	0	0
Share of consumption from nuclear sources in total energy consumption (in %)	0	0
Fuel consumption from renewable sources, including biomass	6,103	218
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	337,170	347,084
The consumption of self-generated non-fuel renewable energy	22,623	17,303
Total renewable energy consumption	365,896	364,606
Share of renewable sources in total energy consumption (in %)	37	37
Total energy consumption	995,093	992,803

In 2025, total energy consumption was 995,093 megawatt hours (previous year: 992,803 megawatt hours). The share of renewable sources in total energy consumption remained at 37 percent (previous year: 37 percent). In the reporting year, the electricity purchased was again almost completely sourced from renewable sources through contractual supply agreements and guarantees of origin. As a result, across the reported sites, green electricity accounted for an average of 97 percent (previous year: 97 percent) of total electricity procured across the reported sites.

Energy intensity based on revenue from high climate impact activities

in megawatt hours (MWh) / € millions	2025	2024 (adjusted)
Production of printed products	678	699
Storage and provision of other services for transport	84	85
Reproduction of recorded audio, video and data media	196	172

Revenue from business activities in high climate impact sectors corresponds to the proportionate revenue reported in the consolidated financial statements in accordance with IFRS 15.

Reconciliation of revenue from high climate impact activities

in € millions	2025	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	3,816	3,401
Net revenue (other)	15,141	15,587
Total net revenue (Financial statements)	18,957	18,988

E1-6 Gross greenhouse gas emissions (GHG) for Scope 1, 2, and 3 categories and total GHG emissions

§ Reporting principles

GHG emissions are accounted for in accordance with the Corporate Accounting and Reporting Standard, the Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Standard of the Greenhouse Gas Protocol (GHG Protocol). In accordance with the GHG Protocol, emissions are reported in three different categories: Scope 1, Scope 2, and Scope 3.

Scope 1: The category Scope 1 is assigned to all GHG from sources owned by Bertelsmann or its fully consolidated Group companies, or over which Bertelsmann Group companies have operational control. Scope 1 refers to direct emissions produced by Bertelsmann, resulting, for example, from the Group's own on-site electricity and heat generation and from the production of process energy in the operation of printing plants. Further improvements in data quality and transparency made it possible to map process-related CO₂ emissions from exhaust air purification in the heatset printing process in Scope 1 emissions for the first time in 2025 on the basis of a reliable data basis. As part of this special printing process for color-intensive print products, the solvent contained in the printing ink is converted to CO₂ during the drying process at high temperatures. This generated emissions of 9,972 tons of CO₂e in 2025. The Scope 1 emissions reported for 2024 were retroactively adjusted by 10,180 tons of CO₂e.

Scope 2: Scope 2 emissions include GHG emissions related to the production of purchased energy (electricity or district heating). These emissions are generated by suppliers in the course of energy production and are therefore only indirectly attributable to Bertelsmann's business activities. Bertelsmann recognizes electricity purchased, heating purchased, steam, and cooling along with energy from on-site installations, which are billed by the lessor based on consumption, as Scope 2 emissions. Scope 2 emissions attributable to purchased energy are calculated according to both the location-based and the market-based methods. Bertelsmann uses the national emission levels published by the International Energy Agency (IEA) for the location-based method. Contractually agreed instruments such as guarantees of origin and green electricity tariffs or supplier-specific emission factors are used to determine market-based GHG emissions. In contrast to the location-based method, the market-based method gives Bertelsmann the opportunity to influence the GHG factor. For this reason, Bertelsmann uses market-based GHG emissions as part of its climate target.

Scope 3: Relevant indirect (Scope 3) emissions from the value chain are also taken into account. In accordance with the Corporate Value Chain (Scope 3) Standard, this includes both upstream emission sources such as the purchase of goods and services, transporting of materials and products, and the mobility of employees, as well as downstream emissions sources such as the transport of printed products. Scope 3 emissions are categorized into 15 categories according to the GHG Protocol. The materiality of each of the 15 Scope 3 categories was determined on the basis of an expenditure-based materiality assessment. The categories included in the calculation are listed in the GHG emissions table. Three categories were excluded from the calculation – the processing of sold products, the use of sold products, and downstream leased assets – as they were assessed as not material to Bertelsmann. As part of the revalidation process by the Science Based Targets initiative (SBTi), downstream GHG emissions from the book trade were included for the first time in 2025. The previous year's figures of 242,514 tons of CO₂e calculated for the stationary and online book trade were added in the category Scope 3.9 – Downstream transportation. In addition, transport services amounting to 230,277 tons of CO₂e were reclassified from category 3.9 to category 3.4 – Upstream transportation and distribution.

When calculating GHG emissions, Bertelsmann takes into account the climate-changing GHGs carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated gases (F-gases). The amounts are reported in CO₂ equivalents (CO₂e), taking into account the global warming potentials published in the Fifth Assessment Report from the IPCC (GWP 100 AR 5 IPCC).

Data on activities and operations used for the calculation are taken from Group internal systems, in particular from the production, transport management and accounting systems. In order to calculate GHG emissions, Bertelsmann uses specific emission factors from suppliers (where reliably available), industry-wide benchmarks, or data from internationally recognized data sources. Bertelsmann uses the following data sets in particular:

- IEA (2025): country-specific data for Scope 2 emissions from electricity purchases and Scope 3 emission factors for upstream emissions
- UK Department for Energy Security and Net Zero (2025): emissions data for transport, waste, or waste logistics (Scope 3)
- Process-oriented basic data for environmental management instruments published by the German Federal Environment Agency: selected energy or material-related data (Scope 1 and Scope 3)
- Ecoinvent (V3.9.1): selected emission factors for materials (Scope 3)
- German Federal Environment Agency (March 2025): Global Warming Potentials (GWP100) for hydro(chloro)fluorinated and perfluorinated hydrocarbons (HFCs, HCFCs and HFCs) and other perfluorinated compounds
- The French Agency for Ecological Transition: select emission factors from “Base Carbon (V23.2)”

Specific emissions of suppliers are used if they have been determined on the basis of product-related GHG accounting standards, such as ISO 14067 or GHG Protocol, and standard industry practices. For example, Bertelsmann uses GHG emissions data from paper manufacturers according to the Ten Toes of CEPI (Confederation of European Paper Industries) and Paper Profile, as well as emissions data from printing service providers according to the Intergraf Roadmap published by the European association of national printing industry stakeholders. For GHG data relating to TV and film productions, data from regional industry initiatives such as “Albert” (United Kingdom), the “Green Shooting” working group (Germany) and “Carbon’Clap” (France) are used.

Due to the complexity of Group-wide greenhouse gas accounting and the involvement of numerous Group companies, the volume of primary data used by suppliers or other partners in the value chain cannot be reliably determined and is estimated by the Group to constitute under 30 percent. In cases where activity-related data were not available for certain emission sources, data from the internal financial systems as well as emission factors from a multi-regional, environmentally extended input-output database (CEDA by Watershed) were used. This was the case in particular in Scope categories 3.1, 3.2, and 3.15. The calculations are partly based on assumptions and estimates. Inherent uncertainties cannot be ruled out. Direct greenhouse gas emissions from the use phase of Bertelsmann’s own products were not identified. Indirect emissions, such as those caused by the use of digital content via the electricity consumption of end devices, are not reported in accordance with the GHG Protocol.

For companies with fewer than 50 employees, whose business activities are not considered to be emissions intensive, GHG emissions are calculated using estimation methods. At less than 1 percent, the share of GHG emissions as estimated by estimation methods contributes only insignificantly to Bertelsmann’s total emissions.

GHG emissions

in tons CO ₂ e	2025	2024 (adjusted)
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	137,455	136,017
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (in %)	66	67
Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	110,121	111,335
Gross market-based Scope 2 GHG emissions	11,045	12,267
Scope 3 GHG emissions		
Gross Scope 3 GHG emissions	2,508,816	2,440,600
1 Purchased goods and services	1,153,544	1,168,778
2 Capital goods	93,017	55,901
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	55,424	56,618
4 Upstream transportation and distribution	363,772	346,105
5 Waste generated in operations	7,697	7,220
6 Business traveling	85,938	102,186
7 Employee commuting	76,048	58,651
8 Upstream leased assets	28,626	27,121
9 Downstream transportation	274,123	261,005
10 Processing of sold products	—	—
11 Use of sold products	—	—
12 End-of-life treatment of sold products	103,314	109,584
13 Downstream leased assets	—	—
14 Franchises	1,031	—
15 Investments	266,282	247,430
Total GHG emissions		
Total GHG emissions (location-based)	2,756,392	2,687,953
Total GHG emissions (market-based)	2,657,315	2,588,884

In 2025, total direct and indirect GHG emissions (Scope 1, 2, and 3, market-based) amounted to roughly 2.7 million tons of CO₂e (previous year: 2.6 million tons of CO₂e). As in the previous year, this figure can be broken down into 5 percent direct emissions (Scope 1) and 95 percent indirect emissions (Scope 2 and 3).

GHG intensity based on revenue

Greenhouse gas intensity based on revenue is calculated as the total GHG emissions in relation to Bertelsmann revenue posted in the consolidated income statement. In 2025, it amounted to 145.4 tons of CO₂e/€ million (previous year: 141.6 tons of CO₂e/€ million, location-based) and 140.2 tons of CO₂e/€ million (previous year: 136.3 tons of CO₂e/€ million, market-based).

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

Bertelsmann provides its Group companies with a portfolio of carbon credits to offset any GHGs they emit. To facilitate this, Bertelsmann acquires carbon credits from various project developers. Currently, the portfolio only comprises climate protection projects certified in accordance with the Verified Carbon Standard (VCS), a quality standard established by the non-profit organization Verra.

Once the carbon credits have been purchased, they are transferred to an account held by Bertelsmann in the carbon registry maintained by Verra. Bertelsmann cancels the credits in the carbon registry when it settles the credit costs with the Group companies.

The carbon credits purchased by Bertelsmann involve reforestation projects in Central America and a peatland forest conservation project that contributes to biodiversity conservation in Indonesia.

In 2025, the scope of GHG emissions removals and reductions attributable to climate change mitigation projects outside the Group's own operations and the upstream and downstream value chain financed by the purchase of carbon credits came to 28,683 tons of CO₂ (previous year: 52,259 tons of CO₂). In the reporting year, carbon credits amounting to 22,192 tons of CO₂ (previous year: 42,409 tons of CO₂) have already been cancelled. The remaining carbon credits amounting to 6,491 tons of CO₂ will be cancelled in the first quarter of 2026 once the GHG balance has been drawn up.

GHG removals and GHG mitigation projects

in tons CO ₂	2025	2024
Total GHG removals in own operations and in upstream and downstream value chain	0	0
Total GHG removals and reductions outside own operations and outside upstream and downstream value chain	28,683	52,259
Total amount of GHG removals and GHG reduction projects	28,683	52,259
Carbon credits cancelled in the reporting year	22,192	42,409
Share of biogenic sinks (in %)	0	0
Share of technological sinks (in %)	0	0
Share of removal projects (in %)	0	0
Share of reduction projects (in %)	100	100
Share of quality standard VCS (in %)	100	100
Share issued from projects in the EU (in %)	0	0

Carbon credits planned to be cancelled in the future

in tons CO ₂	2026	2025
Total	6,491	9,850

E1-8 Internal carbon pricing

Bertelsmann uses its own scenario analyses to identify potential future costs from GHG emissions emitted by the Group in the future. These analyses are based on projections of future GHG emissions for the various segments based on long-term business planning.

The Group uses pricing scenarios from the International Energy Agency (IEA) and other sources to determine price trends, from which it derives internal carbon shadow prices for the years up to 2050, differentiated by different regions. In addition to internal carbon shadow prices for regulated markets (emissions trading systems or taxes), Bertelsmann also uses internal assumptions to determine price trends for carbon credits (offsetting measures, see section E1-7).

Using these internal carbon shadow prices, Bertelsmann simulates the potential costs of future greenhouse gas emissions (Scope 1 to 3). These costs are made transparent when assessing the economic viability of necessary decarbonization measures to achieve its climate targets (see section E1-4). The specific scope of the carbon pricing systems comprises the measures defined to achieve Bertelsmann's 2030 Climate Target, which are subjected to an economic assessment using shadow prices. These measures, which were evaluated in consideration of carbon shadow prices, have a reduction potential of 200,000 tons of CO₂e. In the consolidated financial statements, these are not considered, neither in the determination of the useful life and residual value of assets nor in the impairment of assets or the measurement of the fair value of assets acquired through business combinations.

E3 Water and marine resources

Water and marine resources are of secondary importance when it comes to Bertelsmann's own business activities. Bertelsmann extracts water for cooling buildings, sanitary facilities, green plant maintenance, and the printing process at certain printing plants. Most of this water is extracted from public pipe networks and occasionally from the Group's own wells. Water consumption plays a bigger role in parts of the upstream value chain, especially in papermaking.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities ("IROs") related to water and marine resources that have been identified as part of the double materiality assessment. To the extent that Bertelsmann addresses its material IROs through various policies, actions, and targets, these are discussed in greater detail in sections E3-1 through E3-4.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Water	Water discharges	Paper is the most important resource for the printing and publishing business. The paper production process is highly water-intensive with correspondingly negative effects on the environment. Bertelsmann requires its suppliers to use water responsibly and efficiently. This applies in particular to suppliers with high water consumption, such as paper manufacturers or operators of data centers, as well as suppliers in regions with a high risk of water scarcity.	Impact Negative Actual and potential	Upstream value chain	Short, medium, and long term
	Water withdrawals	As water consumption is far upstream in the value chain, Bertelsmann does not have complete transparency about the water catchment areas from which the wood for the paper originates. High water consumption in paper production has negative impacts on the local water balance.	Impact Negative Actual and potential	Upstream value chain	Short, medium, and long term

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks, and opportunities

As part of the implementation of the CSRD, Bertelsmann conducted an analysis of impacts, risks, and opportunities related to water and marine resources in which nature is considered a silent stakeholder. The analysis comprised all divisions and relevant parts of the value chain. No material impacts, risks, or opportunities were identified within the Group's own operations in the analysis. The analysis also involved investigating impacts related to water withdrawals and discharges in the upstream value chain attributable to paper production. Affected communities were not consulted as part of this analysis.

Bertelsmann extracts water for cooling buildings, sanitary facilities, green plant maintenance, and the printing process at certain printing plants. Most of this water is extracted from public pipe networks and occasionally from the Group's own wells.

On the whole, the impacts of Bertelsmann's business activities on water and marine resources are low.

E3-1 Policies related to water and marine resources

Bertelsmann Policy Environment

In addition to fundamental requirements for environmental protection, the Bertelsmann Policy Environment also defines general requirements for the protection of water resources. Along with the resource-efficient use of water by employees, the policy also requires suppliers to use water in a responsible, efficient manner. The pollution of water with hazardous substances and substances of concern must be minimized. This applies in particular to paper manufacturers when using chemicals. Detailed information on the objectives, scope, responsibilities, availability, and monitoring of the policy can be found in section E1-2. The Executive Board Guideline Environment also provides the organizational framework for Group-wide environmental management. The content of this Executive Board guideline is described in section E1-2. Furthermore, Bertelsmann has not adopted any policies or practices related to sustainable oceans and seas.

E3-2 Actions and resources related to water and marine resources

Due to the low relevance of the topic, Bertelsmann does not report on any actions stipulated under MDR-A (Minimum Disclosure Requirements – Actions) in relation to water and marine resources at its own sites. In light of this, there are no Group-wide actions in place with respect to the value chain.

Targets and metrics

E3-3 Targets related to water and marine resources

Due to the low relevance of the topic, Bertelsmann does not pursue any targets stipulated under MDR-T (Minimum Disclosure Requirements – Targets) in relation to water and marine resources at its own sites. In light of this, there are no Group-wide targets in place with respect to the value chain.

E3-4 Water consumption

Due to the lack of materiality of the topic at its own sites, Bertelsmann does not report any water consumption metrics as defined under MDR-M (Minimum Disclosure Requirements – Metrics).

E4 Biodiversity and ecosystems

Like every other company, Bertelsmann relies on the existence of intact ecosystems. This applies in particular to the business activities of the divisions Penguin Random House and Bertelsmann Marketing Services. In the printing and publishing business, paper is indispensable as the most important bio-based raw material in the value chain. Bertelsmann therefore pursues a sustainable procurement strategy to avoid negative impacts on forests and other ecosystems in its value chains.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities (“IROs”) related to biodiversity and ecosystems that have been identified as part of the double materiality assessment. To the extent that Bertelsmann addresses its material IROs through various policies, actions, and targets, these are discussed in greater detail in sections E4-1 through E4-4.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Impacts on the extent and condition of ecosystems	Land degradation	At around 90 percent, paper accounts for the largest share of Bertelsmann's material consumption. Paper production is closely linked to forestry. Negative impacts on ecosystems therefore arise at the beginning of the upstream value chain. The direct environmental impacts of resource use include the degradation of fertile soil as land use expands. In addition, indirect environmental impacts, e.g., in connection with changes in land cover, can have an impact on ecosystem services. Sustainable procurement practices can help to limit these negative impacts. Bertelsmann sources paper from various regions of the world. Paper production, through diversified procurement, does not focus exclusively on individual regions, which can prevent or reduce pressure on local forestry.	Impact Negative Actual and potential	Upstream value chain	Short, medium, and long term

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities

As part of the implementation of the CSRD, Bertelsmann conducted an extensive analysis of impacts, risks, and opportunities related to biodiversity and impacts on ecosystems. The analysis incorporated all divisions and relevant parts of the value chain. No material impacts, risks, or opportunities were identified within the Group's own operations in the analysis. The analysis also involved investigating impacts related to the extent and condition of ecosystems, above all due to land degradation in the upstream value chain attributable to paper production.

With its own operations, Bertelsmann does not operate in a high priority sector as defined by the Taskforce on Nature-related Financial Disclosures (TNFD). Due to the nature of its business activities, its own sites do not have any direct, significant negative impacts on biodiversity and ecosystems. The business models of Penguin Random House and Bertelsmann Marketing Services are linked to the TNFD risk sector forest management due to the supply of paper products. Direct potential impacts in the upstream value chain may arise from the use of forest land, in particular impacts concerning a loss of biodiversity.

On the whole, the impacts of Bertelsmann's business activities on biodiversity and ecosystems are low.

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Due to its diversified Group portfolio, Bertelsmann is only substantially dependent on ecosystems in certain business segments. Given its high paper consumption, the Group has actual and potential impacts on ecosystems and dependencies on wood, a renewable raw material, particularly at Penguin Random House and Bertelsmann Marketing Services. Accordingly, the company does not currently plan to implement a long-term transition plan with regard to biodiversity and ecosystems in accordance with the requirements of the ESRS.

Bertelsmann's strategic focus on the continued digitalization, internationalization, and diversification of its Group portfolio means that its dependencies on paper and paper-based materials such as packaging are likely to continue to decline. This is due, on the one hand, to investments in other businesses that are not dependent on timber or forests and, on the other hand, to the expansion of digital business models, especially at Bertelsmann Marketing Services. With its existing digital products such as e-books and audio books, Penguin Random House also offers its business customers and end users equivalent alternatives to paper-based publishing.

Bertelsmann also minimizes actual and potential negative impacts on forests and ecosystems by procuring paper that has been verified to contain recycled fibers or be sourced from responsible forestry. Physical impacts, such as damage to forests from storms or droughts, are mitigated by Bertelsmann's diversified procurement policies.

E4-2 Policies related to biodiversity and ecosystems

Bertelsmann Policy Environment

In the Bertelsmann Policy Environment, the Group sets out its voluntary commitment to environmental protection as well as the preservation and protection of ecosystems. A key element in this regard is sustainable forest management for the paper used by Bertelsmann and its suppliers.

For the most part, Bertelsmann uses paper made from recycled fibers and sourced from verifiably well managed forests to produce books, magazines, and other printed materials. In order to protect biodiversity and particularly sensitive ecosystems, logging is not permitted in old, endangered forests or high conservation value forests. Bertelsmann does not tolerate illegal activities such as unlawful trade in timber and the violation of human rights in logging. Bertelsmann has established a code of conduct for its business partners, the Bertelsmann Supplier Code of Conduct, to ensure these standards are upheld. Detailed information on the objectives, scope, responsibilities, availability, and monitoring of the Bertelsmann Policy Environment can be found in section E1-2. The Executive Board Guideline Environment also provides the organizational framework for Group-wide environmental management. The content of this Executive Board guideline is described in section E1-2.

Bertelsmann Supplier Code of Conduct

In addition to social topics, the binding standards laid down for business partners in the Bertelsmann Supplier Code of Conduct also address requirements relating to the protection of natural resources, the environment, and climate protection. Suppliers must avoid environmental impacts that negatively affect the production of food, access to water, human health, or the condition of ecosystems and biodiversity. In addition, Bertelsmann's business partners must ensure that their activities do not result in unlawful evictions and displacements or the unlawful deprivation of people's livelihoods. In the context of paper-based forestry, the Bertelsmann Supplier Code of Conduct specifies that the unlawful removal and conversion of natural forests, and the illicit trade in timber products, is not tolerated. In the event of an increased level of risk, Bertelsmann expects its suppliers to carry out adequate checks along the supply chain, including the sustainability certifications specified in the Bertelsmann Policy Environment. Stakeholder engagement, availability, and the scope of the Supplier Code of Conduct are discussed in detail in section S2-1.

Bertelsmann has set-up a comprehensive range of communication channels through which human rights or environment-related violations and complaints can be reported. Indications of potential compliance violations against the Bertelsmann Supplier Code of Conduct can be raised on site to contact partners or reported via the company's own whistleblower system ("Speak Up") (see sections S1-3 and S2-3).

E4-3 Actions and resources related to biodiversity and ecosystems

To limit the negative impact on biodiversity and ecosystems described above, Bertelsmann uses secondary materials worldwide (e.g., graphic papers and packaging materials made from recycled fibers) and is guided by established environmental labels such as the Forest Stewardship Council (FSC®), Programme for the Endorsement of Forest Certification Schemes (PEFC™), and Sustainable Forest Initiative (SFI®).

In order to verify compliance with the requirements pursuant to the Bertelsmann Policy Environment and the Bertelsmann Supplier Code of Conduct, the procurement volumes of paper and paper-based packaging and the sustainability criteria applied are recorded as part of environmental reporting. The share of recycled fiber or sustainably certified paper used has been roughly 90 percent for several years and also in the current reporting year.

Targets and metrics

E4-4 Targets related to biodiversity and ecosystems

Due to the low relevance of the topic, the Group does not pursue any targets stipulated under MDR-T (Minimum Disclosure Requirements – Targets) in relation to biodiversity and ecosystems at its own sites. In light of this, there are no Group-wide targets in place with respect to the value chain.

E4-5 Impact metrics related to biodiversity and ecosystems change

Due to the lack of materiality of the topic at its own sites, Bertelsmann does not report any metrics related to biodiversity and ecosystems as defined under MDR-M (Minimum Disclosure Requirements – Metrics).

E5 Resource use and circular economy

Bertelsmann uses a wide variety of materials for the production and logistics of its physical products. In addition to paper and cardboard, this includes, for example, printing inks, varnishes and adhesives, granules for the production of CDs, DVDs, and LPs, as well as plastic-based films and packaging. Materials are also purchased as part of products and services. Paper is particularly relevant to Bertelsmann as the Group's most important resource in the printing and publishing business. Therefore, sustainable forest management, resource conservation, climate protection, and waste prevention play a major role along the entire paper value chain. In order to protect the climate, biodiversity, and forests, Bertelsmann has issued a policy to supplement the Executive Board Guideline Environment, which also contains regulations governing paper procurement.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities ("IROs") related to resource use and circular economy that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, actions, and targets. They are discussed in more detail in sections E5-1 to E5-3.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Resources inflows		The largest resource inflow at Bertelsmann is paper consumption, which accounts for around 90 percent of total material consumption. The wood used to manufacture paper is taken from forests. The level of negative impact on local flora and fauna is significantly influenced by the type of forestry practiced. The use of recycled paper can significantly reduce the consumption of virgin fibers and water in paper production. The negative impact of logging can be limited by procuring certified virgin fiber papers.	Impact Negative Actual and potential	Own operations	Short, medium, and long term

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities

As part of the implementation of the CSRD, Bertelsmann conducted an analysis of impacts, risks, and opportunities related to resource use and circular economy. The analysis incorporated all divisions and relevant parts of the value chain. In particular, the analysis examined risks associated with the transition to fully abandoning the use of non-renewable resources (transition risks) and risks associated with the depletion of natural resources, in particular with regard to wood (physical risks). Identification of the impacts is described in section IRO-1 “General Information.”

E5-1 Policies related to resource use and circular economy

Bertelsmann has a policy in place that articulates the Group’s stance on a wide range of material environmental topics. The following section only outlines the content of the Bertelsmann Policy Environment that is relevant to the topic of resource use and circular economy.

It addresses the topic of resource inflow, which has been identified as material according to the double materiality assessment, in relation to the E5 standard.

The policy outlines Bertelsmann’s efforts to treat natural resources such as energy, water, land, and raw materials in a responsible manner when procuring materials, manufacturing, and distributing products and services. The aim behind this is to support the necessary shift to a circular economy by using renewable raw materials, designing products and processes for recycling, and preventing and minimizing waste. In addition, relevant environmental topics such as the use of renewable energies, guarantees of origin for critical raw materials, GHG emissions, and evidence of certified energy and environmental management systems must be taken into account when selecting suppliers and materials. Detailed information on the objectives, scope, responsibilities, availability, and monitoring of this policy can be found in section E1-2. In addition, the Executive Board Guideline Environment provides the organizational framework for Group-wide environmental management. The content of this Executive Board guideline is described in section E1-2.

E5-2 Actions and resources related to resource use and circular economy

Bertelsmann initiates various actions to prevent and mitigate its negative impacts on resource use and the circular economy, and to promote positive impacts. These actions are identified and evaluated through regular discussions in the cross-divisional “be green” committee or as required. Targets and actions for the second Bertelsmann Corporate Responsibility Program (2026–2028) were developed as part of strategic development.

Selected actions are summarized below in terms of material impacts, risks, and opportunities.

- In the reporting year, Arvato continued its paper-saving initiatives at a number of its logistics sites. The focus was on digitalizing packing lists, delivery notes, invoices, and return slips.
- Penguin Random House continued its activities to optimize the selection of paper for book production. The aim is to reduce both resource consumption and greenhouse gas emissions.

Targets and metrics

E5-3 Targets related to resource use and circular economy

The Bertelsmann Policy Environment requires Group companies to contribute to nature conservation and to fighting deforestation through responsible paper procurement. Sustainably procured paper refers to paper made of recycled fibers and paper of certified origin that meets the requirements of FSC®, PEFC™, SFI®, or comparable environmental labels. Beyond this, Bertelsmann does not pursue any targets stipulated under MDR-T (Minimum Disclosure Requirements – Targets) in relation to resource use and circular economy.

E5-4 Resource inflows

The vast majority of Bertelsmann's resource inflows can be attributed to paper consumption in the business activities of Penguin Random House and Bertelsmann Marketing Services for the production of books, magazines, and other printed products. These factors constitute approximately 90 percent of material and product inflows at Bertelsmann.

Other purchased materials include printing inks, varnishes, and adhesives, granules for the production of CDs, DVDs, and LPs, as well as plastic-based films and packaging. These materials are largely plastic-based and are derived from fossil raw materials.

§ Reporting principles

The data on resource inflows was provided by all fully consolidated Group companies as part of the Group-wide collection of environmental data.

Volumes are determined using data from local production databases or financial systems and are based on measured weight data. The disclosures on biological resource inflows include all paper-based printed products such as books, magazines, and advertising materials or paper-based packaging. This is based on the assumption that paper-based printed products are largely manufactured from natural and renewable cellulose fibers. Bertelsmann's biological resource inflows also include printing inks made from plant-based raw materials and bio-based plastic packaging.

The calculations are partly based on assumptions and estimates. Inherent uncertainties cannot be ruled out.

Resource inflows

in tons or percent	2025	2024
Total resource inflows	813,999	781,881
Purchased materials	400,237	436,378
Product inflows	238,296	214,773
Material supplied by customers	175,466	130,729
Biological resource inflows	499,417	500,190
Share of biological resource inflows of total resource inflows (in %)	61	64
Recycled or secondary reused resource inflows	177,867	146,555
Share of recycled or secondary reused resource inflows of total resource inflows (in %)	22	19

The total weight of the resource inflows used in 2025 was 813,999 tons (previous year: 781,881 tons). This figure includes purchases of materials (e.g., printing paper and materials), the procurement of products (e.g., books at Penguin Random House), and material orders from business customers, especially in the printing business. In 2025, 61 percent (previous year: 64 percent) of the resource inflows came from biological materials. Recycled and reused resource inflows comprised 22 percent (previous year: 19 percent).

§ Reporting principles

Reported volumes of paper used in the value chain include all volumes of paper used to produce printed products. Waste rates from individual manufacturers and, where these are not reliably available, average waste rates were used to calculate the volumes of paper in the value chain of books and magazines. Due to the waste volumes accounted for in production processes, the value of paper use in the value chain is greater than the actual inflow of resources to the Group.

Double-counting when classifying paper made from recycled and certified materials is avoided to ensure that paper made from recycled fibers is exclusively designated as recycled. This also applies if these papers bear environmental labels such as FSC® or Blue Angel.

The calculations are partly based on assumptions and estimates. Inherent uncertainties cannot be ruled out.

Paper use in the value chain

in tons	2025	2024
Certified fresh fiber	588,486	597,926
Recycling	150,678	131,408
Other	84,246	87,905
Total paper	823,410	817,239

In 2025, 823,410 tons (previous year: 817,239 tons) of paper were used in Bertelsmann's value chain. In contrast to the resource inflows described above, this also includes paper that was generated as paper waste during the production of purchased products and is therefore no longer included in the product. 71 percent (588,486 tons) (previous year: 73 percent, 597,926 tons) of the paper was sustainably certified fresh fiber paper. 18 percent (150,678 tons) (previous year: 16 percent, 131,408 tons) was made of recycled paper. This represents 89 percent (previous year: 89 percent) of the total paper used.

EU Taxonomy

With EU regulation 2020/852 (hereinafter "EU Taxonomy"), the EU Commission describes what qualifies as an "environmentally sustainable activity" and the criteria for classifying an economic activity as environmentally sustainable. For the environmental objectives 1 "Climate Change Mitigation" and 2 "Climate Change Adaptation," the EU Taxonomy reporting includes information on the proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in revenues, investments (CapEx), and operating expenses (OpEx). For 2025, compulsory reporting includes not only the share of Taxonomy-eligible revenues, CapEx and OpEx in relation to the other environmental objectives (3 "Sustainable Use and Protection of Water and Marine Resources," 4 "Transition to a Circular Economy," 5 "Pollution Prevention and Control," and 6 "Protection and Restoration of Biodiversity and Ecosystems") but also disclosures on the Taxonomy-aligned share of economic activities in revenue, CapEx and OpEx.

Economic activities are deemed to be Taxonomy-eligible when they are listed in the EU Taxonomy. They are deemed Taxonomy-aligned when they (a) make a substantial contribution to implementing one or more environmental targets, (b) do no significant harm (DNSH) to any of the other environmental objectives, as well as (c) are being conducted in compliance with the minimum safeguards for labor and human rights.

Bertelsmann is a media, services, and education company that operates with a variety of business models in around 50 countries worldwide. The identification and analysis of Taxonomy-eligible economic activities is carried out at the Group level together with the corporate divisions in order to ensure the completeness of the Taxonomy-eligible economic activities. Bertelsmann has reviewed the application of the EU Commission's delegated regulation 2022/1214 (hereinafter "Complementary Climate Delegated Act") with regard to individual economic activities in certain energy sectors. Bertelsmann operates CHP plants to generate electricity predominantly for internal purposes. The revenues, investments, and operating expenses related to these CHP plants are immaterial for Bertelsmann. Moreover, in Bertelsmann's view, the economic activities described in Annex XII of the "Complementary Climate Delegated Act" are not congruent with Bertelsmann's economic activities in connection with the CHP plants.

Taxonomy eligibility

With regard to the environmental objective "Climate Change Mitigation," Bertelsmann reports on the Arvato Group division's revenues from the economic activities "8.1. Data processing, hosting, and related activities" and "8.2. Data-driven solutions for reducing greenhouse gas emissions." Regarding the environmental objective "Climate Change Adaptation," Bertelsmann analyzed the following economic activities with respect to their Taxonomy eligibility: "8.3 Programming and broadcasting activities," "11 Education," and "13.3. Production, distribution, and sale of films and television programs, cinemas, recording studios, and music publishing activities." These economic activities represent an "enabling activity" as defined in the EU Taxonomy, and they relate to the corporate divisions RTL Group, BMG, and Bertelsmann Education Group. In Bertelsmann's opinion, these economic activities are not enabling activities within the meaning of the EU Taxonomy. According to the wording of the EU Taxonomy, economic activities are an enabling activity if they enable third parties to make a substantial contribution to the environmental objective of "Climate Change Mitigation" themselves. However, the services provided by Bertelsmann and the resulting revenues in connection with the economic activities "8.3 Programming and broadcasting activities," "11 Education," and "13.3 Production, distribution, and sale of films and television programs, cinemas, recording studios, and music publishing" are not directly aimed at enabling third parties to make a substantial contribution to the environmental objective of "Climate Change Mitigation." This also applies to Bertelsmann's investments in connection with these economic activities, in particular the acquisition of intangible assets such as film, music, and publishing rights. According to the requirements of the Commission Notices of the EU Commission on questions regarding interpretation of the EU Taxonomy, a climate risk and vulnerability assessment is a prerequisite for the respective enabling activities in order to disclose revenues, investments, and operating expenses as Taxonomy-eligible. A corresponding climate risk and vulnerability assessment was last carried out by Bertelsmann in 2024 for its material sites. The analysis of the economic activities listed for the environmental objectives 3 to 6 in the EU Taxonomy did not result in any additional economic activities relevant to Bertelsmann. As part of its disclosures on investments, Bertelsmann reports on other economic activities that can be found in the section "EU Taxonomy Indicators."

Taxonomy alignment

Bertelsmann does not report Taxonomy-aligned revenues, investments, and operating expenses in relation to the environmental objectives 1 "Climate Change Mitigation" and 2 "Climate Change Adaptation" for 2025. The technical screening criteria for a substantial contribution in order to implement both environmental objectives or the DNSH criteria set out in Appendix A to Annex I or Annex II of the EU Taxonomy are not complied with for the economic activities relevant to Bertelsmann. In view of the need for cumulative compliance with the requirements of the technical screening criteria for a substantial contribution, of the DNSH criteria, and the minimum safeguards for Taxonomy alignment, no further checks were made to determine whether other Taxonomy criteria were met.

EU Taxonomy indicators

Reporting is based on the indicators for Taxonomy-eligible revenues, investments (CapEx), and operating expenses (OpEx) defined in Article 8 of the EU Taxonomy. If revenues, investments, or operating expenses in connection with an economic activity can be assigned to more than one environmental objective, they are allocated in full to the “Climate Change Mitigation” objective to avoid double counting. The calculation of the indicators for Taxonomy-eligible economic activities was carried out taking into consideration the FAQ documents published by the EU Commission and the publication “Particularities in reporting according to Article 8 of the Taxonomy Regulation” of the IDW (Institute of Public Auditors in Germany), which address questions on interpretation relating to the EU Taxonomy.

Revenues: The basis for the revenues is the revenues reported in the Consolidated Financial Statements in accordance with IFRS 15.

CapEx: Investments comprise additions to intangible assets (IAS 38), property, plant, and equipment (IAS 16), and leases (IFRS 16). Apart from investments in music, film, and broadcasting rights at RTL Group and BMG, as well as capital expenditure in intangible assets of the Bertelsmann Education Group, specifically for online education, Bertelsmann invests in modernizing and improving energy efficiency at its sites. In this context, investments were made, e.g., in photovoltaic systems. In 2025, Taxonomy-eligible investments totaled €263 million. This figure includes, in particular, additions from leases for land, land rights and buildings of €150 million, construction of new buildings of €86 million, investments in data centers of €13 million, and renovation of existing buildings of €5 million. Bertelsmann does not report any Taxonomy-aligned investments for 2025. Please refer to the following sections of the Notes to the Consolidated Financial Statements for total investments:

- Note 9 “Intangible Assets”: “Additions from business combinations” as well as “Other additions” in “Other intangible assets”
- Note 10 “Property, Plant, and Equipment and Right-of-Use Assets”: “Additions from business combinations” as well as “Other additions” in “Property, plant, and equipment” as well as “Additions” from “Changes in Right-of-Use Assets”

OpEx: Operating expenditures within the meaning of the EU Taxonomy comprise operating repair and maintenance expenditures (including maintenance expenses for Taxonomy-eligible software) and expenditures arising from short-term leases. Other expenses in connection with the daily operation of property, plant, and equipment are not included under operating expenses. Expenditure from operating repair and maintenance expenses and short-term leases amounted to €256 million in 2025 (OpEx denominator in accordance with EU Taxonomy). Operating expenditures for 2025 as defined by the EU Taxonomy account for an immaterial share (1.5 percent) of total operating expenses (cost of materials, royalties, licenses, and personnel costs as well as other operating expenses) in the consolidated income statement. For this reason, Bertelsmann forgoes the calculation of the OpEx numerator, as the operating expenses as defined by the EU Taxonomy are not material to the Group's business models. In application of the exemption option granted by the EU Commission (Second Commission Notice dated December 19, 2022), Bertelsmann therefore reports Taxonomy-eligible operating expenses of €0 million or 0 percent.

The tables in the following section provide an overview of the required EU Taxonomy indicators for 2025.

EU Taxonomy Indicators

Revenues

Financial year 2025			Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	Revenues in € millions	Proportion of revenues, 2025 in %	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) revenues, 2024	Category enabling activity	Category transitional activity
				Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y; N; N/ EL 1,2	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Revenues of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0		
Of which enabling activities		0	0														0	E	
Of which transitional activities		0	0														0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting, and related activities	CCM 8.1	199	1	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG reductions	CCM 8.2	14	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Revenues of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		213	1	1	0	0	0	0	0										
A. Revenues of Taxonomy-eligible activities (A.1+A.2)		213	1	1	0	0	0	0	0										
B. Taxonomy-non-eligible activities																			
Revenues of Taxonomy-non-eligible activities		18,744	99																
Total (A+B)		18,957	100																

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

2 Taxonomy-eligibility and -alignment per environmental objective:

Environmental objectives	Proportion of Revenues/Total Revenues	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation: CCM	0%	1%
Climate Change Adaptation: CCA	0%	0%
Water and Marine Resources: WTR	0%	0%
Circular Economy: CE	0%	0%
Pollution Prevention and Control: PPC	0%	0%
Biodiversity and ecosystems: BIO	0%	0%

Investments

Financial year 2025			Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	CapEx	Proportion of CapEx, 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, 2024	Category enabling activity	Category transitional activity
		in € millions	in %	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y; N; N/EL 1, 2	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0																
Of which enabling activities		0	0															E	
Of which transitional activities		0	0																T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by passenger cars and light commercial vehicles	CCM 6.5	3	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Construction of new buildings	CCM 7.1	86	5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1		
Renovation of existing buildings	CCM 7.2	5	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2		
Installation, maintenance, and repair of energy efficiency equipment	CCM 7.3	3	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6	0	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Acquisition and ownership, and lease, of buildings	CCM 7.7	150	9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								16		
Data processing, hosting, and related activities	CCM 8.1	13	1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3		
Data-driven solutions for GHG reductions	CCM 8.2	3	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		263	15		0	0	0	0	0								23		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		263	15		0	0	0	0	0								23		
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities		1,385	85																
Total (A+B)		1,648	100																

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

2 Taxonomy-eligibility and -alignment per environmental objective:

Environmental objectives	CapEx Proportion/Total CapEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation: CCM	0%	0%	23%
Climate Change Adaptation: CCA	0%	0%	0%
Water and Marine Resources: WTR	0%	0%	0%
Circular Economy: CE	0%	0%	0%
Pollution Prevention and Control: PPC	0%	0%	0%
Biodiversity and ecosystems: BIO	0%	0%	0%

Operating Expenses

Financial year 2025			Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OpEx in € millions	Proportion of OpEx, 2025 in %	Climate Change Mitiga- tion Y; N; N/ EL 1,2	Climate Change Adap- tation Y; N; N/ EL 1,2	Water Y; N; N/ EL 1,2	Pollu- tion Y; N; N/ EL 1,2	Circular Eco- nomy Y; N; N/ EL 1,2	Biodi- versity Y; N; N/ EL 1,2	Climate Change Mitiga- tion Y/N	Climate Change Adap- tation Y/N	Water Y/N	Pollu- tion Y/N	Circular Eco- nomy Y/N	Biodi- versity Y/N	Mini- mum Safe- guards Y/N	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) OpEx, 2024 %	Cate- gory enab- ling activity E	Cate- gory transi- tional activity T	
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0			
Of which enabling activities		0	0														0	E		
Of which transitional activities		0	0														0		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0	0	0	0	0	0	0									0		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0	0	0	0	0	0	0									0		
B. Taxonomy-non-eligible activities																				
OpEx of Taxonomy-non-eligible activities		256	100																	
Total (A+B)		256	100																	

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective, N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective, N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

2 Taxonomy-eligibility and -alignment per environmental objective:

Environmental objectives	OpEx Proportion/ Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation: CCM	0%	0%
Climate Change Adaptation: CCA	0%	0%
Water and Marine Resources: WTR	0%	0%
Circular Economy: CE	0%	0%
Pollution Prevention and Control: PPC	0%	0%
Biodiversity and ecosystems: BIO	0%	0%

Social Information

Bertelsmann is aware of its responsibilities to its workers, value chain workers, consumers, and the end users of its products and services. The Group makes a contribution to preventing and mitigating the negative impacts and risks of its actions and to promoting positive impacts and opportunities.

S1 Own workforce

People are the most important resource for Bertelsmann's success. Bertelsmann's workforce includes own employees who maintain an employment relationship with the Group as well as third-party workers ("non-employees") who work as self-employed people, freelancers, or temporary workers hired through agencies for Bertelsmann.

SBM-2 Interests and views of stakeholders

The shareholders, Group management, and employees work together in a trustful manner on the basis of shared, identity-forming core values and goals, and they assume joint responsibility for the Group. Bertelsmann relies on a skilled, motivated, and diverse workforce to provide its customers and end users with first-class media content and innovative service solutions. This applies all the more in an age of rapid technological change, constantly changing geopolitical framework conditions, and volatile markets. The Group's workforce ("people") is defined as an enabler of the Bertelsmann Group's strategy. Implementation of the Group's strategy is supported by the Group-wide HR agenda of the CHRO.

Processes for engaging the interests and viewpoints of employees and their representatives on material impacts, risks, and opportunities are described in detail in section S1-2.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities ("IROs") for Bertelsmann's workforce that have been identified as part of the double materiality assessment.

The identified IROs apply, unless otherwise specified, to Bertelsmann's workforce. However, the individual scale and scope vary depending on the country and type of business activity (e.g., logistics or digital content creation and distribution). Certain impacts (e.g., regarding work-life balance, measures against violence and harassment, gender equality, and equal pay for equal work) affect specific vulnerable groups of people in particular. Furthermore, Bertelsmann sees no significant actual risk of child and forced labor among its own employees, either in relation to its operations or to the countries in which the company operates. Bertelsmann addresses its material IROs through various policies, employee engagement procedures, dedicated speak-up channels, as well as actions and targets. These are discussed in more detail in sections S1-1 to S1-5.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Working conditions	Secure employment	Bertelsmann regards the employment of its workforce on the basis of a permanent employment relationship as the standard course of action where possible and typical for the business model in question. Job security has a positive effect on employee performance, and contributes to workplace satisfaction and to the well-being of their personal environment as a whole.	Impact Positive Actual	Own operations	Short, medium, and long term
		By contrast, a lack of or low job security could lead to higher stress levels with negative impacts on workplace productivity and employees' private lives. If workforce reductions are unavoidable due to site closures or restructuring, Bertelsmann is aware of its social responsibility toward the affected employees and upholds its duties in this regard. This also includes providing affected employees with information in good time and exploring internal options for new or continued employment at an early stage.	Impact Negative Potential		
		Restructuring costs may arise if workforce reductions are required due to economic necessity.	Risk		
Working time		To the extent possible, Bertelsmann's working culture is driven more by results than employee office attendance. As a result, employees' needs are harmonized and reconciled with the Group's interests. This promotes the mental health and well-being of employees and at the same time boosts their performance.	Impact Positive Actual	Own operations	Short, medium, and long term
		Bertelsmann creates an environment that allows employees to complete the tasks assigned to them during their normal working hours. However, in certain situations, layoffs or labor shortages, as well as the requirements of certain of businesses (e.g., shift patterns and seasonal demand), may nevertheless lead to longer working hours and limited flexibility in taking time off in lieu. These factors can adversely affect employee well-being (fatigue, burnout).	Impact Negative Actual and potential		
		Longer working hours for employees can lead to increased susceptibility to errors and a decline in work performance. Limited flexibility in terms of working hours and location can also make employers less attractive, making it more difficult to attract and retain qualified talent. This harbors the risk of negatively impacting the Group's ability to innovate and transform, as well as its long-term economic success.	Risk		
Adequate wages		Failure to comply with regulations covering adequate wages carries legal risks in connection with the loss of reputation and financial penalties.	Risk	Own operations	Short, medium, and long term
Social dialogue		Social dialogue increases participation in decision-making processes, offers a variety of perspectives, and fosters a sense of affiliation with the Group. At the same time, it gives the Group the opportunity to strike a balance between employer and employee interests, shows respect for the rights of the various parties, and has a positive impact on the organization of a wide range of other topics related to employees.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Insufficient social dialogue can lead to a lack of participation and transparency for employees in key decision-making processes. This harbors the risk of decreasing employer attractiveness and productivity due to lower trust among employees and weaker identification with the Group.	Risk		
Freedom of association, the existence of works councils		Bertelsmann's corporate culture promotes the active participation of employees and their representatives in shaping working conditions through voluntary, participatory, and partnership-based structures. This contributes to greater mutual understanding and trust.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Disregarding the right to freedom of association prevents issues from being addressed and solutions being found quickly and with transparency. For Bertelsmann, this harbors the risk of reputational damage and declining productivity due to falling employee motivation and morale.	Risk		

Working conditions	Collective bargaining	Bertelsmann guarantees the right to collective bargaining. Collective bargaining contributes to stable labor relations and reduces the likelihood of strikes. Partnership-based negotiations can help ensure fair working conditions and adequate wages, among other things, all of which have a positive impact on employee satisfaction.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Some Bertelsmann firms operate in countries where collective bargaining is not common practice. This can lead to regional differences in terms of workers' rights, working conditions, and pay.	Impact Negative Potential		
	Work-life balance	To the extent possible, Bertelsmann provides Group-wide framework conditions to help employees reconcile their professional commitments with their private lives on the basis of mutual trust. Particular attention is given to challenges inherent to specific life stages such as caring for children or dependents.	Impact Positive Actual	Own operations	Short, medium, and long term
	A lack of work-life balance can negatively impact employee health and their private lives. The requirements involved in certain business models (e.g., shift patterns or seasonal demand) can make it difficult to achieve a satisfactory balance. With the exception of cases where operational processes do not permit these approaches, Bertelsmann relies on flexible working and part-time models to help employees balance work and their private lives.	Impact Negative Actual and potential			
	Health and safety	Shortcomings in Group-wide occupational health and safety could adversely affect the physical and mental health of Bertelsmann employees, which, in turn, entails the risk of unplanned costs and reputational damage.	Risk	Own operations	Short, medium, and long term
Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Bertelsmann treats all individuals working for the Group equally and without distinction, and without prejudice or discrimination of any kind. The principle is that employees receive equal pay for equal work and work of equal value, regardless of gender or other characteristics unrelated to performance. These factors can positively affect employee well-being.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Equal treatment and equal opportunities can help Bertelsmann to increase the attractiveness of the workplace, boost productivity and creativity, and strengthen the recruitment and retention of qualified talent.	Opportunity		
		Unequal treatment entails legal risks and resulting financial burdens (e.g., compensation payments) with negative consequences for the Group's reputation and attractiveness as an employer. If instances of discriminatory pay gaps are found, Bertelsmann remedies them.	Risk		
	Training and skills development	Digitalization and the use of artificial intelligence require a comprehensive transformation of the working world. Bertelsmann therefore relies on a qualified, motivated, and diverse workforce to maintain its business activities in the long term. As targeted training and skills development contributes to maintaining and acquiring competencies critical to success and preserving employability, it has a positive effect on employees.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Bertelsmann regards attracting, developing, and retaining a qualified, motivated, and diverse workforce as an opportunity to improve the Group's ability to innovate and transform, which is crucial to its economic success.	Opportunity		
	Without a qualified, motivated, and diverse workforce capable of learning and handling profound changes, there is a risk that the Group's ability to innovate and transform could be adversely affected. As a result, revenue and earnings growth may fall, additional costs may be incurred for recruitment, training, or consulting, and the competitiveness and economic success of the Group may suffer.	Risk			
	Measures against violence and harassment in the workplace	Incidents of sexual harassment, discrimination, racism, bullying, abuses of power, intimidation, threats, and other forms of harassment may result in legal action against Bertelsmann. This entails the risk of financial burdens, such as litigation and compensation costs, as well as reputational damage.	Risk	Own operations	Short, medium, and long term
	Diversity	A diverse, inclusive work environment in which each individual feels heard and supported leads to a higher sense of appreciation and improved development and growth potential for employees.	Impact Positive Actual	Own operations	Short, medium, and long term

Equal treatment and opportunities for all	Diversity	Bertelsmann views the diversity of its employees as an opportunity to enhance its ability to innovate and transform through new content, products, and services, and to tap into new business potential, models, and markets. In addition, diversity strengthens the Group's employer brand and helps attract new talent.	Opportunity	Own operations	Short, medium, and long term
		A work environment that does not value diversity can lead to discrimination, a poor work environment, and damage to employee mental health. This entails the risk of declining productivity and employer attractiveness.	Risk		
Other work related rights	Child and forced labor	Child labor, forced labor, all forms of modern slavery and human trafficking, and any form of exploitation are strictly prohibited at Bertelsmann. Any violations of these principles can have serious consequences for the health and development of individuals, especially if they belong to vulnerable groups.	Impact Negative Potential	Own operations	Short, medium, and long term

Impact, risk, and opportunity management

S1-1 Policies related to own workforce

People are the most important resource for creativity and entrepreneurship and thus for Bertelsmann's success. This corporate identity – anchored in the corporate constitution and the Bertelsmann Essentials – forms the basis for the Executive Board guidelines and policies related to the company's workforce.

Bertelsmann Essentials

The two corporate values of creativity and entrepreneurship, the Bertelsmann Essentials, are at the heart of the daily activities of Bertelsmann employees. Through their interaction, they reinforce each other and thereby form the cornerstones of the Bertelsmann corporate culture, which relies on participation and partnership.

Bertelsmann Code of Conduct

Building on the Bertelsmann Essentials, the Bertelsmann Code of Conduct aims to raise awareness of applicable laws and principles among all employees in the Group and raise awareness of risks in everyday work. As a binding guideline, it sets the standard for responsible conduct toward business partners and the public, as well as in interactions within the Group. It contains principles for the following material employee-related topics: Working hours, adequate wages, freedom of association and collective bargaining, health and safety, diversity, measures against violence and harassment, and other work-related rights. Among other things, the Bertelsmann Code of Conduct enshrines respect for human and personal rights and the dignity of each individual, and formulates Bertelsmann's commitment to the principles of the UN Universal Declaration of Human Rights and the UN Global Compact. The Bertelsmann Code of Conduct also emphasizes the importance of open discussion, and respectful and trusting conduct in a work environment that promotes diversity and equal opportunity and does not tolerate harassment or discrimination.

The Executive Board bears ultimate responsibility for the Group-wide implementation of the Code of Conduct. The material scope of application for the S1 standard includes Bertelsmann's employees, who are required to comply with the principles enshrined in the Bertelsmann Code of Conduct. The Bertelsmann Code of Conduct is available in 12 languages on both the Bertelsmann website and the Bertelsmann intranet. Bertelsmann employees are required to take mandatory training on the Bertelsmann Code of Conduct (see section G1-1). The implementation is monitored with the Bertelsmann Compliance Survey. In addition, the Bertelsmann Employee Survey is used to check whether employees are aware of the Bertelsmann Code of Conduct and the ways in which violations of the Code of Conduct can be reported.

Executive Board Guideline Health and Safety

The Executive Board Guideline Health and Safety sets the organizational framework for Group-wide health and safety management. On the one hand, the main content of the guideline addresses the responsibilities and tasks related to Group-wide health and safety management with regard to the Executive Board, management of the divisions, management of the Group companies and cooperation in the CR Council, and in the cross-divisional "Health & Well-being" and "Safety" working groups. On the other hand, the Executive Board Guideline defines the targets and responsibilities related to health and safety reporting.

The Executive Board bears ultimate responsibility for the guideline. It sets Group-wide priorities and targets for health and safety topics. The Executive Board Guideline was prepared with the involvement of the CR Council, the HR Committee, and the existing working groups. It applies to Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this guideline is not already directly applicable due to existing corporate governance rules implement their own, equivalent guidelines based on this guideline. The Executive Board Guideline is available on the Bertelsmann intranet and the Corporate Responsibility department is responsible for monitoring and updating its content.

Bertelsmann Policy Health & Well-being

The Bertelsmann Policy Health & Well-being aims to achieve healthy and safe working conditions and a culture of mutual support for all employees. The focus of this policy is on continually improving the management of health & well-being. The principles set forth in the policy concern the establishment of a management approach to health & well-being (roles and responsibilities, processes to minimize and eliminate risks to mental, physical, and social health, and the implementation of actions) as well as the establishment of working groups to address this topic in a holistic, systematic manner. Another focus of the policy lies in enabling managers to create a healthy and safe work environment and corporate culture, and helping all employees to develop a healthier lifestyle and safer work habits. Employees are able to access voluntary health training and services, such as occupational social counseling or the Employee Assistance Program (EAP) for free.

The Executive Board bears ultimate responsibility for this policy. The policy was prepared with the involvement of the CR Council, the HR Committee, the Corporate Works Council in Germany, and the existing working groups. The Corporate Responsibility department is responsible for communicating the policy to all employees and other stakeholders in coordination with the Communications department. The policy is also available on the Bertelsmann website and on the Bertelsmann intranet. The Bertelsmann Policy Health & Well-being applies to employees of Bertelsmann SE & Co. KGaA as well as Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this policy is not already directly applicable due to existing corporate governance rules implement their own equivalent policies based on this policy. The policy is reviewed every two years.

Bertelsmann Policy Safety

The Bertelsmann Policy Safety defines the common understanding of workplace safety at Bertelsmann. The safety of employees in the work environment is given top priority. According to the policy, all Bertelsmann employees should be protected against work-related injuries and illness. To achieve this, the Group strives to continuously improve its occupational health and safety performance. The policy enshrines Bertelsmann's commitment to providing safe and healthy working conditions. The principles set forth in the policy concern the Group-wide management approach (roles and responsibilities, requirements placed on local health and safety management systems, alignment with external standards such as ISO 45001), regular risk assessments and effective controls for risks and hazards, emergency preparedness, safety awareness, competency, and training. The proactive contribution to achieving a safe working environment by managers and all employees, regardless of their position, as well as close cooperation with employee representatives, are also integral elements of the policy.

As stakeholder engagement, responsibilities, availability, monitoring, and the scope of the policies are the same in both the Bertelsmann Policy Health & Well-being and the Bertelsmann Policy Safety, this information can be found in the preceding section.

Bertelsmann Policy Inclusion

The Bertelsmann Policy Inclusion states that diversity and variety among employees are decisive for creativity. It primarily addresses the following topics that were found to be material according to the double materiality assessment: Diversity and measures against violence and harassment. The principles set forth in the Bertelsmann Policy Inclusion underscore the common understanding of inclusion at Bertelsmann. The aim is to strengthen a corporate culture based on diversity of perspectives, fairness, appreciation, and cooperation, and to promote a working environment characterized by trust and psychological security that facilitates both the professional and personal development of all employees for the success of the Group.

Bertelsmann does not tolerate discrimination based on ethnic, national, or social background, skin color, age, gender, gender identity or expression, sexual orientation, pregnancy, marital status or parenthood, disability, religion or worldview, political or other beliefs, or other reasons prohibited by any ban on discrimination. Racism, religious intolerance, antisemitism, sexism, sexual harassment, discrimination of members of the LGBTQIA+ community, bullying, abuses of power, intimidation or threats, and any other forms of harassment are not tolerated. Every report of a potential compliance violation is handled immediately based on a defined procedure in line with the Executive Board Guideline for Handling Reports of Compliance Violations and the Procedure for Compliance Violations as outlined in section G1-1. Additionally, contact persons for the German "General Equal Treatment Act" (AGG) are available at sites in Germany.

The Executive Board bears ultimate responsibility for the Bertelsmann Policy Inclusion. It applies to employees of Bertelsmann SE & Co. KGaA as well as Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this policy is not already directly applicable due to existing corporate governance rules implement their own equivalent policies based on this policy. The policy is available on both the Bertelsmann intranet and the Bertelsmann website and is reviewed every two years. Principles on this topic applicable to employees are also enshrined in the Bertelsmann Code of Conduct, the Bertelsmann Policy Human Rights and Fair Working Conditions, the Bertelsmann Leadership Principles, the Bertelsmann Creativity Principles, and the Executive Board Guideline on Staffing Policy. In addition, the Bertelsmann Action Plan for Inclusion (2026–2030) aims to improve participation for employees with disabilities in the German Bertelsmann companies and is evaluated annually.

Bertelsmann Policy Human Rights and Fair Working Conditions

The aim of the Bertelsmann Policy Human Rights and Fair Working Conditions is to create a common Group-wide understanding of the Group's standards with regard to these topics. It serves as a compass for ethically and socially responsible conduct based on the principles of fairness, respect, and trust. The policy addresses or references all employee-related topics classified as material in the double materiality assessment. The content of this policy concerning material impacts, risks, and opportunities for Bertelsmann can be found in the IROs table at the beginning of this section (see section SBM-3). Global conventions on human rights and working conditions are referenced as frameworks in the policy. These include the UN Guiding Principles on Business and Human Rights, the UN Free & Equal Standards, the UN Convention on the Rights of Persons with Disabilities, the UN Global Compact, the International Labour Organization's (ILO) Core Labour Standards and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The Bertelsmann CHRO is responsible for the implementation of this policy and initiates the dialogue with the heads of HR from the divisions. For their part, the divisions report to the Executive Board on the status of policy implementation. The Bertelsmann Policy Human Rights and Fair Working Conditions was developed in a cross-divisional working group and finalized with the heads of HR from the divisions, employee representatives, and experts. It is available on both the Bertelsmann website and the Bertelsmann intranet. The principles set forth in the policy concern all own employees of Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). The engagement of non-employees is governed by a separate paragraph in this policy. Group companies for which this policy is not already directly applicable due to existing corporate governance rules implement their own equivalent policies based on this policy.

Commitment to respect human rights

Bertelsmann's activities are guided by international human rights standards, which are set out in the regulations mentioned above.

Respect for and observance of human rights, including the prohibition of child and forced labor, any form of slavery and human trafficking, and any form of exploitation, are explicitly enshrined in the Bertelsmann Code of Conduct, the Bertelsmann Policy Human Rights and Fair Working Conditions, the Bertelsmann Declaration of Principles on the Observance of Human Rights, and the Bertelsmann Slavery and Human Trafficking Statement (see section S2).

In order to ensure compliance with these principles and guidelines, the Executive Board has established a compliance organization with an Integrity & Compliance program and appointed a Corporate Compliance Committee (CCC). The Integrity & Compliance (I&C) department is responsible for implementing the human rights strategy, and is subordinate to the CCC in the organization. The head of the Group Legal department, who is also the Human Rights Officer of Bertelsmann, oversees the implementation of the human rights strategy. The I&C department informs employees about the key legal provisions and internal company guidelines, including those concerning respect for human rights. Local compliance officers act as local contacts at each of the Group companies. Please consult section G1 for more information on the governance structure at Bertelsmann.

As part of an annual analysis, risks related to human rights and the environment are identified and assessed. Based on the results, appropriate preventive and remedial actions are taken. The internal control system monitors the effectiveness and adequacy of the established actions in the divisions on the basis of risk. The analysis is carried out for Bertelsmann's own business divisions and direct suppliers, and is described in more detail in section S2-3.

S1-2 Processes for engaging with own employees and employees' representatives about material impacts, risks, and opportunities

The ongoing engagement of employees and their representatives in decision-making processes on material employee-related topics forms an integral part of the Bertelsmann corporate culture. Based on a culture of participation and partnership, employees and their representatives work together for the common good and therefore for the good of Bertelsmann. Various communication channels and dialogue formats are in place for discussion, addressing common issues, and raising concerns. The Bertelsmann CHRO bears overall responsibility for the engagement of employees and their representatives.

Employees from the respective departments regularly discuss actual and potential impacts, risks, and opportunities posed by certain material topics in cross-divisional working groups.

- **Training and skills development:** The learning strategy is implemented by Bertelsmann University and in Germany by the Bertelsmann vocational school. Representatives from the divisions meet with Bertelsmann University every two months in the international Talent & Learning Committee to jointly evaluate employee-related learning needs and promote the development of learning opportunities. In addition, the ongoing development of talent management processes and HR tools such as the performance and development dialogue is implemented by the Top Executives and Talent Management department with the support of the cross-divisional Talent Management Committee.
- **Health and safety:** The Corporate Responsibility department is working with two international cross-divisional working groups on the topics of "Health & Well-being" as well as "Safety" to develop the strategic framework for a safe and healthy work environment at Bertelsmann. In addition to directly engaging with employees through mutual exchanges in the working groups, information is provided and consultations held with employee representatives three to four times each year (e.g., Group works councils or the Group representatives for severely disabled employees in Germany). The collaboration is governed by the Executive Board Guideline on this topic described in section S1-1.
- **Diversity:** The ongoing development of inclusion within the respective legally permissible scope is implemented by the Corporate Responsibility department with the involvement and consultation of representatives from the divisions in an international working group. Information is also provided to other committees in the divisions. In 2025, the aforementioned working group met for a three-day in-person meeting and virtual meetings were held on a monthly basis. Within the company a variety of employee networks are active, including the cross-divisional LGBTQIA+ employee network "be.queer," which is open to all employees. In addition, employee representatives (e.g., Supervisory Board employee representatives and Group representatives for severely disabled employees) are kept informed or consulted on a topic-specific basis.

Employees and their representatives are consulted as required about other important decision-making processes. This happens, for example, when conducting the double materiality assessment in order to determine Group-wide, material sustainability topics, or when preparing and revising Executive Board regulations (e.g., the Bertelsmann Code of Conduct, the Bertelsmann Policies related to Human Rights and Fair Working Conditions, Health & Well-being, Safety, or the Executive Board Guideline Health and Safety).

In addition to the engagement of employees and their representatives as required and regular discussions in topic-specific working groups, employees are primarily regularly consulted in the Bertelsmann Employee Survey and in various personnel meetings. The Bertelsmann Employee Survey contains questions about material employee-related topics such as working hours, work-life balance, diversity, adequate wages, and health and safety, among others. The findings from the Bertelsmann Employee Survey are presented to the Supervisory Board, the Executive Board, decision-makers at Group and division level, and the Chairman of the Group Works Council. All employees are then informed of the findings. Based on the findings, areas for improvement are identified, corresponding actions derived and evaluated on the basis of topic-specific indices (e.g., on creativity, entrepreneurship and empowerment, learning culture, health & well-being, inclusion, and ESG as a whole).

There are also formats available for addressing overarching Group topics such as the Bertelsmann Group Dialogue Conference, which serves as a forum for regular discussions between the Chairman of the Executive Board, the Bertelsmann CHRO and Group Works Council members from divisions in Germany, and the Annual Meeting of the Disabled Employee Representative Bodies in Germany. Although Bertelsmann, as a media company, is free to determine its political direction as defined in the German “Works Constitutions Act” (Tendenzschutz) and therefore is not subject to statutory co-determination in the Supervisory Board, five employee representatives are currently appointed as members of the Supervisory Board on a voluntary basis.

S1-3 Processes to remediate negative impacts and channels for workers to raise concerns

Bertelsmann gives employees various opportunities to seek advice or raise concerns. Concerns can be raised with local contacts (e.g., supervisors, management, local compliance officers, HR, Legal, and Finance/Audit departments, or – where available – employee representatives). In addition, Bertelsmann has set up various channels (“speak-up channels”) at Group level through which concerns can be reported confidentially and securely: “Speak Up” is Bertelsmann’s whistleblower system. Reports of potential compliance violations can be communicated either electronically or by telephone, and anonymously on request. Employees can also contact the Integrity & Compliance (I&C) department or external ombudspersons appointed by Bertelsmann. Bertelsmann provides its employees with information on the available options for submitting reports through these channels and on the next steps. Information about the speak-up channels is available in various languages on the Bertelsmann intranet, the Bertelsmann website, and in the Bertelsmann Code of Conduct. I&C is responsible for the provision of speak-up channels, receiving reports, and coordinating investigations or other follow-up actions. Each report is handled in accordance with the procedure for compliance violations described in section G1. Following an initial evaluation of the report, the investigation team conducts a review, which results in the introduction of actions in the event of substantiated violations. The corresponding findings are documented by I&C. The effectiveness of the complaint process is reviewed at least once a year with regard to its functionality and accessibility by I&C. It is assessed, among other methods, on the basis of the number of complaints received, information about the groups of individuals from whom complaints were received, the proportion of complaints resolved and complaints that could not be resolved, if any, and the length of time it took to handle complaints. This provides insight into how to improve the quality of the complaint process, communication, and adequate resources for the complaint process.

When developing the complaint process, particular importance was attached to ensuring employee access and actions were taken to counteract potential obstacles such as a lack of information and language barriers. Group works councils in Germany were involved in the introduction of the complaint process and in every major change to the system since. As part of the regular Bertelsmann Employee Survey, Bertelsmann employees are asked to comment on issues related to the complaint process. Feedback is incorporated into the process of improving the procedure. Bertelsmann has ensured that any language or other barriers are removed by providing the system in multiple languages, free of charge, based on the local languages spoken at Bertelsmann sites. The rules of procedure for the Bertelsmann Speak Up procedure are available in ten languages and will be supplemented by additional languages as required.

S1-4 Taking actions on material impacts, risks, and opportunities and effectiveness of those actions

Bertelsmann introduces appropriate and effective actions to prevent and mitigate the negative impacts of its actions on workers and risks, and to promote positive impacts and opportunities. These actions are identified and evaluated through discussions in cross-divisional working groups on material topics or as required, as described in section S1-2. Actions managed centrally and across the Group in relation to material impacts, risks, and opportunities are summarized below.

- **Training and skills development:** The three-year Bertelsmann Tech & Data Scholarship initiative (2023–2025) with more than 50,000 scholarships includes both the Udacity technology stipend program “Next Generation Tech Booster” for external candidates as well as the “Employee Scholarship” program with Udacity, Coursera, and Harvard Online for Bertelsmann employees. The third round of both programs was completed in 2025. Furthermore, the learning format “Your Growth Booster” took place in order to promote a culture of learning. Alongside the digital program series “BeReady,” for example, the strategy program “Managing Strategy for Action” was held at Harvard Business School to empower and connect top executives. A review of the Performance and Development Dialogue was also completed to update core competencies and improve user-friendliness. Tech & Data roles critical to success are reviewed on a regular basis to identify and fill any skills gaps. The results of the analyses of divisional skills gaps are presented at least once a year as part of strategy meetings between the Executive Board and divisional heads. The completion rate of the scholarship programs is used to evaluate the success of the Bertelsmann Tech & Data Scholarship initiative. Participant feedback is evaluated for the remaining programs for managers and learning formats that are offered to all employees. The learning culture at Bertelsmann is also assessed based on the results of the employee survey. With regard to the Performance and Development Dialogue, Bertelsmann plans to review the effectiveness of the revised tool based on the number of dialogues held and the feedback from respondents.
- **Health and safety:** Progress was made on the implementation of the Executive Board Guideline on Health and Safety adopted in 2024 and the two Bertelsmann policies on Health & Well-being and Safety through a number of actions. These actions included the provision of supporting materials for the implementation of the regulations and the development of training on the core content. Targets and actions for the second Bertelsmann Corporate Responsibility Program (2026–2028) were developed as part of strategic development on the topic of occupational health and safety in close cooperation with the cross-divisional international working groups. In 2025, awareness of mental health among employees was promoted as part of a Group-wide initiative. In addition, an international “Fit for Work” sports campaign was held in which over 3,600 employees took part around the world. Actions (e.g., in-person workshops, online training, preparing digital course collections, and knowledge sharing) were also launched to foster a leadership style that promotes health in the divisions. Suitable health and safety actions are determined through regular coordination in the cross-divisional, international working groups. The effectiveness of the actions carried out is reviewed based on participation rates and usage data for the information provided (e.g., sign-ups and click numbers) as well as a qualitative evaluation with the support of the working groups. Findings from the employee survey are also used to identify opportunities for improvement.

- **Diversity:** The new Bertelsmann Policy Inclusion was drafted in 2025 and adopted by the Executive Board in February 2026. The cross-divisional Inclusion Working Group developed targets and actions for the second Bertelsmann Corporate Responsibility Program (2026–2028) based on the policy. The LGBTQIA+ employee network “be.queer” contributed to raising awareness of queer topics with activities related to Pride Month. This took the form of a workshop for managers and participation in Christopher Street Days in Berlin, Cologne, and Bielefeld, for example. In addition, the second Bertelsmann Action Plan for Inclusion (2026–2030) was developed with the aim of promoting the inclusion of employees with disabilities in the German Bertelsmann companies. Suitable actions are defined by the Corporate Responsibility department in regular consultation with the Inclusion working group. In addition, the effectiveness of the actions introduced is evaluated as part of the Group-wide employee survey and, for the first time in the reporting year, on the basis of an Inclusion Index.
- **Measures against violence and harassment:** In 2025, the Group further developed the content of the new mandatory training course “Respect in the Workplace” with the goal of improving the basic understanding of employees on the topic of antidiscrimination and familiarizing all employees with their related rights and obligations. In addition, employees at the Group’s sites in Germany are able to get in touch with contact persons for the “German Equal Treatment Act” (AGG). Employees have been informed of their rights in this regard.
- **Social dialogue and freedom of association, including the existence of employee representatives:** In 2025, the restructuring of the Group Dialogue Conference was initiated against the backdrop of the scheduled works council elections in the following year. The aim of this initiative is to make future cooperation between the Group Works Council and Group management more effective. The nominated working group of the Group Works Council worked intensively on the thematic concept for the 2026 Group Dialogue Conference in 2025.
- **Other work-related topics:** In 2025, both Bertelsmann and individual Group companies issued their own statements in accordance with the “UK Modern Slavery Act” and the “Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act,” condemning all forms of modern slavery, child and forced labor, as well as exploitation and discrimination, and presenting actions to prevent these human rights violations.

In line with the principle of subsidiarity, the implementation of the Group’s strategy and operational business responsibility in relation to entity-specific actions are largely delegated to the corporate divisions and Group companies. Against this backdrop and in the context of the double materiality assessment, no centrally managed Group-wide actions as defined by the requirements under MDR-A (Minimum Disclosure Requirements – Actions) were introduced in 2025 on material topics such as secure employment, working hours, work-life balance, collective bargaining, adequate wages and gender equality, and equal pay for equal work.

Targets and metrics

S1-5 Targets related to managing material impacts, risks, and opportunities

Bertelsmann's ambition regarding all material employee-related topics is codified or referenced in the Bertelsmann Policy Human Rights and Fair Working Conditions. In line with the principle of subsidiarity, the implementation of the Group's strategy and operational business responsibility in relation to entity-specific targets are largely delegated to the corporate divisions and Group companies. Against this backdrop and in the context of the double materiality assessment, there are currently no Group-wide targets under MDR-T (Minimum Disclosure Requirements – Targets) with respect to all material employee-related topics. At the Group level, mechanisms are used in certain cases to ensure the effectiveness of policies and actions, as described in sections S1-1 and S1-4.

S1-6 Characteristics of the undertaking's employees

§ Reporting principles

The metrics in section S1-6 to be disclosed regarding the total number of employees at Bertelsmann are reported as a headcount as of the cut-off date December 31. These metrics do not include interns or apprentices.

The breakdown by country is based on the domicile of the legal entity that employs employees. Germany, the United States, and Brazil are disclosed separately in the report because they exceed the size criteria of 50 or more employees as specified in ESRS and represent more than 10 percent of the total number of employees.

The breakdown by gender is based on the genders stated by employees. Currently, employees cannot enter genders other than male or female in all local HR master data systems. In light of this, Bertelsmann gives all employees the opportunity to voluntarily insert or correct their gender in the Group-wide HR IT system "peoplenet." If employees have reported a gender other than male or female, they are recorded under the category "Other." Employees without a gender entry and employees who do not wish to disclose their gender are recorded under the category "Not reported."

The breakdown by contract term is based on the respective local HR master data. Where employees have a permanent or temporary employment relationship without guaranteed working hours, they are reported as both permanent or temporary, and as non-guaranteed hours employees.

Divestments are excluded from the calculation of employee turnover. Employee turnover is categorized as "Voluntary" or "Involuntary." Voluntary turnover includes, among other scenarios, employees who initiated the termination of their contract or employees who have retired. Involuntary turnover includes, but is not limited to, employees who have been let go or who have passed away. The denominator for calculating employee turnover is the average number of employees for the year.

No estimates were made when the metrics of section S1-6 were recorded.

Total number of employees by gender

Total number	12/31/2025	12/31/2024
Male	35,343	34,046
Female	41,525	40,537
Other	36	17
Not reported	61	7
Total	76,965	74,607

Total number of employees by country

Total number	12/31/2025	12/31/2024
Germany	28,023	28,800
United States	12,077	11,152
Brazil	8,969	8,844
Other countries	27,896	25,811
Total	76,965	74,607

Total number of employees by contract type

Total number	Male	Female	Other	Not reported	12/31/2025
Permanent employees	31,917	36,893	34	53	68,897
Temporary employees	3,426	4,632	2	8	8,068
Total	35,343	41,525	36	61	76,965
thereof non-guaranteed hours employees	242	33	0	0	275

Total number	Male	Female	Other	Not reported	12/31/2024
Permanent employees	30,601	35,747	15	6	66,369
Temporary employees	3,445	4,790	2	1	8,238
Total	34,046	40,537	17	7	74,607
thereof non-guaranteed hours employees	59	13	0	0	72

As of December 31, 2025, a total of 76,965 employees (previous year: 74,607 employees) were employed at Bertelsmann, of whom 90 percent (previous year: 89 percent) had permanent employment contracts. The total number of employees corresponds to the disclosure in section 33 of the Notes to the Consolidated Financial Statements "Additional Disclosures in Accordance with Section 315e of the German Commercial Code (HGB)." Temporary employment models are limited to circumstances in which they are necessary in order to respond to specific business requirements.

Metrics on employee turnover

Total number or percent	2025	2024
Total number of employees who have left the undertaking	21,949	21,198
Rate of employee turnover (in %)	29	27

A total of 21,949 employees left the Group in 2025 (previous year: 21,198 employees). The overall employee turnover rate was 29 percent (previous year: 27 percent). It refers to the average number of all employees with permanent and temporary contracts who left the Group in the reporting year, either voluntarily or involuntarily. The rate was mainly attributable to employees with temporary employment contracts and, for business-related reasons, in particular to RTL Group's content business Fremantle. The employee turnover rate was 17 percent (previous year: 17 percent), based on the average number of employees with permanent contracts.

S1-8 Collective bargaining coverage and social dialogue

§ Reporting principles

Coverage rates are calculated based on the total number of employees in accordance with ESRS S1-6, as a headcount in the European Economic Area (EEA) calculated as of the cut-off date December 31. Germany is shown separately in the reporting on coverage by collective bargaining agreements and by employee representatives, as it meets the size criteria of 50 or more employees and more than 10 percent of the total number of employees as specified in ESRS. Collective agreements such as works agreements are also included under collective bargaining agreements for the purposes of this metric.

No estimates were made when the metrics of section S1-8 were recorded.

As of December 31, 2025, a total of 89 percent (previous year: 78 percent) of Bertelsmann employees were covered by collective bargaining agreements in the EEA. The following table shows the rates of coverage by

collective bargaining agreements and employee representatives in countries in the EEA that meet the size criteria specified in ESRS. For 2024 and 2025, these criteria were only met in Germany.

Metrics on collective bargaining coverage and social dialogue

Coverage	Collective bargaining coverage in the EEA		Social dialogue Employee representatives in the EEA	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
0–19 %				
20–39 %				
40–59 %				
60–79 %				
80–100 %	Germany	Germany	Germany	Germany

In Germany, the share of employees covered by collective bargaining agreements was 95 percent (previous year: 86 percent) in 2025. 93 percent (previous year: 95 percent) of employees in Germany were represented by employee representatives. In addition, relevant agreements have been concluded with the Group Works Council at Bertelsmann to promote a dialogue and partnership with employee representatives at the European level.

S1-9 Diversity

§ Reporting principles

The breakdown by age group is based on the total number of employees in accordance with ESRS S1-6, as a headcount calculated as of the cut-off date December 31.

The breakdown by gender at top management level also takes divisional managing directors and board members of stock corporations into account, however not the Bertelsmann Executive Board. This deviation from the scope of ESRS S1-6 was made due to the fact that they are included in the Group's definition of the top management as set out below.

Bertelsmann's top management is made up of both the Group Executives and Senior Executives and comprises positions that are of particular importance because of their success-critical function and their strategic relevance for the achievement of the Group's strategic targets. These positions are put into salary groups on the basis of grading criteria and in collaboration between the divisions and the Top Executives and Talent Management department.

No estimates were made when the metrics of section S1-9 were recorded.

Total number of employees by age

Total number	12/31/2025	12/31/2024
Under 30 years old	15,121	14,306
30 to 50 years old	42,355	41,412
Above 50 years old	19,489	18,889
Total	76,965	74,607

As of December 31, 2025, 55 percent (previous year: 56 percent) of all employees at Bertelsmann were between 30 and 50 years old. 20 percent (previous year: 19 percent) were under 30, and 25 percent (previous year: 25 percent) older than 50.

Top management by gender

Total number or percent	12/31/2025				Total
	Male	Female	Other	Not reported	
Number	314	148	0	2	464
in %	68	32	0	0	100

Total number or percent					12/31/2024
	Male	Female	Other	Not reported	Total
Number	330	160	0	0	490
in %	67	33	0	0	100

As of December 31, 2025, 148 (previous year: 160) (32 percent, previous year: 33 percent) of the Group Executives and Senior Executives were female and 314 (previous year: 330) (68 percent, previous year: 67 percent) were male.

S1-10 Adequate wages

§ Reporting principles

The coverage rate for adequate wages is calculated based on the review of all employees working for Bertelsmann in 2025 (for more than one day of employment in the reporting year). Wage adequacy is verified locally by comparing wages with a centrally provided, continuously updated list of applicable indicative values for the countries (or further subdivided grouping levels such as regions or sectors) in which Bertelsmann was active as of December 31.

No estimates were made when the metrics of section S1-10 were recorded.

In 2025, as in the previous year, all Bertelsmann employees worldwide were adequately remunerated.

S1-14 Health and safety

§ Reporting principles

The coverage rate of a health and safety management system is calculated based on the total number of employees in accordance with ESRS S1-6 as a headcount calculated as of the cut-off date December 31.

In contrast to accidents, the calculation of fatalities includes not only Bertelsmann employees, but also other workers who work at the Group's sites, such as employees of maintenance and repair companies or employees of transport service providers during loading and unloading.

The rate of recordable work-related accidents per one million hours worked is calculated on the basis of an estimate of 210.2 working days per year*, multiplied by eight hours per day and full-time workers, and the total number of employees as per ESRS S1-6, expressed in full-time equivalents as of the cut-off date December 31.

**The estimate of working days is based on the total number of calendar days in 2025 minus weekends (total of 261 days) and minus the following paid absences: 11 statutory public holidays (estimated on the basis of the number of official holidays in the five countries with the most employees: Germany, United States, Brazil, United Kingdom, France), 30 days of paid leave (estimated on the basis of standard leave entitlements in these five countries), and 9.8 days of paid sick leave (estimated on the basis of centrally available data on absences for 2025).*

Metrics on health and safety

Total number or percent	12/31/2025	12/31/2024
Coverage of own workforce by health and safety management systems (in %)	84	62
Number of fatalities due to work-related injuries and ill-health	0	0
Number of cases of recordable work-related accidents – own employees	1,129	1,338
Rate of recordable work-related accidents – own employees	9.8	11.9

As of December 31, 2025, a total of 84 percent (previous year: 62 percent) of Bertelsmann's workforce were covered by a health and safety management system. In the reporting year, there were no reported fatalities and the number of recordable work-related accidents according to ESRS was 1,129 (previous year: 1,338). The rate of recordable work-related accidents according to ESRS therefore came to 9.8 (previous year: 11.9) per one million hours worked.

S1-16 Equal pay for equal work (pay gap and total compensation)

§ Reporting principles

Approximately 72 percent of all employees whose payroll processes are handled in Germany, France, the United States, Brazil, and the United Kingdom are included in the calculation of compensation metrics. For the calculation of these metrics, actual total gross income (e.g., in Germany in accordance with the Remuneration Statement Regulation), contractual annual working hours, and gender are collected. Unpaid absences and changes in the level of employment during the year are corrected by adjusting the contractual annual working hours. Values denominated in foreign currencies are converted into euros using the exchange rate as of December 31 and put into relation.

The unadjusted gender pay gap is calculated based on employees who, as of December 31, have an active employment relationship with Bertelsmann in accordance with ESRS S1-6. In addition to employees in accordance with ESRS S1-6, the Bertelsmann Executive Board, divisional managing directors, board members of stock corporations, as well as apprentices and interns are included in the calculation of the annual total remuneration ratio of the highest-paid individual to the median annual total remuneration.

Metrics on remuneration

Total number or percent	2025	2024
Gender pay gap (unadjusted, in %)	15	14
Annual total remuneration ratio of the highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)	286	285

As of December 31, 2025, the unadjusted gender pay gap was 15 percent (previous year: 14 percent). The ratio of the actual total gross annual income paid to the highest paid individual to the median actual total gross annual income for all employees came to 286:1 (previous year: 285:1).

S1-17 Incidents, complaints, and severe human rights impacts

§ Reporting principles

Data on incidents and complaints is provided by Bertelsmann case management. Afya, Alliant, and Groupe M6 all have their own compliance management systems and make their data available for Bertelsmann Group reporting in accordance with the Bertelsmann definition. The data are included in the metrics presented below. In the reporting year, the presentation and calculation of discrimination incidents and complaints was specified in accordance with the requirements of ESRS S1-17 paragraph 103. To ensure comparability, the figures for 2024 have been revised accordingly.

No estimates were made when the metrics of section S1-17 were recorded.

Metrics on incidents and complaints

Total number	2025	2024 (adjusted)
Total number of confirmed incidents of discrimination, including harassment	40	51
of which reported using the speak-up channels	34	14
of which reported due to the internal reporting obligation	6	37
Total number of complaints received via the speak-up channels	368	339
Total number of complaints received through the speak-up channels excluding confirmed incidents of discrimination (including harassment), reported through the speak-up channels	334	325
Total number of serious human rights incidents	0	0

The total number of incidents of discrimination, including harassment, reported in 2025 was 40 (previous year: 51). 34 (previous year: 14) of these incidents were reported through the speak-up channels provided by Bertelsmann and described in section S1-3. Six further confirmed incidents (previous year: 37) were reported to Bertelsmann by Group companies as part of their internal reporting obligations. The corresponding reporting obligations are regulated in the Executive Board Guideline for Handling Reports of Compliance Violations presented in section G1-1. In the previous year, Bertelsmann reported the total number of all confirmed and unconfirmed incidents of discrimination, including harassment, as well as cases under investigation in the table above. In the reporting year, only the total number of confirmed incidents of discrimination, including harassment, is reported here.

In 2025, a total of 368 (previous year: 339) complaints were received from employees through the speak-up channels provided by Bertelsmann. The total number of complaints excluding confirmed incidents of discrimination and harassment reported through the speak-up channels in accordance with the requirements of ESRS S1-17 paragraph 103 (b) is reported for the first time in the reporting year. The total number amounted to 334 (previous year: 325). Beyond that, no severe human rights violations were reported. No fines, penalties, or compensation payments were paid in the reporting year.

S2 Workers in the value chain

Bertelsmann undertakes to comply with human rights due diligence obligations in its value chain and expects this from its business partners with regard to compliance with all applicable laws and regulations as well as the standards set out in the Bertelsmann Supplier Code of Conduct.

SBM-2 Interests and views of stakeholders

Beyond the speak-up channels described in section S2-3, which are available to both Bertelsmann employees and third parties, Bertelsmann does not have a systematic, Group-wide process in place for engaging with workers in the value chain. Bertelsmann focuses on targeted communication with potentially affected parties in cases where there are substantial grounds to believe a violation may have occurred. Value chain workers are not embedded in Bertelsmann's corporate strategy as an enabler, and do not directly influence Bertelsmann's business models or strategy. Through its Supplier Code of Conduct, Bertelsmann commits its business partners to respecting human rights and ensuring fair working conditions for value chain workers.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material topics and their respective impacts, risks, and opportunities ("IROs") related to workers in the Bertelsmann value chain that have been identified as part of the double materiality assessment.

The identified IROs apply to workers in the upstream value chain unless otherwise indicated. However, the scale and scope of the IROs vary depending on the country and type of business partner (e.g., transport and logistics companies, paper and energy suppliers, creative or service work provided by humans). Certain impacts (e.g., equal treatment and equal opportunity) may particularly affect specific groups of vulnerable people. In addition, social audits have revealed a case of child labor in relation to a supplier in the upstream value chain located in Laos. Actions have been taken to address this breach of the Supplier Code of Conduct, which are discussed in greater detail in section S2-4.

Bertelsmann addresses its material IROs through various policies, procedures for engaging value chain workers, dedicated speak-up channels for reporting potential compliance violations, as well as actions and targets. These are discussed in more detail in sections S2-1 to S2-5.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Working conditions		Bertelsmann requires its business partners to respect human rights and ensure fair working conditions. By setting standards in the Supplier Code of Conduct, the company indirectly contributes to ensuring that business partners guarantee a healthy and safe working environment, treat their employees fairly, pay them appropriately and on time, and respect the right to freedom of association and collective bargaining.	Impact Positive Potential	Upstream value chain	Short, medium, and long term
Equal treatment and opportunities for all		Through the standards set out in the Bertelsmann Supplier Code of Conduct, Bertelsmann indirectly promotes fair and transparent remuneration of workers in the value chain. This can improve the working environment, increase satisfaction, and thus lead to greater employee loyalty to the business partners.	Impact Positive Potential	Upstream value chain	Short, medium, and long term
Other work related rights		A social audit revealed a violation of the Supplier Code of Conduct in Laos. The affected individuals were workers of a supplier in the upstream value chain who did not meet the minimum age for employment according to the law in Laos and according to standards agreed with Bertelsmann. This constituted a violation of the special need for protection of the children concerned.	Impact Negative Actual	Upstream value chain	Short term

Impact, risk, and opportunity management

S2-1 Policies related to value chain workers

Bertelsmann is aware that its responsibility for human rights extends beyond its own business activities. The obligation placed on business partners to respect the human rights of their workers is expressed, in particular, in the Bertelsmann Supplier Code of Conduct and in the Declaration of Principles on the Observance of Human Rights. In addition, the Bertelsmann Slavery and Human Trafficking Statement contains measures for preventing forms of modern slavery and human trafficking. These regulations were created with the involvement of the Executive Board, the responsible departments in the Corporate Center, the Corporate Compliance Committee (CCC), and – where necessary – the Group Works Council.

Bertelsmann Supplier Code of Conduct

The Bertelsmann Supplier Code of Conduct aims to establish mandatory standards for business partners in order to ensure responsible and ethical conduct toward workers, business partners, society, and the environment. It primarily addresses the following topics that have been found to be material for workers in the value chain according to the double materiality assessment: working conditions (adequate wages, freedom of association and collective bargaining, health and safety), equal treatment and equal opportunities for all (measures against violence and harassment), and other work-related rights (child and forced labor, privacy, water, and sanitation). In this context, respect for universally recognized human rights, rules to ensure fair working conditions and the protection of privacy, as well as a responsible approach to people's natural livelihoods are laid down. The Supplier Code of Conduct also emphasizes the importance of a healthy and safe work environment, open discussion, and respectful and dignified conduct whereby harassment or discrimination are not tolerated. Global conventions on human rights and working conditions are referenced as frameworks. These include the Universal Declaration of Human Rights, the UN Global Compact, UN Guiding Principles on Business and Human Rights, the UN Free & Equal Standards, the OECD Guidelines for Multinational Enterprises, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights adopted on 19 December 1966, and the ILO Core Labour Standards.

The Bertelsmann Supplier Code of Conduct requires its business partners to ensure the standards set out therein are implemented within their companies and complied with. The Group expects its business partners to pass on the values and standards laid down in the Code of Conduct to their employees who perform work on behalf of Bertelsmann and to encourage them to comply with them. The Group also requires its business partners to take reasonable measures to identify and mitigate risks and violations of the standards set out in the Bertelsmann Supplier Code of Conduct. Business partners must inform Bertelsmann without undue delay of any violations that have been identified unless they are immediately remedied. Bertelsmann reserves the right to audit compliance with the standards set out in the Bertelsmann Supplier Code of Conduct. To this end, the Group may require its business partners to submit a written self-assessment once a year and to provide information on their compliance with these standards. If a risk is identified, additional on-site inspections (e.g., a visual inspection of the contractor's premises, interviews of workers in the value chain, inspection of relevant documents and structures) may be conducted, either by Bertelsmann itself or by expert external third parties. The Bertelsmann Executive Board bears ultimate responsibility for the Bertelsmann Supplier Code of Conduct. The Supplier Code of Conduct is available on the Bertelsmann intranet and Bertelsmann website and forms part of Bertelsmann's contracts with its business partners. It applies to all workers in the upstream value chain within the scope of the S2 standard.

Bertelsmann Declaration of Principles on the Observance of Human Rights

In its Declaration of Principles concerning its human rights strategy, Bertelsmann commits to respect and protect human rights and undertakes to fulfill its human rights due diligence obligations both within the Group and in its supply chains. The Declaration of Principles primarily addresses the following topics that were found to be material according to the double materiality assessment: working conditions (adequate wages, freedom of association and collective bargaining, health and safety), equal treatment and equal opportunities for all (measures against violence and harassment), and other work-related rights (child and forced labor, water, and sanitation). It outlines measures for identifying and prioritizing risks to Bertelsmann's own divisions and supply chains, preventive and remedial action, reviewing effectiveness and adequacy, reporting, and documentation. The Declaration of Principles refers to the Universal Declaration of Human Rights, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the UN Free & Equal Standards, the OECD Guidelines for Multinational Enterprises, and the ILO Core Labor Standards. In addition, Bertelsmann uses the recommendations of the German Corporate Governance Code as a reference for good and responsible corporate governance. The Bertelsmann Executive Board bears ultimate responsibility for the Declaration of Principles. It is available on the Bertelsmann intranet and Bertelsmann website and applies to both Bertelsmann employees and Bertelsmann business partners with regard to the implementation of remedial action.

Bertelsmann Slavery and Human Trafficking Statement

The Bertelsmann Slavery and Human Trafficking Statement outlines the measures taken by Bertelsmann to prevent forms of modern slavery and human trafficking. With the statement, Bertelsmann fulfils its obligations under sections 54(1) of the "UK Modern Slavery Act" and section 11(1) of the "Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act."

The statement covers the measures taken by Bertelsmann SE & Co. KGaA and its Group companies. These measures include implementing directives to identify and assess risks related to modern slavery and human trafficking in the supply chains, the provision of regular training to employees and the establishment of complaint mechanisms to allow affected individuals to anonymously report violations.

In cases where Group companies subject to the reporting requirements of the aforementioned statutory provisions have taken additional measures, these are documented in the respective statement issued by the Group company and are available on the respective company's website. The Bertelsmann Slavery and Human Trafficking Statement from the Chairman of the Executive Board is available on the Bertelsmann website.

Commitment to respect human rights

Bertelsmann's activities are guided by international human rights standards, which are referenced in the regulations mentioned above.

Respect for and observance of human rights, including the prohibition of child and forced labor, any form of slavery and human trafficking, and any form of exploitation, are explicitly enshrined in the Bertelsmann Supplier Code of Conduct, the Bertelsmann Policy Human Rights and Fair Working Conditions (see section S1-1), the Bertelsmann Declaration of Principles on the Observance of Human Rights, and the Bertelsmann Slavery and Human Trafficking Statement.

In order to ensure compliance with these principles and guidelines, the Executive Board has established a compliance organization with an Integrity & Compliance program and appointed a Corporate Compliance Committee (CCC). The Integrity & Compliance (I&C) department is responsible for implementing the human rights strategy, and is subordinate to the CCC in the organization. The head of the Group Legal department, who is also the Human Rights Officer of Bertelsmann, oversees the implementation of the human rights strategy. It is the task of the I&C department to inform employees about the key legal provisions and internal company guidelines, including those concerning respect for human rights. Local compliance officers act as local contacts at each of the Group companies. Please consult section G1 for more information on the governance structure at Bertelsmann.

S2-2 Processes for engaging with value chain workers about material impacts, risks, and opportunities

Beyond the speak-up channels described in section S2-3, which are available to both Bertelsmann employees and third parties, Bertelsmann does not have a systematic, Group-wide process in place for engaging with workers in the value chain. Bertelsmann focuses on targeted communication with potentially affected parties in cases where there are substantial grounds to believe a violation may have occurred. In addition, the Group ensures that the barrier to using the speak-up channels is as low as possible by offering these channels in various languages and via various transmission channels based on the relevant target groups.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

A comprehensive range of communication channels are available through which human rights or environment-related violations and complaints can be reported. Indications of potential compliance violations against the Bertelsmann Supplier Code of Conduct can be raised on site to contact partners or reported via the company's own whistleblower system ("Speak Up"), which is available in various languages and can be reached both by phone and online. It is available to both Bertelsmann employees and third parties, including workers in the value chain, and makes it possible to discuss potential violations in a confidential, encrypted, and, if requested, anonymous manner with the Integrity & Compliance (I&C) department. Workers in the value chain can also turn to an external ombudsperson appointed by Bertelsmann, whose role is to provide advice and assistance in resolving any suspicion of material compliance violations as a neutral and independent body. The ombudsperson treats communications with whistleblowers as confidential and only passes on the facts of the case and identity of the whistleblower to Bertelsmann with the whistleblower's consent. Bertelsmann provides a wide range of information on the available options for submitting reports through these channels and on the next steps. The Bertelsmann website, the Bertelsmann intranet, the Bertelsmann Code of Conduct, and the Bertelsmann Supplier Code of Conduct all contain information on how to contact the Bertelsmann speak-up channels in different languages.

Each complaint triggers a review and action process that ends with putting a stop to the reported violation or minimizing an identified risk. First, the I&C department assesses whether the report received contains sufficient concrete information to permit further investigation. If this is found to be the case, further investigations will be entrusted to appropriate individuals within the Group. If the investigation confirms that a compliance violation has taken place, appropriate measures are taken, including disciplinary measures against the persons responsible. The outcome of the objective examination of all relevant facts determines the corresponding measures in each individual case. In coordination with the I&C department, the Group company concerned is responsible for ensuring that suitable measures are taken in accordance with the applicable law in confirmed cases of compliance violations. The I&C department documents the outcome of the initial review and – if required – the findings from the investigation and the measures taken in compliance with data protection requirements in a central, secure case management system. The documentation is retained for the period required by the relevant data protection and other legal requirements. Both the Bertelsmann Code of Conduct and the Bertelsmann Supplier Code of Conduct, as well as the process for handling complaints, stipulate that any attempts to intimidate or seek reprisals against persons reporting confirmed or suspected misconduct in good faith are not tolerated. Compliance concerns regarding intimidation or reprisals due to a compliance report are also investigated in accordance with the principles outlined above.

The effectiveness of the complaint process is reviewed at least once a year with regard to its functionality and accessibility. If violations of the due diligence obligations set out in the “German Supply Chain Due Diligence Act” are detected within the supply chain, an ad hoc assessment is carried out in addition to the regular review of the complaint process as explained in section S1-3. In addition to the aspects cited therein, a review concerning functionality and accessibility is conducted to determine whether the complaint process was accessible (internally or externally) to the affected individuals. One way to determine this is by interviewing the affected individuals. If the complaint process is not sufficiently publicized, actions are taken to improve the provision of information. If a complaint has been filed but remains unresolved, the case in question is followed up on and the relevant handling process is tracked, reviewed, and optimized.

As part of the implementation of the “German Supply Chain Due Diligence Act,” Bertelsmann set up a risk management that is used to regularly identify and assess risks related to human rights and the environment within the Group and among direct suppliers, and to take appropriate preventive and remedial action. This risk analysis is supported by a software solution that systematically records all relevant Bertelsmann suppliers. These suppliers are assessed and prioritized based on defined criteria and internationally recognized indices with respect to risks related to human rights and the environment. In individual cases where a particularly high risk has been identified, Bertelsmann engages in discussions with potentially affected individuals locally.

The respective purchasing departments take into account the relevant environmental and human rights standards when selecting suppliers. Risk mitigation actions are implemented on a risk basis. When entering into a contract with new suppliers, compliance with Bertelsmann’s human rights and environmental standards is agreed in writing. Where possible, previously agreed-upon standards are raised to a stricter level with existing suppliers in the event of an increased risk profile. Suppliers are also required to pass these standards on to their suppliers. Suppliers for which the potential for risk remains high after weighing up and taking into account the defined screening criteria are subjected to further preventive actions such as the use of information from external data sources (adverse media screenings), voluntary disclosures, and information on their own risky supply relationships, training courses, or audits.

Where human rights or environmental violations occur, Bertelsmann immediately introduces remedies to put an end to the violations in question. If Bertelsmann becomes aware of human rights or environment-related violations of its obligations by one of its suppliers, the Group works with the supplier to eliminate the violations. If the violations cannot be brought to an end within a reasonable period of time, Bertelsmann will try to increase its influence over the supplier or temporarily suspend the business relationship. A termination of the business relationship is considered if there is no alternative way to put an end to the violation that can be considered appropriate and promising.

S2-4 Taking actions on material impacts, risks, and opportunities and effectiveness of those actions

Bertelsmann carried out the analysis of risks related to human rights and the environment as defined in the “German Supply Chain Due Diligence Act” described in section S2-3 for both the Group and its direct suppliers.

In August 2025, a social audit commissioned by Penguin Random House UK identified child labor in the upstream value chain at a print service provider in Laos. As a result, cooperation with this service provider has been suspended until further notice in order to immediately remedy the negative impacts described in section SBM-3 of this chapter. As a preventive measure, the inspection of original identity documents will be mandatory in the future. Further social audits are planned to review the effectiveness of the actions taken.

Bertelsmann has developed an internal list of actions to identify and mitigate risks and to end violations. When selecting suitable actions for a particular incident, criteria such as the severity and likelihood of the risk or violation, the company’s own influence, the nature and size of the company, and its contribution to causing the violation are considered in the assessment. The internal control system monitors the effectiveness and adequacy of the established actions in the Group companies on the basis of risk. The effectiveness of the internal control system is reviewed regularly by Group Internal Audit and the internal audits of Group companies. In addition, the effectiveness of the actions is reviewed and ensured by the Integrity & Compliance (I&C) department and the persons responsible for the Group companies. This involves, in particular, ensuring that resources and necessary expertise are available to meet the challenges described above.

Targets and metrics

S2-5 Targets related to material impacts, risks, and opportunities

In line with the principle of subsidiarity, the implementation of the Group’s strategy and operational business responsibility in relation to entity-specific targets are largely delegated to the corporate divisions and Group companies. Against this backdrop and in the context of the double materiality assessment, there are currently no Group-wide targets related to workers in the value chain under MDR-T (Minimum Disclosure Requirements – Targets) with respect to the material topics specified in the S2 standard. At the Group level, certain mechanisms are used to ensure the effectiveness of policies and actions, as described in more detail in section S2-1 with regard to upholding the defined standards in the Bertelsmann Supplier Code of Conduct and S2-4 with regard to the effectiveness of actions.

S4 Consumers and end users

As a media, services, and education company, Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire people around the world. The Group provides access to high-quality information, products, and services, and is committed to respecting privacy and freedom of expression.

SBM-2 Interests and views of stakeholders

Bertelsmann values and considers the interests of consumers and end users. Beyond the speak-up channels described in section S4-3, which are available to both Bertelsmann employees and third parties, Bertelsmann engages with its consumers and end users in a number of ways, including through its social media presence and by offering feedback and support options. This helps the Group gain a better understanding of their needs and expectations, allowing it to continually improve its products and services, and strengthen its relationships with consumers and end users.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

In its content businesses, Bertelsmann offers consumers and end users various content products (e.g., books, digital music streams, online learning content) through various channels. In the services business, services are offered not only to Bertelsmann's customers but also to end users of these customers, otherwise known as business-to-business-to-consumer (B2B2C) services.

As the double materiality analysis process led to the identification of impacts, risks, and opportunities in Bertelsmann's content and services business in particular, related information can be found in the entity-specific section of this Sustainability Report. The individual scale and scope vary depending on the country and type of consumer and end users (e.g., media users, students, professionals). Certain impacts (e.g., personal safety) are particularly relevant to certain groups of vulnerable people (e.g., children and young people).

Material impacts, risks and opportunities

Topic/Sub-topic	Description of IROs
Information-related impacts	The description of all information-related impacts, risks, and opportunities in relation to freedom of expression, access to (quality) information, and privacy is provided in the entity-specific sections related to content responsibility, creative/journalistic independence & freedom of expression, (digital) media literacy, and handling of data.
Personal safety	The description of all safety-related impacts, risks, and opportunities in relation to mental health, safety, and child protection is provided in the entity-specific sections related to content responsibility, creative/journalistic independence & freedom of expression, and (digital) media literacy.
Social inclusion	The description of all impacts, risks, and opportunities in relation to non-discrimination, access to products and services, and responsible marketing practices are described in the entity-specific sections related to content responsibility, creative/journalistic independence & freedom of expression, and (digital) media literacy.

Bertelsmann addresses its material IROs through various policies, procedures for engaging consumers and end users, and dedicated speak-up channels for reporting potential compliance violations. These are discussed at Group level in sections S4-1 to S4-3. Please consult the entity-specific sections (UN-1, UN-2, UN-3, UN-5) of this Sustainability Report for more information on the management of these IROs.

Impact, risk, and opportunity management

S4-1 Policies related to consumers and end users

Bertelsmann is aware of its responsibility toward consumers and end users. This commitment is particularly evident in the Bertelsmann Code of Conduct.

Bertelsmann Code of Conduct

In addition to the employee-related topics described in section S1, the Bertelsmann Code of Conduct also includes principles on material information-related impacts, personal safety, and social inclusion related to consumers and end users.

As a binding guideline, the Bertelsmann Code of Conduct enshrines the observance of human and personal rights, and the dignity of employees and all third parties, including consumers and end users. It requires the utmost care and strict confidentiality with respect to customer data in compliance with applicable laws and rules. With regard to content created and distributed, it is stipulated that privacy is respected and that information, opinions, and images are handled in a correct and responsible manner. In this context, the preservation of editorial and journalistic independence as well as the protection of children and young people in the creation and distribution of content are emphasized. The Group undertakes to develop and produce safe products that do not contain any defects or health-endangering elements. With respect to products and services, the Bertelsmann Code of Conduct emphasizes the relevance of truthful disclosures in marketing and advertising. Detailed information on the requirements as defined under MDR-P (Minimum Disclosure Requirements – Policies), such as the scope, responsibility, and availability of the Bertelsmann Code of Conduct, can be found in section S1-1.

In addition, the Bertelsmann Supplier Code of Conduct outlines the expectations and requirements for Bertelsmann business partners with regard to these topics. Specific regulations regarding privacy are also set out in data protection regulations, which are described in the entity-specific section UN-5 on the handling of data.

S4-2 Processes for engaging with consumers and end users about material impacts, risks, and opportunities

Beyond the speak-up channels described in section S4-3, which are available to both Bertelsmann employees and third parties, Bertelsmann engages with its consumers and end users in a number of ways, including by offering feedback and support options on the websites of the divisions and through its social media presence. This helps the Group gain a better understanding of their needs and expectations, allowing it to continually improve and further develop its products and services, and strengthen its relationships with consumers and end users. Beyond this, there is no Group-wide central process in place for engaging with consumers and end users in light of the decentralization and diversity of the Bertelsmann business models. In line with the principle of subsidiarity, the implementation of the Group's strategy and operational business responsibility in relation to such processes are largely delegated to the corporate divisions and Group companies.

S4-3 Processes to remediate negative impacts and channels for consumers and end users to raise concerns

The Bertelsmann speak-up channels described in sections S1-3 and S2-3 are also accessible to consumers and end users. They make it possible to discuss potential violations in a confidential, encrypted and, if requested, anonymous manner with the Integrity & Compliance (I&C) department, and are easily accessible on the Bertelsmann website. Each report submitted by consumers or end users on the speak-up channels is handled in accordance with the procedure for compliance violations described in section G1. The complaint mechanisms to remedy any negative impacts as described in the above sections also apply to consumers and end users.

S4-4 Taking actions on material impacts, risks, and opportunities, and effectiveness of those actions

In line with the principle of subsidiarity, the implementation of the Group's strategy and operational business responsibility in relation to entity-specific actions are largely delegated to the corporate divisions and Group companies. Against this backdrop and in the context of the double materiality assessment, there are currently no Group-wide actions under MDR-A (Minimum Disclosure Requirements – Actions) with respect to the material topics specified in the S4 standard. Selected actions at divisional level for the management of material IROs can be found in the company-specific sections (UN-1, UN-2, UN-3, UN-5) of this sustainability report.

Targets and metrics

S4-5 Targets related to material impacts, risks, and opportunities

In line with the principle of subsidiarity, the implementation of the Group's strategy and operational business responsibility in relation to entity-specific targets are largely delegated to the corporate divisions and Group companies. Against this backdrop and in the context of the double materiality assessment, there are currently no Group-wide targets under MDR-T (Minimum Disclosure Requirements – Targets) with respect to the material topics specified in the S4 standard.

Governance Information

The pursuit of responsible corporate governance is an indispensable part of the Bertelsmann identity and an important element of its corporate culture.

G1 Business conduct

Bertelsmann attaches great importance to the entrepreneurial freedom of its managers and employees and expects them to use this freedom in a responsible manner. Mutual respect and trust determine the relationship between employees and the relationships with business partners.

GOV-1 The role of the administrative, management, and supervisory bodies

The Executive Board oversees the compliance management system (CMS) and ensures its ongoing development. Responsibility for compliance rests with the Chairman of the Bertelsmann Executive Board, without prejudice to the overall responsibility of the Bertelsmann Executive Board and the management bodies of the Group companies. The Audit and Finance Committee of the Supervisory Board is tasked with monitoring the effectiveness of the compliance organization. Its competency profile also includes expertise on the compliance topics that are most relevant to the Group.

The Corporate Compliance Committee (CCC), which comprises the heads of the Internal Audit, Corporate Information Technology, Finance, Legal, Accounting, Communications, HR Coordination & Share Services, and Tax departments, submits an annual Compliance Report to the Bertelsmann Executive Board and the Audit and Finance Committee of the Supervisory Board. In the event of serious compliance violations, the Executive Board and the Supervisory Board receive ad hoc reports. The CCC Chair is the head of the Group Legal department. He is also the Bertelsmann Human Rights Officer. The CCC is responsible for the effectiveness of actions taken to ensure compliance within the Group.

In addition, the CCC receives support from the Integrity & Compliance (I&C) department. It is responsible for ensuring compliance in day-to-day business, implementing the initiatives specified by the Executive Board, providing and monitoring of whistleblower system (“Speak Up”), and coordinating the investigation of reported complaints. The I&C department maintains a regular dialogue with local and divisional compliance officers and assists them with fulfilling their roles. In addition, it coordinates the annual compliance dialogue with managers at the Group and division level.

Corporate Audit conducts reviews of certain compliance-related topics as part of event-independent audits. The I&C department regularly conducts an evaluation of the Bertelsmann CMS to identify potential for improvement and to make necessary updates.

SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

The following table shows the material governance topics and their respective impacts, risks, and opportunities (“IROs”) for Bertelsmann that have been identified as part of the double materiality assessment.

Bertelsmann addresses its material IROs through various policies, speak-up channels for raising concerns and reporting potential compliance violations, along with targets and actions for strengthening the corporate culture, protecting whistleblowers, and preventing and detecting corruption and bribery. These are discussed in more detail in sections G1-1 to G1-3 and MDR-T.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Corporate culture		The corporate values of creativity and entrepreneurship, as well as Codes of Conduct (e.g., Bertelsmann Code of Conduct and the Bertelsmann Supplier Code of Conduct) guide the actions of employees and business partners. They contribute to a corporate culture based on participation and partnership – with a positive impact on the trusting relationships held with various stakeholders.	Impact Positive Actual and potential	Own operations, upstream value chain	Short, medium, and long term
		Violations of Bertelsmann's Codes of Conduct can impair corporate culture and stakeholders trust in the long run. They can result in a loss of reputation as well as the associated direct damage (e.g., blacklisting by customers, termination of business relationships, exclusion from tender procedures) and immaterial damage (e.g., loss of confidence), with corresponding negative impacts on the Group's economic success.	Risk		
Protection of whistleblowers		Attempts to intimidate or seek reprisals against whistleblowers pose a risk to compliance with legal and internal compliance requirements, which may lead to financial sanctions and reputational damage.	Risk	Own operations, upstream value chain downstream value chain	Short, medium, and long term
Political engagement and lobbying activities		Bertelsmann engages in a dialogue with various stakeholders in the worlds of politics, business, and civil society. Bertelsmann's public affairs officers grant political decision-makers access to interlocutors from the Group and convey factual positions developed by internal working groups and associations, among other parties. This promotes transparency and credibility toward stakeholders, a continuous exchange of knowledge, and a fair regulatory framework.	Impact Positive Actual and potential	Own operations	Short, medium, and long term
		Insufficient transparency can lead to external stakeholders (e.g., business partners, civil society) being unable to understand the activities pursued by the Group. This entails the risk of a loss of trust on the part of stakeholders, a lack of acceptance of corporate actions, and reputational damage.	Risk		
Management of relationships with suppliers including payment practices		Poor relationships with business partners and unfair payment practices can result in the risk of interruptions in the supply chain and the associated production disruptions and losses in the Group's own business. In turn, this can jeopardize the continuity of business processes and thus the economic success of the Group.	Risk	Own operations, upstream value chain downstream value chain	Short, medium, and long term
Corruption and bribery		Violations of anti-corruption regulations can lead to legal proceedings being instigated against Bertelsmann and its Group companies. In addition to possible financial repercussions (e.g., fines, legal costs), there is also a risk of reputational damage and loss of business due to a lack of trust among business partners, customers, and other stakeholders.	Risk	Own operations, upstream value chain downstream value chain	Short, medium, and long term

Impact, risk, and opportunity management

IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities related to corporate governance

The identification of the impacts, risks, and opportunities with regard to governance topics corresponds to the procedure described in section IRO-1 "General Information."

G1-1 Policies related to corporate governance

Compliance is the top priority for the Executive Board. The Group's commitment to compliance is manifested in the Bertelsmann Code of Conduct, published for the first time in 2008 and updated twice since then, the Bertelsmann Supplier Code of Conduct, various Executive Board guidelines, as well as related internal and external communication measures. Executive Board guidelines that address material governance topics and related IROs are described in more detail below. Taking into account the requirements of the MDR-P (Minimum Disclosure Requirements – Policies), the material content of the Bertelsmann Code of Conduct and the Bertelsmann Supplier Code of Conduct is already described in detail in sections S1-1 and S2-1. Executive Board guidelines have been prepared on the topics of corporate governance and compliance with the involvement of the Executive Board, the responsible departments in the Corporate Center, the Corporate Compliance Committee (CCC), and – where necessary – the Group Works Council.

Executive Board Guideline for Handling Reports of Compliance Violations

The Executive Board Guideline for Handling Reports of Compliance Violations aims to ensure that all material violations are recorded through proactive management and that the control mechanisms in place are adequate. This is intended to minimize potential economic or reputational damage to the Bertelsmann Group and to strengthen trust in the Group's compliance management system. The Executive Board Guideline primarily addresses the following topics that were found to be material according to the double materiality assessment: Corporate culture and the protection of whistleblowers.

The Executive Board Guideline sets out how to deal with reports received on compliance violations, in particular with regard to the reporting obligations for certain employee groups, responsibilities for handling reports and actions to be taken in cases of confirmed violations, including maintaining the confidentiality of reports and protective measures for whistleblowers. The Executive Board bears ultimate responsibility for the Group-wide implementation of this guideline. The Integrity & Compliance (I&C) department manages and coordinates the handling of compliance violations and reports to the CCC. The CCC oversees the monitoring and response to material compliance violations. The Executive Board Guideline applies to Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this guideline is not already directly applicable due to existing corporate governance rules implement their own, equivalent guidelines based on this guideline. It requires all employees in managerial roles (employees with budgetary or personnel responsibility) and employees with special responsibility for ensuring compliance based on their role (employees who fall under certain nomination criteria, see list at the end of this section) to report compliance violations. Compliance violations identified or reported locally at the Group companies must be forwarded to the Integrity & Compliance (I&C) department. Violations by board members (e.g., Supervisory Board members, Executive Board members, managing directors), employees, or third parties (e.g., business partners such as suppliers and customers) must be taken into account. Unless expressly included, persons without a direct business relationship with the Group are excluded from the Executive Board Guideline. The Executive Board Guideline is available to all employees on the Bertelsmann intranet.

Procedure for Compliance Violations

In addition to the Executive Board Guideline for Handling Reports of Compliance Violations, this guideline defines a standardized process for clarifying all reports of compliance violations received. The guideline is intended for members of the CCC, employees of the I&C department entrusted with case management and employees from departments of the Corporate Center or Group companies tasked with conducting compliance investigations. The procedure includes guidelines on the initial review of reports and commissioning of the investigating unit, adequacy checks, and documentation, taking into account data protection requirements and statutory retention periods. Ultimate responsibility at Executive Board level, the monitoring of compliance violations and the accessibility of the process are the same as set out in the Executive Board Guideline for Handling Reports of Compliance Violations, as described above.

Executive Board Guideline on Anti-Corruption and Integrity

The Executive Board Guideline on Anti-Corruption and Integrity aims to ensure compliance with all applicable anti-corruption regulations and integrity requirements at Bertelsmann. It is intended to protect Bertelsmann, Group companies, governing bodies, executives, and employees from the fallout of violations and from reputational damage. It primarily addresses the topic of preventing corruption and bribery, which has been found to be material according to the double materiality assessment, and aligns with the United Nations Convention against Corruption. In particular, the Executive Board Guideline on Anti-Corruption and Integrity includes the establishment of a binding framework for the giving and receiving of gifts and invitations in dealings with business partners and public officials, the necessary due diligence obligations applicable to the engagement of third parties, the prevention of money laundering and terrorist financing, the management of conflicts of interest, and adherence to tax regulations. It is intended for all employees in managerial roles (employees with budgetary or personnel responsibility) and employees with special responsibility for ensuring compliance based on their role (employees who fall under certain nomination criteria, see list at the end of this section). The Executive Board bears ultimate responsibility for the Group-wide implementation of this guideline. The Executive Board Guideline is available on the Bertelsmann intranet and applies to Bertelsmann SE & Co. KGaA and Bertelsmann Management SE and all companies controlled by them (Group companies). Group companies for which this guideline is not already directly applicable due to existing corporate governance rules implement their own, equivalent guidelines based on this guideline. To provide the Group's employees with comprehensive information on this topic, Bertelsmann has established an anti-corruption program based on this Executive Board Guideline that includes training and communication measures as well as a whistleblower system ("Speak Up"). In order to ensure Group-wide knowledge of and compliance with the Executive Board Guideline, the management of each Group company is required to communicate the guideline to all managers and employees as soon as it has been adopted by the Executive Board, and to work toward compliance with it. Communication of the Executive Board Guideline within the Group company must be documented by the respective management.

Executive Board Guideline on Donations, Sponsorships, and Memberships

The Executive Board Guideline on Donations, Sponsorships, and Memberships addresses the topic of political engagement and lobbying activities identified during the double materiality assessment. It ensures that support measures in the form of donations, sponsorships, and memberships both align with the Group's communication strategy and comply with the applicable legal and tax requirements. It provides an internal framework for action and creates external transparency for the public, potential beneficiaries, and sponsoring partners. The Executive Board Guideline establishes a binding framework for the processes, documentation, principles, focal points and topics of engagement, awarding and exclusion criteria, and management of benefits received in return, and follow-up on support measures. In addition, it is stipulated that Bertelsmann does not make donations to politicians, political parties, or organizations affiliated with political parties. Nor does it support organizations or institutions whose basic stances conflict with the liberal-democratic basic order or that permit or imply discrimination against people. The Executive Board bears ultimate responsibility for the implementation of this guideline. The Chairman of the Executive Board is given decision-making power regarding one-time donations and sponsorships in excess of €100,000 and regular engagements in excess of €50,000. The scope of this Executive Board Guideline includes all employees at Bertelsmann who make donations and sponsorships. Employees can access it on the Bertelsmann intranet.

Speak-up channels and the protection of whistleblowers

At Bertelsmann, employees, business partners, and third parties are given various opportunities to seek advice or raise concerns about possible misconduct through confidential and secure channels. Indications of potential compliance violations can be discussed with local contact partners or using Group-level contact points (speak-up channels), which are available to both employees and third parties. External ombudspersons appointed by Bertelsmann are also available to contact. Information on the contact points and the handling of reports of violations can be found on the Bertelsmann website and on the Bertelsmann intranet.

Any attempts to intimidate or seek reprisals against employees who report confirmed or suspected misconduct in good faith are not tolerated at Bertelsmann. Such attempts constitute a compliance violation. Reports or indications of corresponding conduct are investigated in accordance with generally applicable standards for compliance violations. In addition, the identities of the whistleblowers are treated confidentially and diligently. Persons subject to disciplinary measures, as well as other persons who are in a position to take adverse measures against whistleblowers, are expressly informed that retaliation against whistleblowers is strictly prohibited.

When processing reports received, the rights of all affected individuals must be respected at Bertelsmann. Fairness, appropriateness, confidentiality, and transparency must be taken into account when deciding on any disciplinary measures that may be necessary. Every indication of a potential compliance violation is handled immediately based on a defined process in line with the Executive Board Guideline for Handling Reports of Compliance Violations and the procedure for compliance violations. Bertelsmann is subject to the “Whistleblower Protection Act” (HinSchG), which entered into force on July 2, 2023. The “Whistleblower Protection Act” constitutes the implementation of Directive (EU) 2019/1937 into national law.

Training

Bertelsmann regularly holds various compliance training courses to provide employees with appropriate information about both the current legal situation and the Group’s internal guidelines. The training is designed to raise awareness of appropriate conduct in risk areas and to familiarize employees with the available support resources.

All employees receive training on the Bertelsmann Code of Conduct. This training is received when an employee first joins the Group, after an update to the Code of Conduct training, and one year after initial training on the Bertelsmann Code of Conduct has been successfully completed. The training familiarizes the employees with the Bertelsmann Code of Conduct’s basic principles and emphasizes the importance of openly addressing problematic issues (speak-up culture). The topics are illustrated with scenario-based examples. In addition, participants receive further information on individuals and contact point to whom concerns can be expressed and reports of misconducts can be made, based on examples of problematic situations. Code of Conduct training is supplemented by training tailored to target groups in specific risk areas, such as training on anti-corruption and antitrust law. These courses are aimed at employees who fall under certain nomination criteria. The group of affected employees include:

- Management;
- Employees in the fields of Governance, Risk & Compliance;
- Employees who maintain professional relationships with business partners, suppliers, and customers and/or who handle property or the financial assets of Bertelsmann or of business partners/customers;
- Employees with contact to public officials;
- Employees in regulated industries.

G1-2 Management of relationships with suppliers

The Bertelsmann Supplier Code of Conduct requires all Bertelsmann business partners who act for, together with, or on behalf of the Group to uphold the standards under compliance law. These requirements are also to be passed on to third parties along the value chain by the business partners if the corresponding third parties are engaged in the business partners’ work for Bertelsmann. The business partners must also make an appropriate effort to ensure compliance with the Bertelsmann Supplier Code of Conduct at the respective value creation level.

The specific requirements relate to:

- Integrity (e.g., compliance with the applicable law, anti-corruption, antitrust law, conflicts of interest);
- Treatment of employees (human rights, fair working conditions, anti-discrimination, and health and safety);
- Environment (responsible use of natural resources).

Adequately auditing and monitoring business partners (due diligence) is an indispensable part of the Bertelsmann CMS. The audit takes place in a risk-oriented manner when business relationships are established and before commissioning the third party. The scope and intensity of the audit may vary and depends on the risk profile of the Group company and the risk profile of the respective business partners. Responsibility for conducting and assessing due diligence lies with the Group company that plans to engage the third party or cooperate with them.

Detailed information on the approach to preventing late payments, in particular with regard to small and medium-sized enterprises, is provided in section G1-6.

G1-3 Prevention and detection of corruption and bribery

Bertelsmann actively combats corruption. As a participant in the United Nations Global Compact, the company is committed to taking a stance against all types of corruption, among other things.

Violations of the Executive Board Guideline on Anti-Corruption and Integrity represent a material compliance violation in accordance with the Executive Board Guideline for Handling Reports of Compliance Violations and therefore must be reported. All employees at Bertelsmann and Group companies in managerial roles and employees with special responsibility for ensuring compliance based on their role (employees who fall under certain nomination criteria, see list in section G1-1) are required to report violations. In addition, all other employees are also called on to report concrete indications or initial suspicions of violations of this guideline.

The Integrity & Compliance (I&C) department manages and coordinates the treatment of compliance violations (e.g., corruption) at Group level and ensures that any reports of violations are adequately investigated. The I&C department determines which body is commissioned to further investigate a report. This investigating body is then responsible for clarifying the content of the compliance reports it receives.

In addition, prior to commissioning, a check takes place to ensure that no conflicts of interest can be identified in the body designated for the investigation. If an appointed body has a conflict of interest, this conflict of interest must be disclosed to the I&C department. As a rule: All individuals who process reports and clarify the facts of the case are trained according to their role/task, are independent, and are bound to secrecy and impartial action. Reports are processed on a case-by-case basis – possibly in cooperation with several departments (e.g., Internal Audit, Compliance, Data Protection, Finance, HR) – and any actions are taken as appropriate. Employees and managers who are or could be involved in a process themselves are not allowed to be part of the investigating body.

The Group company concerned is responsible for taking action in response to identified compliance violations. At the Group level, reports received on material compliance violations are communicated by the I&C department directly to the Corporate Compliance Committee (CCC) under the Executive Board's authority (see GOV-1 – G1).

The requirements relevant to the anti-corruption risk area are communicated in particular through the aforementioned Executive Board guidelines and conveyed through various measures, such as internal communication measures and corresponding compliance training, in order to familiarize employees with the topic of anti-corruption and to raise their awareness of the risk. All employees receive training on the Bertelsmann Code of Conduct. The training familiarizes employees with the Bertelsmann Code of Conduct's principles, including protection against corruption and bribery.

In principle, all employees in functions-at-risk (see list in section G1-1) are nominated for “Protection against Corruption” training when they join the Group. Responsibility for nominations is decentralized and lies with the relevant compliance officers. In individual cases, e.g., at subsidiaries newly acquired late in the financial year, employees were not yet nominated for this training in the reporting year. The nomination for and participation in this training is documented on a central learning platform. Certain subsidiaries (Afya, Alliant, Applike, Groupe M6, Fremantle) use their own learning platforms or integrate Bertelsmann training courses into their systems. Nominations and completion rates among training participants from these subsidiaries are included in the reported number of nominated employees in at-risk positions. If the training content is updated, the affected employees are required to participate in refresher training. In 2025, a total of 23,967 (previous year: 10,223) employees in high-risk functions were nominated for “Protection against Corruption” training. Members of the Supervisory Board recorded in the internal learning management system were also assigned anti-corruption training.

Targets and metrics

MDR-T Requirements for targets

Bertelsmann’s ambition with regard to all material governance topics is codified or referenced in the Bertelsmann Code of Conduct, Bertelsmann Supplier Code of Conduct, and various Executive Board guidelines on corporate governance. In keeping with its culture of compliance and its corporate targets, Bertelsmann strives to

- ensure responsible conduct on the part of the Group toward its employees, business partners, government bodies, society, and the environment in addition to compliance with laws, internal regulations, and contractual commitments to avoid legal risks and their consequences for all parties involved in the various risk areas in the long term;
- promote a corporate culture consistent with the basic values and principles of Bertelsmann Essentials, the Bertelsmann Leadership Principles, and the Group’s other policies;
- build and establish trusting relationships with the Group’s wide range of internal stakeholders and with business partners.

Bertelsmann has a zero-tolerance policy toward violations of the law, harassment, discrimination, and reprisals against whistleblowers. This applies to violations within the Group as well as violations by business partners. With regard to the anti-corruption risk, Bertelsmann aims to prevent and detect corruption of any kind.

Overall responsibility for defining and enforcing targets rests primarily with the Executive Board. Achievement of defined goals – in general and on the topic of anti-corruption – is measured in particular on the basis of the number of participants in the compliance training courses offered and in the context of the reporting of actual or potential compliance-relevant issues. It also involves any subsequent investigations by the compliance officers of the respective Group company, Integrity & Compliance (I&C) department and/or Internal Audit in the case of investigations by the authorities/public prosecutor.

In addition, there are currently no Group-wide targets as defined under MDR-T (Minimum Disclosure Requirements – Targets) with respect to the material governance topics.

G1-4 Confirmed incidents of corruption or bribery

§ Reporting principles

Data on convictions for violations of corruption and anti-bribery laws is provided by Bertelsmann case management. Afya, Alliant, and Groupe M6 all have their own compliance management systems and make their data available for Group reporting in accordance with the Bertelsmann definition. The data are included in the metrics presented below.

No estimates were made when the metrics of section G1-4 were recorded.

In 2025, there were no convictions for violations of corruption and anti-bribery laws, and consequently no fines were paid.

G1-5 Political influence and lobbying activities

§ Reporting principles

According to the Executive Board Guideline, Bertelsmann does not permit donations, memberships, or sponsorships to politicians or political parties. Compliance with the Executive Board Guideline is confirmed by local management with a signed declaration of integrity.

No estimates were made when the metrics of section G1-5 were recorded.

Bertelsmann engages in an open dialogue with political, business, and civil society stakeholders. The most important goals include respecting and protecting intellectual property, freedom, and independence of the media, the proportionate regulation of Tech & Data, and cultural and journalistic diversity.

Bertelsmann's public affairs officers grant political decision-makers access to interlocutors from the Group and convey current positions and facts along with further information. Common positions are developed in internal working groups and through associations. The representative bodies in Brussels and Berlin act as a discussion platform. Beyond this, the public affairs officers from the divisions contribute their expertise on a range of topics, to familiarize political decision-makers with Bertelsmann's business models in media, services, and education sectors. This also includes the presentation of the Group's digital businesses and cultural activities. Bertelsmann SE & Co. KGaA is registered in the European Union Transparency Register under the ID number 26103486608-4 and has signed the register's code of conduct. In addition, Bertelsmann SE & Co. KGaA is entered in the German Bundestag Lobbying Register. The register number is R002001.

In accordance with the Executive Board Guideline on Donations, Sponsorships, and Memberships described in section G1-1, Bertelsmann does not donate to politicians, political parties, or party-affiliated organizations. Nor does it support organizations or institutions whose basic stances conflict with the liberal-democratic basic order or that permit or imply discrimination against people.

In 2025, no new members were appointed to the administrative, management, and supervisory bodies of Bertelsmann who held comparable positions in public administration (including regulatory authorities) in the two previous years.

G1-6 Payment practices

§ Reporting principles

Standard payment practices are exercised in the form of royalty agreements, as these are largely determined by advance payments to artists and authors within the scope of a standardized process. Corresponding royalty agreements concern the divisions Penguin Random House and BMG in particular.

Bertelsmann also analyzed its payment performance with suppliers based on a representative sample of supplier invoices issued and paid between October 1, 2024, to September 30, 2025. There are no uniform standard payment terms in place for these business relationships. The business relationships analyzed cover trade payables (excluding liabilities from royalty agreements).

At Penguin Random House, authors generally receive advance payments in accordance with negotiated terms, which are made in three to four tranches. Once the book has been published, the authors receive royalties that are initially offset against the advance payments. Payments are made at regular agreed-upon royalty payment intervals.

At BMG, advance payments on the royalties to be distributed in subsequent periods are stipulated in the contract. Once the advance payments have been paid, the royalties are offset against them. As soon as the advance payment amount has been fully settled, the royalty payments are paid out at the stipulated royalty payment intervals.

Due to the heterogeneity of the Bertelsmann Group, Bertelsmann has neither a Group-wide payment policy nor Group-wide standard payment terms in place for suppliers. Local management is responsible for determining the individual payment terms with suppliers. This also applies to small and medium-sized suppliers. For this reason, the payment terms agreed with suppliers were analyzed based on the payment terms for the invoices issued and paid as documented in the analysis period.

Bertelsmann's analysis revealed the following supplier payment terms and performance:

Payment practices	2025	2024
Payment terms (percentage of invoices)		
0–30 days	86	86
31–60 days	12	11
>60 days	2	3
Payment behavior (average no. of days)	27	28

The majority (86 percent, previous year: 86 percent) of invoices had payment terms between 0 and 30 days. The average time taken to settle an invoice was 27 days (previous year: 28 days). Payments may be delayed in order to seek clarification in the multi-stage invoice approval process and as the result of non-daily, fixed-date payment runs. In 2025, the Bertelsmann Group was not involved in any legal proceedings for late payment.

Entity-Specific Information

Bertelsmann recognizes its responsibility in the creation and distribution of content and is committed to ensuring creative/journalistic independence & freedom of expression in its content businesses. The responsible use of artificial intelligence as well as the protection of data and intellectual property are high on the Group's agenda. Bertelsmann makes a contribution to preventing and mitigating the negative impacts and risks of its actions and to promoting positive impacts and opportunities.

Quantitative targets and metrics based on the MDR-T (Minimum Disclosure Requirements – Targets) and MDR-M (Minimum Disclosure Requirements – Metrics) are not disclosed for these entity-specific topics, as Bertelsmann does not consider the data on these topics to be sufficiently classified, complete, or measurable.

UN-1 Content responsibility

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of content responsibility that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Content responsibility		Responsibility for content includes the intention to take into account impacts on various stakeholders associated with the creation and distribution of content. By providing entertainment, education, and reporting, Bertelsmann's content-related divisions make a positive contribution to society by promoting understanding and tolerance, as well as upholding the rights and interests of vulnerable groups, in particular children and young people.	Impact Positive Actual and potential	Own operations, downstream value chain	Short, medium, and long term
		A lack of responsibility in the creation and distribution of content can lead to a loss of trust among users, resulting in reputational damage and legal risks.	Risk		

Impact, risk, and opportunity management

Content responsibility at Bertelsmann means considering the impact of the creation and distribution of content to best protect the rights and interests of media users, customers, and third parties. Overarching principles and guidelines of media ethics are set by national and international laws governing the press, broadcasting, and multimedia. These are complemented by voluntary commitments to external guidelines such as the ethics codes of national press councils and at the various levels within the Group by the Bertelsmann Code of Conduct and the RTL Group Newsroom Guideline. The Bertelsmann Code of Conduct enshrines the duty to respect people's privacy and to treat information, opinions, and images correctly and responsibly. In addition, the RTL Group Newsroom Guideline contains guiding principles on fair and impartial reporting, responsible conduct, employing restraint when reporting on violence and victims, sensitively handling the personal rights of minors, not staging reality, and adopting a cautious and critical mindset toward news from third parties. RTL Group's Chairman of Corporate Responsibility bears ultimate responsibility for this guideline and it serves as a reference for the everyday work and management of complex situations that the editors at RTL Group often encounter.

As a result, the Group expects careful research, high-quality reporting, and transparency in the case of errors – which is more important now than ever in the face of online disinformation (“fake news”) and artificial intelligence. All those involved in the creation of content have a journalistic, ethical, and social responsibility. Cross-divisional verification teams provide their expertise in discerning between authentic and manipulated photos and videos, or those taken out of context. Furthermore, the topic of content responsibility is anchored in various ways in the corporate divisions, companies, and editorial departments. For example, the music company BMG has established structured processes to preserve and protect artistic freedom. Clear requirements, including a dual control principle, help guide employees in the event of uncertainties when working with catalogs and artists. The divisional Corporate Responsibility department also carefully examines controversial content and makes recommendations. The generative AI tool “SafeSounds” developed by BMG assists with these checks by quickly analyzing large volumes of content and providing initial assessments so that experts can initiate more extensive checks of lyrics as required. As a rule, Bertelsmann adheres to the “Editor-in-Chief Principle,” according to which responsibility for media content lies solely with the managers in the editorial teams and creative departments. In addition, Bertelsmann adheres to the guidelines in place regarding separating advertising from editorial content.

As stated in the Bertelsmann Code of Conduct, Bertelsmann attaches great importance to the protection of children and young people in the creation and distribution of its content. In the area of youth media protection, content is monitored in accordance with different restrictions for each medium and region to see if it could adversely affect the development of children or young people. If there are indications of such, various restrictions come into force, such as broadcasting time restrictions or content and/or product labels. Through voluntary labeling systems, Bertelsmann corporate divisions and Group companies sometimes go beyond the existing EU and national regulations, particularly in the area of audiovisual media. In addition, they are continuously active in child and youth media protection organizations. Since the beginning of 2025, RTL Deutschland has employed an in-house AI-supported application for the protection of minors. This application helps the youth protection team review large quantities of content, categorizes content, and plays content accordingly. The resulting increased transparency gives parents on RTL+ further guidance on selecting age-appropriate content.

In 2025, the topic of sustainability was highlighted by the new RTL News segment “Nachhaltigkeits-Hacks” (“Sustainability hacks”) and the cross-media themed week “Für mehr Leben” (“For a better life”) that focused on sustainability in everyday life on RTL Deutschland. As part of “Woche der Vielfalt” (“Diversity week”), RTL Deutschland placed strengthening of diversity, the value of community, and shared emotions at the center of its content offerings. As a project partner to the nationwide #UseTheNews media initiative, RTL Deutschland also drew attention to the importance of trustworthy news in light of young people’s social media usage patterns.

UN-2 Creative/journalistic independence & freedom of expression

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of creative/journalistic independence & freedom of expression that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Creative/journalistic independence & freedom of expression		Bertelsmann stands for editorial and journalistic independence in its content businesses. Enshrined in the Bertelsmann Code of Conduct, these principles permit the expression of a wide range of perspectives and ideas. They contribute to the promotion of a pluralistic media landscape that reflects the diversity of society, and thereby contribute to the strengthening of demographic structures.	Impact Positive Actual and potential	Own operations, downstream value chain	Short, medium, and long term
		In terms of its content business, Bertelsmann is facing major new challenges in the face of changing political, social, and cultural parameters – from cancel culture and the banning of books to the violation of intellectual property by artificial intelligence. All of this has a negative impact on the copyrights of creators and on the critical forming of opinions and co-determination in a democracy.	Impact Negative Actual and potential		

Impact, risk, and opportunity management

Bertelsmann stands for editorial and journalistic independence in its content businesses, as well as for freedom of the press and artistic license. The Group publishes a wide variety of opinions and positions. Bertelsmann aims to ensure this creative/journalistic independence in two directions. Inside the Group, it means that the Group does not attempt to influence the decisions of artists, authors, editors, and program managers, or to restrict their freedom. To the outside, this means that both content managers and company managers comply with existing rules regarding the separation of editorial content and commercial advertising and do not capitulate to political or economic influence in their coverage. In accordance with the Bertelsmann “Editor-in-Chief Principle,” editorial decisions are the sole responsibility of the content managers. The Bertelsmann Creativity Principles serve as a compass for the daily work of creative professionals and promote diversity, free thinking, and the courage to realize creative ideas. In addition, the guidelines listed in sections S4-1 and UN-1 (Bertelsmann Codes of Conduct and the RTL Group Newsroom Guideline) also address the topic of creative/journalistic independence & freedom of expression.

Representatives from Bertelsmann’s corporate content divisions – RTL Group, Penguin Random House, and BMG – collaborate in the context of the “Freedom of the Press” cross-divisional working group to discuss issues relating to this topic and to share information, current challenges, and best practices.

In 2025, RTL Group’s channels continued their coverage of the wars in Ukraine as well as in Israel and the Gaza Strip, while making major efforts to protect reporters on the ground. In connection with the German federal election, RTL Deutschland contributed to democratic participation and civic engagement through the “Geh wählen!” (“Go and vote!”) initiative. With the “Quadrell,” RTL and NTV gave the chancellor candidates from all major parties the opportunity to present their points of view on an equal footing. Investigative formats from RTL, NTV, and “Stern” uncovered extremist structures through independent research and thus contributed to democratic discourse.

In addition, the members of the “Freedom of the Press” working group met regularly to exchange views. The focus was on developments in press freedom and diversity of opinion in Germany and the United States. In particular, the current political and legal framework conditions and their potential impact on journalistic work were discussed. As in the previous year, Penguin Random House’s “Banned Wagon” toured the United States during “Banned Books Week” to raise awareness of the importance of free speech and the preservation of a diverse and inclusive literary landscape.

UN-3 (Digital) media literacy

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of (digital) media literacy that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
(Digital) media literacy		Given the rapid development and widespread use of artificial intelligence in Bertelsmann’s content businesses, media literacy is of particular importance. It enables end users to critically engage with and contextualize media content that has been created and distributed, thereby contributing to individual and societal development.	Impact Positive Potential	Own operations, downstream value chain	Short and medium term

Impact, risk, and opportunity management

As a key qualification, media literacy has a major impact on the educational and development opportunities of children and young people, as well as on maturity in an increasingly digital world. Bertelsmann contributes to social and individual development through a wide range of actions and engaging in initiatives to promote media and digital literacy. As stated in the Bertelsmann Code of Conduct, Bertelsmann attaches great importance to the protection of children and young people in the creation and distribution of its content.

For example, Bertelsmann chairs the board of trustees of Stiftung Lesen, a nationwide initiative in Germany that promotes reading among children and young people. Bertelsmann supports them by donating books and organizing reading days, among other initiatives. Ad Alliance and SUPER RTL hosted the Kinderwelten 2025 conference, at which media experts and researchers discussed media use among children in Germany. The “TOGGO Radio gibt dir eine Stimme” (“TOGGO Radio gives you a voice”) campaign encouraged children to engage with the federal election in an age-appropriate way, fostering their media literacy skills. The initiative was honored with the “Deutscher Radiopreis 2025” (“German Radio Award 2025”) and the “Weißer Elefant” (“White Elephant”) Award for its contribution to children’s empowerment and high-quality family programming. In 2025, RTL Group’s studio and talent agency We Are Era continued its cooperation with the Vodafone Foundation in Germany. As part of the Europe-wide #Unplugged campaign launched in 2025, young people receive support in developing a more conscious approach to digital media. In addition, RTL Hungary offered young people the opportunity to expand their media literacy, recognize the importance of fact-based reporting, and gain insight into the internal processes of newsrooms as part of a media camp.

UN-4 Artificial intelligence

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of artificial intelligence that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Artificial Intelligence (AI)		Customer satisfaction can be improved through the AI-supported personalization of products and services, and through greater interaction with end users (e.g., quicker call handling by customer service, personal recommendations for books and programs on streaming services, and making music easier to find in searches). For employees, the use of AI can make their workplace more attractive, improve competency and knowledge growth, and help to gain time. In this context, it is possible, among other things, to relieve the burden incurred by simple or time-consuming tasks (e.g., producing and analyzing content), with a positive impact on the focus on important topics.	Impact Positive Actual and potential	Own operations, downstream value chain	Short, medium, and long term
		The use of AI can have a negative impact on customers, as excessive or intrusive AI-supported personalization and interactions can result in privacy violations (e.g., inadequate handling of sensitive customer data).	Impact Negative Potential		
		The use of AI can negatively impact customers by leading to distorted or discriminatory user experiences (e.g., stereotypes/discrimination in the presentation of content and in dealings with customers as well as misinformation in communication).			
		For employees, the use of AI can have negative impacts by triggering insecurities that arise, among other things, from concerns about possible job losses			
		Improper use of AI carries legal risks and the risk of reputational damage and financial penalties, particularly in connection with data protection, information security, and copyright violations, or liability for AI-assisted content. In addition, storing and processing additional data without knowing its actual value can increase operating costs.	Risk		

Impact, risk, and opportunity management

Bertelsmann has identified great opportunities in the use of AI to further improve its diverse business models, promote creativity, innovations, and synergies, and increase efficiency. The Group is increasingly using AI in its businesses and is introducing its employees to the possibilities offered by new technologies in order to raise awareness of the use of AI in the Group and to train employees to become competent AI users. The bodies responsible for the strategic development of AI and the implementation of the Group-wide Tech & Data Agenda are the Tech & Data Advisory Board and the AI Council, which reports to the CFO. The implementation of the Tech & Data agenda is based on the AI Hub for the operationalization of specific AI applications and creation of synergies, the cross-divisional “BeData” platform, and cooperation in the field of Tech & Data on the Bertelsmann Collaboration Platform.

Specific data protection requirements are set out in the rules and regulations described in the entity-specific section UN-5. The Group-wide governance of AI at Bertelsmann is regulated by the Executive Board Guideline on AI Governance. It defines the implementation and structure of the AI governance organization, thresholds and cases for involving Group management, as well as tasks and responsibilities. In addition, the Bertelsmann Policy Artificial Intelligence establishes principles for the responsible use of AI. The aim of these guidelines is to enable the use of AI potential across the Group while ensuring its safe application, taking into account the associated risks. At the highest level, the Executive Board is responsible for both guidelines. They are aligned in particular with the EU AI Act and with international guidelines for trustworthy AI, including the OECD AI Principles and the G7 Hiroshima Process, and are accessible on the Bertelsmann intranet.

The Bertelsmann Scholarship Initiative continued in 2025, featuring AI and machine learning elements, among others, and was open to both employees and external applicants. The AI content offerings as part of the Bertelsmann Collaboration Platform were also further expanded in the reporting year. The “AI for Creatives – Video Production Day 2025” focused on Bertelsmann’s progress in the application of multimodal AI in its creative businesses as well as its practical uses. The Bertelsmann Tech & Data Summit 2025 focused on the transformative potential of AI for various business divisions and offered insights into the current state of AI technology. The activities of the AI Hub established in the previous year were further expanded over the course of the year, including through the implementation of further pilot and framework agreements with external partners and technology providers, and the co-innovation of AI applications in collaboration with Group units. In coordination with the Bertelsmann Tech & Data Advisory Board, selected AI focus topics were operationalized by the AI Hub in Group-wide working groups. In connection with the requirements of the EU AI Act, an AI Literacy training course was rolled out across the Group to teach employees the basics of AI in a clear and comprehensible manner.

UN-5 Handling of data

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of the handling of data that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Handling of data		Inadequate data protection can entail legal and reputational risks for Bertelsmann, as well as a loss of stakeholder trust and financial losses.	Risk	Own operations, upstream value chain, downstream value chain	Short, medium, and long term

Impact, risk, and opportunity management

Bertelsmann attaches great importance to data protection. Data protection applies to the protection of personal data belonging to employees, customers and users, and personal data provided by business partners to Bertelsmann. Bertelsmann uses data from its customers when preparing and distributing its media, service, and educational offerings within the contractually and legally permissible scope. In the service business in particular, many of the world’s largest corporations entrust the Group with parts of their value chain, such as logistics or payment processes. Confidential and careful handling of personal data also plays a decisive role in the Group’s dealings with media users and employees.

This includes only processing personal information in accordance with legal requirements, adequately protecting this information against unauthorized access, and enabling data subjects to exercise their rights as set out in law. When handling personal data, Bertelsmann acts in a highly regulated field. Protecting personal data is a legal obligation in all of the geographic core markets in which Bertelsmann operates. The primary goal is to protect the privacy rights of data subjects.

In addition to the Bertelsmann Code of Conduct and Bertelsmann Supplier Code of Conduct, data protection in the Group is addressed in the Data Protection Guideline, the Executive Board Guideline on Information Technology and Information Security, and, in addition, for the German Group companies, by the Group Data Protection Manual. Data subjects have various ways to contact Bertelsmann, including via dedicated email inboxes set up for this purpose.

The effectiveness of the Bertelsmann data protection organization requires that everyone who processes personal data for Bertelsmann is aware of the importance of data protection. Responsibility for data protection is decentralized and lies with the management of the Group companies. In order to implement data protection requirements, management have a Group-wide data protection management system in place that, in particular, ensures the implementation of the documentation and accountability obligations stipulated in the “General Data Protection Regulation” (GDPR). In addition, a data protection organization consisting of central data protection officers and local data protection coordinators has been established for Group companies subject to the GDPR. The latter report to local management and the central data protection officers on an annual or ad hoc basis, who in turn report to the Executive Board on an annual or ad hoc basis. Other Group companies have a similar organization in place. An information security management system (ISMS) based on the industry standard ISO 27001 provides the technical and organizational framework for confidential data processing. The ISMS involves regular and structured documentation of relevant processes and procedures to ensure compliance with legal requirements for information security. It also systematically detects risks, and derives and monitors suitable actions to minimize risks.

In 2025, the most important actions in terms of data protection included the development and implementation of guidelines, recommendations, and training on working with AI in consideration of data protection and the EU AI Act. In this context, Bertelsmann strives to leverage the advantages offered by AI solutions while protecting the personal data of customers and business partners.

UN-6 Intellectual property

The following table shows the material impacts, risks, and opportunities (“IROs”) related to the topic of intellectual property that have been identified as part of the double materiality assessment. Bertelsmann addresses its material IROs through various policies, engagement procedures, and actions. They are described in the section “Impact, risk, and opportunity management” of this chapter.

Material impacts, risks, and opportunities

Topic/Sub-topic	Sub-sub-topic	Description of the IROs	Characterization of the IROs	Localization of the IROs	Time horizon of the IROs
Intellectual property		The protection and safeguarding of intellectual property are of central strategic importance to Bertelsmann. This applies in particular to the content divisions of Bertelsmann. They provide the basis for copyrights and the fair compensation of creatives involved in the creation and distribution of content (e.g., authors, artists, journalists).	Impact Positive Actual and potential	Own operations, downstream value chain	Short, medium, and long term
		Handling intellectual property with care ensures that original content created by Bertelsmann is protected. This allows the Group to maintain control over its content, retain its value, and effectively monetize it. In turn, this has a positive impact on the Group’s reputation and makes new licensing agreements and partnerships more attractive. It also provides an opportunity to expand the range of content available and to boost the Group’s ability to innovate and transform – at the same time as tapping into new business potential.	Opportunity		
		Inadequate protection of intellectual property is associated with a risk of piracy, unauthorized distribution, and possible manipulation of original content along with material damage (loss of value and revenue) and immaterial damage (loss of reputation and trust).	Risk		

Impact, risk, and opportunity management

Bertelsmann’s business also includes the development, creation, pre-financing, transfer, licensing, and sale of products and services that are protected as intellectual property. Violation of protected intellectual property may include, for example, the performance, distribution, or exhibition of copyrighted works without permission or in exchange for payment, and the unauthorized reproduction or distribution of copies of protected intellectual property.

Protecting and safeguarding intellectual property is a key aspect of Bertelsmann’s commercial success in both analog and digital business models, and is more important than ever in light of the advancing progression of AI. Intellectual property is protected by legislation (e.g., copyright law, trademarks, and patent law) and is also embedded in the Bertelsmann Code of Conduct and the Bertelsmann Supplier Code of Conduct. The Group is committed to a high level of copyright protection worldwide, and to preserving strong exclusive rights and contractual freedom.

The Copyright Taskforce, which comprises representatives of the relevant German and international content businesses (RTL Deutschland, UFA, Fremantle, Penguin Random House, and BMG), oversees current developments and legislative processes on copyright at the European Union and national level and develops joint Bertelsmann positions on this issue. In 2025, its work focused on the European Union regulation on harmonized rules for AI (AI Act), and the secondary legislation on the EU AI Act (Code of Practice).

Consolidated Financial Statements

Consolidated Income Statement

in € millions	Notes	2025	2024
Revenues	1	18,957	18,988
Other operating income	2	340	277
Cost of materials	13	(6,471)	(6,308)
Royalty and license fees		(1,619)	(1,696)
Personnel costs	3	(5,423)	(5,255)
Amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets	4	(1,261)	(1,151)
Other operating expenses	5	(3,360)	(3,172)
Results from investments accounted for using the equity method	11	52	16
Impairment and reversals of impairment losses on investments accounted for using the equity method	11	9	(7)
Results from disposals of investments		665	4
EBIT (earnings before interest and taxes)		1,888	1,697
Interest income	6	57	55
Interest expenses	6	(177)	(183)
Other financial income	7	55	109
Other financial expenses	7	(237)	(236)
Financial result		(302)	(255)
Earnings before taxes		1,586	1,442
Income tax expense	8	(579)	(406)
Group profit or loss		1,007	1,036
attributable to:			
Bertelsmann shareholders		698	784
Non-controlling interests		309	252

Consolidated Statement of Comprehensive Income

in € millions	Notes	2025	2024
Group profit or loss		1,007	1,036
Items that will not be reclassified subsequently to profit or loss			
Remeasurement component of defined benefit plans		(214)	7
Changes in fair value of equity instruments		–	(7)
Share of other comprehensive income of investments accounted for using the equity method		(2)	9
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Exchange differences: changes recognized in other comprehensive income		(575)	60
Exchange differences: reclassification adjustments to profit or loss		2	–
Cash flow hedges: changes in fair value recognized in other comprehensive income		11	(26)
Cash flow hedges: reclassification adjustments to profit or loss		(58)	50
Share of other comprehensive income of investments accounted for using the equity method		2	–
Other comprehensive income net of tax	18	(834)	93
Group total comprehensive income		173	1,128
attributable to:			
Bertelsmann shareholders		(115)	917
Non-controlling interests		288	211

Consolidated Balance Sheet

in € millions	Notes	12/31/2025	12/31/2024
Assets			
Non-current assets			
Goodwill	9	8,808	8,802
Other intangible assets	9	4,281	4,238
Property, plant, and equipment and right-of-use assets	10	3,200	3,033
Investments accounted for using the equity method	11	468	478
Minority stakes and other financial assets	12	1,520	1,503
Trade and other receivables	14	84	83
Other non-financial assets	16	1,241	1,351
Deferred tax assets	8	293	898
		19,894	20,387
Current assets			
Inventories	13	2,208	2,221
Trade and other receivables	14	3,984	3,994
Receivables relating to financial services	15	1,624	1,545
Other financial assets	12	198	284
Other non-financial assets	16	1,471	1,493
Income tax receivables		112	96
Cash and cash equivalents	17	1,809	2,242
		11,406	11,875
Assets held for sale		–	689
		11,406	12,565
		31,300	32,951
Equity and liabilities			
Equity			
	18		
Subscribed capital		1,000	1,000
Capital reserve		2,345	2,345
Retained earnings		9,818	10,186
Bertelsmann shareholders' equity		13,164	13,532
Non-controlling interests		2,127	2,115
		15,291	15,647
Non-current liabilities			
Provisions for pensions and similar obligations	19	609	731
Other provisions	20	133	184
Deferred tax liabilities	8	184	176
Profit participation capital	21	413	413
Financial debt	22	3,777	4,276
Lease liabilities	23	1,118	1,143
Trade and other payables	24	548	578
Other non-financial liabilities	24	431	447
		7,213	7,947
Current liabilities			
Other provisions	20	297	216
Financial debt	22	686	850
Lease liabilities	23	276	275
Trade and other payables	24	5,187	5,444
Liabilities relating to financial services	25	448	439
Other non-financial liabilities	24	1,813	1,843
Income tax payables		89	68
		8,796	9,136
Liabilities related to assets held for sale		–	221
		8,796	9,357
		31,300	32,951

Consolidated Cash Flow Statement

in € millions	2025	2024
EBIT (earnings before interest and taxes)	1,888	1,697
Taxes paid	(365)	(316)
Amortization/depreciation, impairment, and reversals of impairment losses on non-current assets	1,253	1,158
Results from disposals of investments	(665)	(4)
Gains/losses from disposals of non-current assets	(18)	(15)
Change in provisions for pensions and similar obligations	(27)	(6)
Change in other provisions	37	(101)
Change in net working capital	(298)	(395)
Fair value measurement of investments	174	22
Interest received	70	75
Other effects	10	57
Cash flow from operating activities	2,059	2,172
Investments in intangible assets	(685)	(586)
Investments in property, plant, and equipment	(490)	(396)
Investments in financial assets	(257)	(146)
Purchase price payments for consolidated investments (net of acquired cash)	(484)	(488)
Disposals of subsidiaries and other business units	1,177	13
Disposals of other fixed assets	154	315
Cash flow from investing activities	(586)	(1,287)
Issues of bonds and promissory notes	980	299
Redemption of bonds and promissory notes	(1,501)	(476)
Redemption of other financial debt	(267)	(118)
Proceeds from other financial debt	97	164
Redemption of lease liabilities	(300)	(302)
Interest paid	(314)	(300)
Dividend to Bertelsmann shareholders	(220)	(220)
Dividends to non-controlling interests and payments to partners in partnerships	(192)	(204)
Change in equity	(165)	(401)
Other effects	7	(71)
Cash flow from financing activities	(1,876)	(1,629)
Change in cash and cash equivalents	(403)	(744)
Exchange rate changes and other changes in cash and cash equivalents	(34)	16
Cash and cash equivalents as of 1/1	2,246	2,974
Cash and cash equivalents as of 12/31	1,809	2,246
Less cash and cash equivalents of disposal groups	–	(3)
Cash and cash equivalents as of 12/31 (according to the consolidated balance sheet)	1,809	2,242

Consolidated Statement of Changes in Equity

	Subscribed capital	Capital reserve ¹	Retained earnings					Bertelsmann shareholders' equity	Non-controlling interests	Total
			Other retained earnings	Accumulated exchange differences	other fair value reserve	comprehensive cash flow hedges	income ² Share of other comprehensive income of investments accounted for using the equity method			
in € millions										
Balance as of 1/1/2024	1,000	2,345	9,574	(16)	10	(1)	30	12,942	2,223	15,165
Group profit or loss	–	–	784	–	–	–	–	784	252	1,036
Other comprehensive income	–	–	6	105	(5)	22	6	134	(41)	93
Group total comprehensive income	–	–	789	105	(5)	22	6	917	211	1,128
Dividend distributions	–	–	(220)	–	–	–	–	(220)	(204)	(424)
Transactions with subsidiaries that do not result in a loss of control ³	–	–	(84)	(17)	–	–	–	(101)	(149)	(250)
Equity transactions with shareholders	–	–	(304)	(17)	–	–	–	(321)	(353)	(674)
Other changes ⁴	–	–	–	–	–	(3)	(4)	(7)	34	27
Balance as of 12/31/2024	1,000	2,345	10,060	72	4	19	32	13,532	2,115	15,647
Balance as of 1/1/2025	1,000	2,345	10,060	72	4	19	32	13,532	2,115	15,647
Group profit or loss	–	–	698	–	–	–	–	698	309	1,007
Other comprehensive income	–	–	(216)	(556)	–	(41)	–	(813)	(21)	(834)
Group total comprehensive income	–	–	482	(556)	–	(41)	–	(115)	288	173
Dividend distributions	–	–	(220)	–	–	–	–	(220)	(192)	(412)
Transactions with subsidiaries that do not result in a loss of control ³	–	–	(25)	(3)	–	–	–	(28)	(87)	(115)
Equity transactions with shareholders	–	–	(245)	(3)	–	–	–	(248)	(279)	(527)
Other changes	–	–	(10)	–	(1)	5	–	(5)	3	(2)
Balance as of 12/31/2025	1,000	2,345	10,287	(487)	3	(17)	32	13,164	2,127	15,291

1 The capital reserve mainly includes share premiums received from the issue of ordinary shares in excess of their par values.

2 As of December 31, 2025, €0 million relates to assets classified as held for sale in accordance with IFRS 5 (December 31, 2024: €0 million).

3 Transactions with subsidiaries that do not result in a loss of control mainly result, among others, from the acquisition of RTL Group's own shares, an increase of the equity interest in the production company Lux Vide (RTL Group) through the exercise of a put option, and a further increase of the equity interest in the education company Afya (Bertelsmann Education Group) through the acquisition of additional shares, as well as the acquisition of Afya's own shares. In the previous year, transactions with subsidiaries that do not result in a loss of control mainly resulted from a further increase of the equity interest in the education company Afya, while the exercise of the put option in connection with the share increase in Sourcebooks had the opposite effect.

4 In the financial year 2024, the other changes in non-controlling interests mainly resulted from the initial consolidation of RTL Group subsidiaries.

Notes

Segment Information

in € millions	RTL Group		Penguin Random House		BMG		Arvato Group		Bertelsmann Marketing Services	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenues from external customers	6,312	6,873	4,980	4,917	897	960	4,297	3,792	879	940
Intersegment revenues	13	16	1	1	3	3	80	78	150	148
Divisional revenues	6,326	6,888	4,981	4,917	900	963	4,378	3,871	1,029	1,088
Operating EBITDA adjusted	983	1,158	704	739	284	265	720	641	22	34
EBITDA margin (in percent) ¹	15.5	16.8	14.1	15.0	31.5	27.5	16.4	16.6	2.2	3.2
Impairment (-)/reversals of impairment losses (+) on intangible assets, property, plant, and equipment, and right-of-use assets	(120)	(10)	12	3	–	(10)	–	(10)	(6)	(2)
Results from investments accounted for using the equity method	30	46	–	–	–	–	9	10	–	–
Impairment (-)/reversals of impairment losses (+) on investments accounted for using the equity method	9	(7)	–	–	–	–	–	–	–	–
Invested capital	7,509	8,142	3,158	3,081	2,431	2,513	2,790	2,421	93	–

in € millions	Bertelsmann Education Group		Bertelsmann Investments ²		Total divisions		Corporate		Consolidation		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenues from external customers	949	924	618	558	18,932	18,964	25	24	–	–	18,957	18,988
Intersegment revenues	–	–	4	5	252	251	40	41	(292)	(292)	–	–
Divisional revenues	949	924	623	563	19,184	19,214	65	65	(292)	(292)	18,957	18,988
Operating EBITDA adjusted	375	347	84	75	3,172	3,260	(136)	(137)	(17)	(12)	3,019	3,111
EBITDA margin (in percent) ¹	39.6	37.5	13.4	13.3	16.5	17.0	n/a	n/a	n/a	n/a	15.9	16.4
Impairment (-)/reversals of impairment losses (+) on intangible assets, property, plant, and equipment, and right-of-use assets	–	(1)	–	(2)	(113)	(32)	–	(1)	–	–	(113)	(32)
Results from investments accounted for using the equity method	4	(47)	8	7	52	16	–	–	–	–	52	16
Impairment (-)/reversals of impairment losses (+) on investments accounted for using the equity method	–	–	–	–	9	(7)	–	–	–	–	9	(7)
Invested capital	2,276	2,394	1,523	1,481	19,780	20,032	112	114	(2)	(1)	19,889	20,143

The prior-year comparatives for Bertelsmann Investments and Corporate have been adjusted. Further details on segment reporting are presented in note 29 "Segment Reporting."

¹ Operating EBITDA adjusted as a percentage of revenues.

² The business development of the venture capital organizations of Bertelsmann Investments is determined primarily on the basis of EBIT. EBIT of Bertelsmann Investments amounted to €90 million (previous year: €88 million).

Reconciliation to Operating EBITDA Adjusted

in € millions	2025	2024
EBIT (earnings before interest and taxes)	1,888	1,697
Less special items		
Adjustment to carrying amounts on assets held for sale	–	(1)
Impairment (-)/reversals of impairment losses (+) on other financial assets at amortized cost	(1)	–
Impairment (-)/reversals of impairment losses (+) on investments accounted for using the equity method	9	(7)
Results from disposals of investments	665	4
Fair value measurement of investments	(174)	(22)
Reorganization expenses and other adjustments	(434)	(252)
Less amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets	(1,261)	(1,151)
Less adjustments to amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets included in special items	65	14
Operating EBITDA adjusted	3,019	3,111

Information by Geographical Area

in € millions	Germany		France		United Kingdom		Other European countries		United States		Other countries ²		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenues from external customers	5,086	5,202	1,460	1,575	1,405	1,363	3,688	3,732	5,272	5,191	2,046	1,925	18,957	18,988
Non-current assets ¹	3,568	3,612	1,313	1,351	1,976	1,740	3,283	3,225	4,462	4,485	1,687	1,653	16,289	16,067

1 Non-current assets comprise intangible assets (including goodwill), property, plant, and equipment, and right-of-use assets. Details on segment reporting are presented in note 29 "Segment Reporting."

2 €662 million of the revenues from external customers is attributable to Brazil (previous year: €636 million).

Information on Revenue Sources

in € millions	Own products and merchandise		Services		Advertising		Rights and licenses		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenues from external customers	4,986	4,973	7,136	6,614	3,180	3,489	3,655	3,912	18,957	18,988

General Principles

The Bertelsmann SE & Co. KGaA Consolidated Financial Statements as of December 31, 2025, were prepared in accordance with IFRS Accounting Standards that are applicable in the European Union (EU-IFRS). The supplementary requirements set out in section 315e of the German Commercial Code (HGB) were also met. The Consolidated Financial Statements are prepared in euros. Unless otherwise stated, all amounts are given in millions of euros (€ million). In individual cases, rounding may result in individual figures not adding up to the totals shown and percentages may not add up exactly to the figures shown. For the sake of clarity, certain items in the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet and the consolidated cash flow statement are combined. These items are disclosed and explained in greater detail in the notes.

Bertelsmann SE & Co. KGaA is a partnership limited by shares with its registered office in Gütersloh, Germany. It is entered in the commercial register of the Gütersloh Local Court (Amtsgericht) under HRB 9194. The address of the company's registered headquarters is: Carl-Bertelsmann-Strasse 270, 33335 Gütersloh.

Bertelsmann operates in the core business fields of media, services, and education in around 50 countries worldwide. The geographic core markets are Western Europe – in particular, Germany, France, and the United Kingdom – and the United States. In addition, Bertelsmann is active in Brazil, India, and China. The Bertelsmann operating divisions are RTL Group (entertainment), Penguin Random House (books), BMG (music), Arvato Group (services), Bertelsmann Marketing Services (direct marketing and printing activities), Bertelsmann Education Group (education), and Bertelsmann Investments (venture capital activities and Bertelsmann Next growth area). Further information on the main activities of Bertelsmann SE & Co. KGaA and its subsidiaries is presented in detail in the Combined Management Report.

Impact of New Financial Reporting Standards

The effects of the first-time application of new accounting standards, amendments of existing financial reporting standards of the IASB, and published interpretations of the IFRS IC are not material to the Bertelsmann Group overall.

Impact of Issued Financial Reporting Standards That Are Not Yet Effective

The Bertelsmann Group has not opted for early adoption of any additional standards, interpretations, or amendments that have been issued by the IASB or the IFRS IC but are not yet mandatory.

A financial reporting standard that is not yet effective that will have a material impact on Bertelsmann is IFRS 18 Presentation and Disclosure in Financial Statements issued in April 2024. IFRS 18 will replace the current IAS 1 Presentation of Financial Statements and will amend IAS 7 Statement of Cash Flows, IAS 33 Earnings Per Share, and IAS 34 Interim Financial Statements. The new accounting standard aims to improve how companies communicate information in their financial statements, with a focus on information about financial performance in the income statement. IFRS 18 introduces new requirements

- to present specified categories (operating category, investing category, financing category) and defined subtotals in the income statement (operating profit/loss, profit/loss before financing, and income taxes);
- to disclose information in the notes about some performance measures defined by management, which IFRS 18 defines as management-defined performance measures (MPMs); and
- to aggregate and disaggregate information in both the primary financial statements and the notes.

Following its endorsement by the EU, the application of IFRS 18 will be mandatory for financial years beginning on or after January 1, 2027, and must be applied retrospectively for the corresponding comparative period. The impact of IFRS 18 on the individual components of the financial statements is currently being analyzed within the Bertelsmann Group. Key implementation steps have already been initiated. The new standard has no effect on the Group profit. Initial analysis results indicate that the allocation of income and expense items to the new categories of the statement of profit or loss will affect the determination and presentation of the subtotals required under IFRS 18. In this context, the previously used performance measure "Earnings before interest and taxes (EBIT)" will be replaced by "Operating profit/loss" in accordance with IFRS 18. This new measure differs in both composition and amount from the previous EBIT definition. At this stage, reliable quantitative effects cannot yet be estimated. Based on the Group's current assessment, the overall impact is expected to be immaterial – apart from the reclassification of results from investments accounted for using the equity method and the allocation of the previous "Financial result," which will largely fall under the investing and financing categories. Only a few minor income and expense items from the "Financial result" will in the future be assigned to the operating category. Based on the analysis up to now, the provision of financial services in the Rivery business unit meets the criteria for the specific main business activity of "providing financing to customers" within the meaning of the standard. Furthermore, it is assumed that the venture capital organizations of the Bertelsmann Investments division meet the criteria for the specific main business activity of "investing in assets." Accordingly, the related income and expenses will continue to be presented in the operating category in the future. Based on the preliminary assessment, Bertelsmann Group does not expect any material changes in the notes disclosures. However, the presentation of information might change due to IFRS 18 aggregation and disaggregation requirements. In addition, there will be new disclosures required for the management-defined performance measure (operating EBITDA adjusted). The definition and composition of this performance measure will remain unchanged. However, due to the mandatory starting point for the reconciliation being "Operating profit/loss," additional reconciliation steps will be necessary beyond those previously disclosed. Adjustments to the local ERP and central reporting systems, and the relevant notes templates will be required as a result of the new presentation requirements for the statement of profit or loss. These adjustments to IT systems and the underlying processes are currently being implemented. For the first annual period of application of IFRS 18, a reconciliation will be prepared for each line item in the income statement between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The expected impact from other financial reporting requirements that have been issued but are not yet effective is not material to the Bertelsmann Group.

Impact of External Events on the Consolidated Financial Statements

Despite adverse external events such as ongoing geopolitical tensions, the Bertelsmann Group's core businesses performed robustly in the financial year 2025. The economic challenges and associated uncertainties have been, from the outset, and will continue to be regularly monitored by management in order to intervene at an early stage if necessary. The balance sheet effects were therefore continuously analyzed for the particularly relevant areas including impairment of goodwill and individual assets, leasing, royalties payable to authors, program rights, inventories, trade receivables, deferred tax assets, provisions for onerous contracts, and revenues. In the financial year 2025, a general decline in inflation rates and a further decrease in the interest rate level were accompanied by heterogeneous economic development in Bertelsmann's core markets. The direct and indirect effects of this development were appropriately taken into account in the accounting decisions made. Furthermore, no significant negative effects on the financial position or financial performance of the Bertelsmann Group are currently expected for the accounting areas classified as vulnerable.

The assessments are based on judgments, estimates, and assumptions that contain additional uncertainties in the current situation characterized by geopolitical and economic challenges. Management is of the opinion that these uncertainties have been taken into account to an adequate degree.

Consideration of Climate Change

As part of the implementation of the CSRD, Bertelsmann conducted a comprehensive analysis of climate-related risks and opportunities in 2024 with external support. The analysis covered all business areas and relevant parts of the value chain. Since no significant changes occurred in the Bertelsmann Group's portfolio or the underlying climate scenarios in 2025, apart from the sale of RTL Nederland, the results of the climate risk analysis from the previous year are still considered valid. The sale of RTL Nederland has no significant impact on the results of the climate risk analysis. A comprehensive description of the analysis conducted can be found in the Sustainability Report in the Combined Management Report 2025. Bertelsmann assumes that climate change will not have a material impact on the estimates and assumptions for accounting purposes as of December 31, 2025.

Consolidation

Principles of Consolidation

The Bertelsmann Consolidated Financial Statements include the financial statements of the parent company and its subsidiaries, joint ventures, and associates.

Subsidiaries are companies controlled by Bertelsmann SE & Co. KGaA in accordance with IFRS 10. Consolidation begins on the date on which the ability to exercise control exists and ends when Bertelsmann loses the ability to exercise control. Profit or loss and each component of total comprehensive income are attributed to the shareholders of the parent company and the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. In accordance with IFRS 3, business combinations are accounted for using the acquisition method. Non-controlling interests are measured at the proportionate fair value of the assets and liabilities. If the consideration transferred for the business combination or the fair values attributable to the identifiable assets and liabilities of the company acquired can only be identified preliminarily on the date of initial accounting, the business combination is accounted for using these preliminary values. Initial accounting is finalized in accordance with IFRS 3.45, taking into account the maximum one-year measurement period. Comparative information for reporting periods prior to the completion of initial accounting is presented as if it had already been completed on the acquisition date. Changes in the parent's ownership interest in a subsidiary that do not lead to a loss of control are accounted for as equity transactions. After the loss of control of a subsidiary, it is deconsolidated in accordance with the requirements of IFRS 10.25 in conjunction with IFRS 10.B98 f. Any investment retained in the former subsidiary, as well as any amounts owed by or to the former subsidiary, are accounted for in accordance with the applicable IFRSs from the date when control is lost.

Joint ventures in accordance with IFRS 11 and associates are included in the Consolidated Financial Statements using the equity method in accordance with IAS 28. Associates are companies over which Bertelsmann exercises a significant influence. This is generally the case for voting rights between 20 percent and 50 percent. Smaller shareholdings are accounted for using the equity method if there is a significant influence in accordance with IAS 28.6. When changing the accounting treatment of investments to the equity method, IFRS 3 is applied correspondingly so that the fair value of the previously held interest is used in determining the cost of the investment accounted for using the equity method on the transition date. The difference between the fair value and the carrying amount of the previously held interest is recognized in profit or loss. The portfolio of investments held by the venture capital organizations of the Bertelsmann Investments division includes, among others, investments in associates recognized at fair value through profit or loss in accordance with IAS 28.18 in conjunction with IFRS 9. When applying the equity method to an associate or a joint venture that is an investment entity, Bertelsmann, which is a non-investment entity, generally retains the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.

The Bertelsmann Group recognizes immaterial investments in accordance with IFRS 9.

The Rivery business unit, which belongs to Arvato Group, uses structured entities for refinancing purposes, which are not included in the Consolidated Financial Statements, to sell receivables on a revolving basis that were acquired from third parties in the course of conducting its financial services. Further information can be found in note 27 in the section “Financial Services Related to Receivables Acquired and Sold and Further Disclosures to Structured Entities.”

Scope of Consolidation

As of December 31, 2025, Bertelsmann is the majority shareholder of RTL Group, with an interest of 75.0 percent. Penguin Random House, BMG, Arvato Group, Bertelsmann Marketing Services, Bertelsmann Education Group, and Bertelsmann Investments are each wholly owned by Bertelsmann.

Composition of Scope of Consolidation

	Subsidiaries		Joint ventures ²		Associates ²		Total	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
RTL Group	354	372	9	9	25	26	388	407
Penguin Random House	127	113	–	–	1	–	128	113
BMG	61	62	–	–	–	–	61	62
Arvato Group	91	80	4	4	–	–	95	84
Bertelsmann Marketing Services	40	43	1	1	–	–	41	44
Bertelsmann Education Group	39	47	–	–	4	4	43	51
Bertelsmann Investments	52	38	–	–	1	1	53	39
Corporate ¹	40	41	–	–	–	–	40	41
Total	804	796	14	14	31	31	849	841

During the financial year 2025, four subsidiaries were transferred from Bertelsmann Investments to Corporate with retroactive effect from January 1, 2025. The prior-year comparatives have been adjusted accordingly.

¹ Including Bertelsmann SE & Co. KGaA.

² The joint ventures and associates included in the table are investments accounted for using the equity method.

Changes in Scope of Consolidation

	Germany	France	United Kingdom	Other European countries	United States	Other countries	Total
Consolidated as of 12/31/2024	197	90	179	155	98	122	841
Additions	11	7	18	14	17	9	75
Disposals	7	5	17	17	10	12	67
Consolidated as of 12/31/2025	201	92	180	152	105	119	849

A total of 125 (previous year: 148) companies were excluded from the scope of consolidation. These consist of the associates in the venture capital organizations of the Bertelsmann Investments division and entities without significant business operations and of negligible importance for the financial position and financial performance of the Bertelsmann Group. The complete list of the Bertelsmann Group’s shareholdings will be published in the “Bundesanzeiger” (“Federal Gazette”) as an annex to these Consolidated Financial Statements in accordance with section 313 (2) of the German Commercial Code (HGB) and will be available at the General Meeting.

Acquisitions and Disposals

In the financial year 2025, the cash flow from acquisition activities totaled €484 million (previous year: €488 million), of which €433 million (previous year: €360 million) related to new acquisitions during the reporting period less cash and cash equivalents acquired and €51 million (previous year: €90 million) related to payments in connection with acquisitions made in previous years. In the financial year 2024, a further €38 million related to an advance payments on acquisitions. The consideration transferred in accordance with IFRS 3 amounted to a total of €557 million (previous year: €459 million), taking into account contingent consideration of €94 million (previous year: €9 million). Furthermore, at the time of initial consolidation, put options in the amount of €9 million were accounted for in relation to an acquisition made by the Penguin Random House division. In the financial year 2024, put options in the amount of €74 million were recognized in connection with the acquisitions made by the RTL Group division.

In February 2025, Arvato acquired 100 percent of the shares in the US third-party logistics provider Carbel LLC, as well as its sister companies United Customs Services LLC and Astur Cargo LLC. This step marks the company's entry into the growth market of logistics services for fashion, beauty, and lifestyle providers in the United States. The consideration transferred amounted to €169 million. Thereof, €151 million was paid directly in cash. The purchase price allocation resulted in goodwill of €84 million, which primarily reflects future growth potential from the expansion of the market position in the United States. The goodwill is partly tax-deductible and was allocated to the cash-generating unit Arvato. In the financial year 2025, transaction-related costs were immaterial and were recognized in profit or loss as other operating expenses. Since initial consolidation, Carbel LLC, United Customs Services LLC, and Astur Cargo LLC have contributed €165 million to Group revenue and an insignificant amount to Group profit or loss. If consolidated as of January 1, 2025, Carbel LLC, United Customs Services LLC, and Astur Cargo LLC would have contributed €179 million to revenue and €2 million to Group profit or loss.

In June 2025, Penguin Random House acquired 100 percent of the shares in Aardvark Topco Limited, which is the parent company of Wonderbly, a fast-growing independent publisher in the United Kingdom and a global leader in personalized gift books, including its Historic Newspapers business. The consideration transferred in accordance with IFRS 3 totaled €99 million. Thereof, €91 million was paid directly in cash and €6 million through the issue of shares in the acquiring company to management. Additionally, as part of the acquisition agreement, financial debt of the acquired company amounting to €49 million was repaid. The preliminary purchase price allocation resulted in goodwill of €106 million, which is attributable to revenue synergies and international expansion in Europe and Latin America. The goodwill is not tax-deductible and was allocated to the cash-generating unit Penguin Random House. In the financial year 2025, transaction-related costs amounted to €2 million and were recognized in profit or loss as other operating expenses. Since initial consolidation, Wonderbly has contributed €62 million to Group revenue and €4 million to Group profit or loss. If consolidated as of January 1, 2025, Wonderbly would have contributed €92 million to revenue and €5 million to Group profit or loss.

In July 2025, RTL Group fully acquired an international video format development and production (IVDP) business in Europe. The consideration transferred amounted to €167 million, of which €100 million was paid in cash. The preliminary purchase price allocation resulted in goodwill of €34 million, mainly resulting from strategic and creative benefits that cannot be separately recognized. Goodwill is not tax deductible and was allocated to the cash generating unit Fremantle. In 2025, transaction-related costs amounted to €2 million and have been recognized in profit or loss as other operating expenses. Since the initial consolidation, the acquired company has contributed an insignificant amount to Group revenue and €9 million to Group profit or loss. If consolidated as of January 1, 2025, the acquired company would have contributed an insignificant amount to Group revenue and €9 million to Group profit or loss.

In addition, the Bertelsmann Group made several acquisitions in the financial year 2025, none of which was material on a stand-alone basis. In total, the impact of these acquisitions on the Group's financial position and financial performance was also minor. Payments net of acquired cash and cash equivalents for these acquisitions amounted to €32 million; the consideration transferred in accordance with IFRS 3 for these acquisitions amounted to €122 million taking into account contingent consideration of €25 million. The other acquisitions resulted in goodwill totaling €106 million, which reflects synergy and future growth potential and is partly tax-deductible. Transaction-related costs amounted to €1 million in the financial year 2025 and were recognized in profit or loss in the item "Other operating expenses."

The preliminary purchase price allocations consider all the facts and circumstances prevailing as of the respective dates of acquisition that were known prior to preparation of these Consolidated Financial Statements. In particular, the valuations have not yet been finalized. Therefore, the fair values of identifiable assets – especially intangible assets – and liabilities acquired have only been determined preliminarily. The accounting for the acquisitions will be finalized within the 12-month measurement period in accordance with IFRS 3, based on facts and circumstances that existed at the date of gain of control, and the purchase price allocations will be adjusted accordingly.

In accordance with IFRS 3, identifiable assets, liabilities, and contingent liabilities acquired are measured at their acquisition-date fair values. Assets and liabilities are measured at the prices observed in active markets (market price-oriented method), if available. If measurement using the market price-oriented method is not feasible, as a rule the capital value-oriented method is to be applied. According to that method, the fair value of an asset or a liability corresponds to the present value of the future cash inflows or outflows (cash flows).

The following table shows the fair values of the assets and liabilities of the acquisitions on their dates of initial consolidation based on the purchase price allocations, some of which are currently preliminary:

Effects of Acquisitions

in € millions	Carbel LLC, United Customs Services LLC, and Astur Cargo LLC	Wonderbly	IVDP business	Other	Total
Non-current assets					
Other intangible assets	54	39	172	56	320
Property, plant, and equipment and right-of-use assets	94	4	–	17	115
Trade and other receivables	–	–	–	1	1
Other non-current assets	–	–	–	2	2
Current assets					
Inventories	–	6	–	3	10
Trade and other receivables	28	6	9	44	87
Other current assets	1	3	–	16	20
Cash and cash equivalents	3	15	–	20	38
Liabilities					
Provisions for pensions and similar obligations	–	–	–	–	–
Financial debt	–	(49)	(28)	(18)	(95)
Lease liabilities	(85)	(4)	–	(11)	(100)
Other financial and non-financial liabilities	(9)	(29)	(20)	(80)	(138)
Net assets acquired	84	(7)	133	50	260
Goodwill	84	106	34	106	331
Non-controlling interests	–	–	–	(6)	(6)
Less fair value of shares already owned	–	–	–	(27)	(27)
Consideration transferred in accordance with IFRS 3	169	99	167	122	557
Less deferred consideration	(18)	–	–	(5)	(23)
Less contingent consideration	–	(2)	(67)	(25)	(94)
Less advance payments of the previous year	–	–	–	(34)	(34)
Less consideration through reclassification of convertible instruments	–	–	–	(7)	(7)
Less consideration paid through the issue of shares	–	(6)	–	–	(6)
Consideration paid in cash	151	91	100	51	393
Cash and cash equivalents acquired	(3)	(15)	–	(20)	(38)
Repaid financial debt	–	49	28	1	78
Cash outflow from acquisitions in accordance with IFRS 3	148	124	128	32	433
Payments on prior year's acquisitions					51
Total cash flow from acquisition activities					484

On the acquisition date, the fair value of the acquired receivables was €88 million. Of that amount, €82 million is attributable to trade receivables and €6 million to other receivables. Trade receivables were impaired in the amount of €5 million, so that the gross amount is €87 million. The other receivables are not impaired, so that the fair value corresponds to the gross amount.

Since initial consolidation, all new acquisitions made in the financial year 2025 in accordance with IFRS 3 have contributed €398 million to revenue and €13 million to Group profit or loss. If consolidated as of January 1, 2025, these would have contributed €500 million to revenue and €10 million to Group profit or loss.

In June 2025, the Dutch Authority for Consumers and Markets (ACM) approved the sale of RTL Nederland to DPG Media. RTL Group closed the transaction on July 1, 2025. The purchase price amounted on a debt and cash-free basis and with normalized net working capital to €1.1 billion and was paid in cash upon closing. Net of transaction-related costs, the transaction resulted in an overall gain of €651 million recognized in the item "Results from disposals of investments."

After considering cash and cash equivalents disposed of, the Bertelsmann Group recorded cash flows in the amount of €1,177 million (previous year: €13 million) from all disposals. The disposals resulted in a gain from deconsolidation of €668 million (previous year: €10 million), which is recognized in the item "Results from disposals of investments." The following table shows their impact on the Bertelsmann Group's assets and liabilities at the time of deconsolidation.

Effects of Disposals

in € millions	RTL Nederland	Other	Total
Non-current assets			
Goodwill	436	30	466
Other intangible assets	9	16	25
Property, plant, and equipment and right-of-use assets	35	1	36
Investments accounted for using the equity method	3	–	3
Other non-current assets	1	1	2
Current assets			
Inventories	95	–	95
Trade and other receivables	97	15	113
Other current assets	11	1	12
Cash and cash equivalents	16	8	24
Liabilities			
Provisions for pensions and similar obligations	–	–	1
Other provisions	5	–	5
Lease liabilities	19	–	19
Trade and other payables	112	5	117
Other financial and non-financial liabilities	67	10	77

Assets Held for Sale and Liabilities Related to Assets Held for Sale

The carrying amounts of the assets classified as held for sale and related liabilities are presented in the following table:

Assets Held for Sale and Related Liabilities

in € millions	Total as of 12/31/2024
Assets	
Non-current assets	
Goodwill	404
Other intangible assets	11
Property, plant, and equipment and right-of-use assets	31
Investments accounted for using the equity method	3
Other non-current assets	1
Current assets	
Inventories	99
Trade and other receivables	121
Other current assets	15
Cash and cash equivalents	3
Impairment on assets held for sale	–
Assets held for sale	689
Liabilities	
Non-current liabilities	
Other provisions	3
Deferred tax liabilities	2
Lease liabilities	15
Other non-current liabilities	3
Current liabilities	
Other provisions	2
Lease liabilities	4
Trade and other payables	124
Other current liabilities	67
Liabilities related to assets held for sale	221

As of December 31, 2025, there were no assets classified as held for sale and related liabilities.

As of December 31, 2024, the carrying amounts of the assets classified as held for sale and related liabilities were mainly attributable to RTL Nederland. RTL Group closed the transaction on July 1, 2025. Further explanations are presented in section “Acquisitions and Disposals.”

Other Portfolio Changes

In June 2025, RTL Group announced that it has signed a definitive agreement to acquire Sky Deutschland (DACH). The transaction will create a future-ready entertainment company with around 12 million paying subscribers. Together, the business is well-positioned to meet evolving consumer demands and compete with global streamers. The transaction combines Sky's premium sports rights – including Bundesliga, DFB-Pokal, Premier League, and Formula 1 – with RTL's leading entertainment and news brands across RTL+, free-to-air, and pay TV. It also unites the fastest growing streaming offers in the German market, RTL+ and WOW.

The purchase price consists of €150 million in cash and a variable consideration linked to RTL Group's share price performance. The transaction is subject to regulatory approvals. In September 2025, Germany's Commission on Concentration in the Media (KEK) approved RTL Deutschland's planned acquisition of Sky Deutschland. In February 2026, RTL Group formally notified the European Commission of its proposed acquisition of Sky Deutschland (DACH) and remains confident of obtaining regulatory approval and to close the transaction in the first half of 2026.

RTL Group has the right to settle the variable consideration in own shares or cash or a combination of both. For this purpose, RTL Group initiated share buyback programs in September and November 2025 with a total target volume of four million shares. In September 2025, RTL Group acquired 3.17 million own shares for €121 million considering transaction costs, of which two million own shares are from Bertelsmann for €75.7 million and 1.17 million are own shares from third parties for €44.1 million. As part of another program ended in March 2026, an additional 0.28 million shares were repurchased for €9 million by the end of 2025. The total purchase of 1.45 million own shares from third parties in 2025 amounted to €54 million. A liability of €19 million was recognized for the obligation to purchase the remaining shares under the share buyback program that ended in March 2026. This liability was recognized directly in equity under "Trade and other payables."

Foreign Currency Translation

Transactions denominated in a currency other than a subsidiary's functional currency are recognized in the functional currency at the exchange rate applicable on the day of their initial accounting. At the end of the reporting period, monetary assets and liabilities denominated in foreign currency are revalued into the functional currency using the closing rate applicable at that time. As a rule, gains and losses from these foreign currency translations are recognized in profit or loss. Non-monetary balance sheet items in foreign currency are carried at the historical exchange rate.

The financial statements of subsidiaries, joint ventures, and associates that were prepared in foreign currencies are translated into euros using the functional currency concept set out in IAS 21 before they are included in the Consolidated Financial Statements. Assets and liabilities are translated into the reporting currency at the closing rate at the end of the reporting period, while income statement items are translated at the average rate for the financial year. Foreign currency translation differences are recognized in other comprehensive income. Such differences arise from translating items in the balance sheet at a closing rate that differs from the previous closing rate, and from using the average rate for the period and the closing rate at the end of the reporting period to translate the Group profit or loss. At the time of deconsolidation of Group companies, the respective accumulated exchange differences recognized in other comprehensive income and accumulated in a separate component of equity are reclassified from equity to profit or loss. The following euro exchange rates were used for currency translation purposes for the most significant foreign currencies for the Bertelsmann Group:

Euro Exchange Rates for Significant Foreign Currencies

Foreign currency unit per €1		Average rates		Closing rates	
		2025	2024	12/31/2025	12/31/2024
Australian dollar	AUD	1.7518	1.6397	1.7581	1.6772
Brazilian real	BRL	6.3072	5.8283	6.4364	6.4253
Canadian dollar	CAD	1.5787	1.4821	1.6088	1.4948
Chinese renminbi	CNY	8.1185	7.7875	8.2262	7.5833
British pound	GBP	0.8568	0.8466	0.8726	0.8292
US dollar	USD	1.1300	1.0824	1.1750	1.0389

Accounting and Measurement Policies

Recognition of Income and Expense

Revenues from contracts with customers are recognized in accordance with IFRS 15. Under this standard, a contract-based five-step model is used to first identify and distinguish the relevant contracts with customers. In a next step, the separate performance obligations explicitly or implicitly stipulated in the contract are identified, and the contract is examined for fixed and variable consideration in order to use this as a basis for determining the respective transaction price. In doing so, constraining estimates of variable consideration are adequately taken into account. If more than one separate performance obligation is identified in a contract, the transaction price is then allocated to the identified performance obligations using the method of relative stand-alone selling prices, which are generally determined as prices on the markets relevant for the respective customers. Revenue recognition occurs upon satisfaction of the performance obligation either at a point in time or over time, depending on the underlying business model. If necessary, the extensive principal-agent considerations presented in IFRS 15 are also adequately taken into account in analyzing the contracts.

The prioritization of the five steps depends on the design of the underlying business model. Based on the underlying revenue sources in the Bertelsmann Group, the following key aspects are taken into consideration for revenue recognition:

- **Own products and merchandise:** As a rule, the revenues resulting from these contracts are recognized at a point in time when control is transferred. Depending on the underlying respective terms of sale, this is generally upon delivery to the customer. Expected returns from sales of products, mainly from physical books and magazines, are shown as liabilities in the balance sheet position "Trade and other payables." Return assets are presented in the balance sheet position "Other non-financial assets."
- **Services:** Services are generally rendered over a period of time, and the revenue is recognized based on an appropriate output method or input method for measuring progress (e.g., units consumed or delivered, expended working hours, costs incurred, downloads generated or initiated). If permissible, revenues are recognized in the amount of the invoice if this amount corresponds to the value of the performance provided. Revenue from financial services is recognized separately as revenue on an accrual basis if it results primarily from interest rate effects.
- **Advertising:** Advertising services are generally rendered over a period of time, and the revenue is recognized based on an appropriate output method for measuring progress (e.g., number of published advertisements, advertising spots or broadcast minutes, degree of implementation of advertising services). If several performance obligations are identified in an advertising contract, the transaction price is allocated on the basis of the relative stand-alone selling prices.
- **Rights and licenses:** The timing of revenue recognition for business models generating revenue from licenses depends on whether the license represents a right to access the intellectual property through the entire licensing period or a right to use when the license is granted. In particular, the underlying contracts are analyzed to determine whether the customer is exposed to significant changes to the intellectual property or whether the intellectual property remains in the condition defined upon entering into the contract throughout the term of the contract with regard to its content and scope. While revenues from licenses granted for a right to use are realized at the date of the transfer of control, revenues from licenses for rights to access are realized over a period of time throughout the term of the contract. The majority of licenses granted in the TV business represent a right to use the intellectual property at the

date the license is granted. As a result, revenue is recognized at the point in time the license is granted to the licensee. In contrast, rights to access are used extensively in the music business, and these revenues are recognized throughout the term of the contract.

IFRS 15 stipulates some practical expedients of which the following are applied in the Bertelsmann Group:

- Costs of obtaining contracts are not capitalized if the underlying asset is amortized in no more than 12 months.
- The value of consideration is not adjusted for the effects of a material financing component if the financing component pertains to a period of no more than 12 months.
- For contracts with an original duration of not more than 12 months and for contracts for which revenue can be recognized according to the amount invoiced for simplification purposes, no disclosure of the aggregated transaction price is provided. For contracts with customers that contain both fixed and variable price components, only future revenues that are reasonably assured to be received are disclosed.

Advance payments received before satisfaction of the corresponding performance obligation are recognized as a contract liability. If contractual provisions make the invoicing of services completed to date causally dependent on the need to provide further goods or services, a contract asset is recognized. Receivables from contracts with customers are generally due in less than 12 months.

Interest income and expenses relating to financial assets measured at amortized cost are recognized on an accrual basis using the effective interest method in accordance with IFRS 9. Dividends are only recognized in profit or loss when the right to receive payment of the dividend is established. Other income is recognized when the economic benefits are probable and the amount can be measured reliably. Expenses are deferred on the basis of underlying facts or the period of time to which they relate.

Goodwill

In accordance with IFRS 3, goodwill resulting from a business combination is initially recognized at cost, with subsequent recognition at cost less accumulated impairment losses. Goodwill is subject to impairment testing at least annually in accordance with IAS 36. In the Bertelsmann Group, goodwill is tested for impairment as outlined in the section "Impairment."

Other Intangible Assets

Non-current, internally generated intangible assets are capitalized at cost in accordance with IAS 38 if the corresponding requirements are met. Intangible assets acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, also in accordance with IAS 38. Intangible assets acquired as part of a business combination are initially recognized at fair value on the acquisition date in accordance with IFRS 3. Intangible assets with finite useful life are amortized on a straight-line basis over their estimated useful life. Impairment and reversals of impairment losses are determined by applying the requirements for impairment testing in accordance with IAS 36. As a rule, capitalized software has a useful life of between three and five years. Acquired customer relationships are amortized over a period of two to 15 years, while the amortization period for trademarks and music and publishing rights is three to 25 years. Licenses are amortized on a straight-line basis over the term of the license agreement, assumed useful life, or depending on performance (based on the ratios of income from use generated in the reporting period to the estimated total income from use over the entire useful life). Intangible assets with indefinite useful lives are not amortized. Instead, they are subject to at least annual impairment testing in accordance with IAS 36 and, if applicable, written down to their recoverable amount.

Property, Plant, and Equipment

Items of property, plant, and equipment are accounted for in accordance with IAS 16 and carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is determined on a straight-line basis over the estimated useful life of the asset. In the financial year 2025, depreciation was generally based on the following useful lives:

- buildings: 10 to 50 years
- technical equipment and machinery: four to 15 years
- other equipment, fixtures, furniture, and office equipment: three to 15 years

Land is not subject to depreciation.

Impairment

Goodwill and intangible assets with indefinite useful lives are tested for impairment in accordance with IAS 36 annually as of December 31 and if a triggering event occurs. Intangible assets with a finite useful life as well as property, plant, and equipment and right-of-use assets are tested for impairment at the end of each reporting period in accordance with IAS 36 only if there are any indications of impairment. An impairment loss in accordance with IAS 36 has occurred when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value less costs of disposal and value in use are generally determined using the discounted cash flow method, which is based on future cash flow forecasts, which are part of company forecasts. Corresponding to the consideration of the right-of-use assets recognized in the balance sheet for determining the carrying amount, the lease payments are not deducted when determining the recoverable amount. In addition, any requirements for reinvestments as regards right-of-use assets are taken into account in the model. For assets held for sale, only the fair value less costs to sell is used as a basis for comparison.

For determining the value in use, estimated future cash inflows or outflows from future restructurings or from improvement or enhancement of the cash-generating units' performance are excluded unless, as of the end of the reporting period, the cash-generating unit is committed to the restructuring and related provisions have been recognized. If an active market exists, the market price or, if applicable, the price in the most recent comparable transaction, is used for fair value measurement. If there is no active market, the fair value less costs of disposal is generally calculated using the discounted cash flow method. If it is not possible to allocate cash flows to assets, the relevant impairment losses are determined on the basis of cash flows attributable to the cash-generating unit to which the assets belong. Projected cash flows are based on internal estimates for three detailed planning periods. Generally, two further detailed planning periods are applied in addition. For periods beyond this detailed horizon, a perpetual annuity is recognized, taking into account individual business-specific growth rates. Discounting is generally based on the weighted average cost of capital (WACC) after tax. Specific WACCs are derived for cash-generating units with different risk profiles. The Bertelsmann Group performs sensitivity analyses on the cash-generating units, especially on those where the headroom between the recoverable amount and the carrying amount is low.

If the reasons for an impairment loss recognized in prior periods no longer exist, the impairment loss is reversed up to a maximum of the carrying amount of the respective asset if the impairment loss had not been recognized. The latter does not apply to goodwill. The impairment loss and reversals of impairment losses are both recognized immediately in profit or loss.

Leases

Generally, for all leases with the Bertelsmann Group as a lessee, the related contractual rights and obligations are recognized on the balance sheet as a right-of-use asset and a lease liability. On the date of initial accounting, lease liabilities are recognized at the present value of the outstanding lease payments. The lease payments include fixed payments less any lease incentives due from the lessor, variable lease payments linked to an index or a rate, amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the exercise is reasonably certain, and penalty payments for terminating the lease, if the lease term reflects the exercise of the termination option. Variable lease payments linked to sales are recognized in profit or loss in the period when the conditions for the payments have been met. The present value is determined using maturity-, currency-, and risk-specific incremental borrowing rates. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses. Cost comprises the amount of lease liabilities recognized, the initial direct costs, and the lease payments made at or before the commencement date of the lease, less any lease incentives received. The right-of-use asset is depreciated on a straight-line basis over the shorter of the useful life or lease term. Short-term leases with a lease term of up to one year, and leases for low-value assets for which the Bertelsmann Group does not recognize right-of-use assets or lease liabilities, constitute an exception. For such leases, the payments are recognized on a straight-line basis as expenses in the income statement under "Other operating expenses." If, in the context of sale-and-leaseback transactions, control of an underlying asset is transferred as defined in IFRS 15, the Bertelsmann Group as the seller and lessee recognizes the asset in the amount of the proportional right of use retained. The gain or loss from the sales transaction as the proportional amount of the rights transferred to the lessor is recognized through profit or loss in the item "Other operating income" or "Other operating expenses."

Financial Assets

In accordance with the IFRS 9 classification and measurement approach for financial assets, there are three classification categories for financial assets in the Bertelsmann Group:

- at amortized cost,
- at fair value with changes in fair value through other comprehensive income (FVOCI), and
- at fair value with changes in fair value through profit or loss (FVTPL).

The allocation to the respective classification categories is based on the following criteria:

- the entity's business model for managing the financial assets and
- contractual cash flow characteristics of the financial asset.

Receivables acquired and receivables from financing activities that are held within a business model whose objective is to collect contractual cash flows are measured at amortized cost in accordance with IFRS 9. In contrast, receivables acquired from third parties in the course of conducting financial services and resold to financial intermediaries and structured entities are not held within a business model whose objective is to solely hold financial assets in order to collect contractual cash flows. In this case, they are measured at fair value through profit or loss.

Financial assets (with the exception of trade receivables without a significant financing component) are recognized initially at fair value, taking into account transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets are recognized on the settlement date of the transaction. Transaction costs of financial assets recognized at fair value through profit or loss are immediately expensed in profit or loss. Trade receivables without a significant financing component are initially recognized at their transaction price.

Subsequent measurement of financial instruments depends on the classification categories:

- At amortized cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on the principal amount outstanding are measured at amortized cost. This category mainly comprises trade receivables and other financial receivables as well as purchased receivables which are not credit-impaired, receivables which are credit-impaired on purchase, and receivables relating to sold receivables subsumed under receivables relating to financial services. Any gain or loss arising on derecognition and impairment losses are recognized directly in profit or loss.
- FVOCI: Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest on the principal amount outstanding, are measured at fair value with changes in fair value through other comprehensive income. The Bertelsmann Group does not hold any debt instruments measured at fair value through other comprehensive income. Bertelsmann exercises the option for measurement of equity instruments at fair value through other comprehensive income mainly for individual immaterial investments. With deferred taxes taken into consideration, the gains and losses resulting from fluctuations in the fair value of these equity instruments are recognized through other comprehensive income. Gains and losses from the fair value are not reclassified to profit or loss after derecognition of the equity instruments. Dividends from such equity instruments continue to be recognized in profit or loss.
- FVTPL: Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Gains and losses resulting from fluctuations in fair value are recognized in profit or loss.

Impairment and measurement of expected credit losses:

Bertelsmann applies the expected credit loss (ECL) model in accordance with IFRS 9 for debt instruments at amortized cost and for contract assets. Accordingly, the amount of expected credit losses recognized as a loss allowance depends on the extent to which the default risk has increased since initial recognition. According to the so-called general approach, a distinction is made between the following two measurement bases:

- 12-month ECL: At initial recognition and if the default risk has not increased significantly from the initial recognition of the debt instrument, a loss allowance is recognized for expected credit losses within the next 12 months.
- Lifetime ECL: If the default risk has increased significantly, a loss allowance for expected credit losses is recognized for the entire life of the debt instrument.

For purchased or originated credit-impaired financial assets, only the cumulative changes in lifetime expected credit losses since initial recognition are recognized as a loss allowance.

Appropriate quantitative and qualitative information and analyses based on the Group's historical experience and reasonable assessments, including forward-looking information such as customer-specific information and forecasts of future economic conditions, are taken into consideration when determining the credit risk. When a financial asset is more than 30 days past due, its credit risk is assumed to have increased significantly. A default of a financial asset is assumed at the latest when the counterparty fails to make contractual payments within 90 days of when they fall due, unless reasonable and supportable information is available that justifies a different time of overdue payment. The Group assesses whether a financial asset is credit-impaired at the end of each reporting period. This is the case when one or more events that have a detrimental impact on the expected future cash flows of that financial asset have occurred. A financial asset is written off when it is no longer reasonably expected to be fully or partially recoverable.

For trade receivables and contract assets, Bertelsmann uses a simplified approach to measure expected credit losses. According to this, the loss allowance is measured using lifetime expected credit losses. For this purpose, provision matrices based on historic bad debt losses, maturity bands, and expected credit losses are prepared. The impairment matrices are created for division-specific or business unit-specific groups of receivables, each with similar default patterns. In addition, separate risk assessments are performed. Contract assets have substantially the same risk characteristics as trade receivables for the same types of contracts, so that the expected loss rates for trade receivables are also a reasonable approximation of the loss rates for contract assets.

Measurement at Fair Value

In the case of financial assets and financial liabilities measured at fair value, the valuation technique applied depends on the respective inputs present in each case. If listed prices can be identified for identical assets on active markets, they are used for measurement (Level 1). If this is not possible, the fair values of comparable market transactions are applied, and financial methods that are based on observable market data are used (Level 2). If the fair values are not based on observable market data, they are identified using established financial methods or on the basis of observable market data, taking into account historical information and forecast developments (Level 3).

Inventories

Inventories – including raw materials and supplies, finished goods, work in progress, and merchandise – are accounted for in accordance with IAS 2 and recognized at the lower of historical cost or net realizable value at the end of the reporting period. Similar inventories are measured at average cost or using the FIFO (first-in, first-out) method. In addition, inventories include all short-term film, television, and similar rights that are intended for broadcast or exploitation within the Group's normal operating cycle. In particular, this includes films and TV shows currently in production, co-productions, and acquired broadcasting rights. The carrying amount of such items at the end of the reporting period is also the lower of historical cost or net realizable value. Consumption of film and television rights is based on either the expected number of transmissions or expected revenue in order to match the costs of consumption with the benefits received as closely as possible. The rates of consumption applied for the majority of broadcasting rights are as follows:

- Blockbusters, mini-series, other films, series, TV movies, and (co-)productions are consumed, run by run, over a maximum of four transmissions following a degressive approach for amortization depending on the agreed total number of transmissions.
- Soaps, in-house productions, quiz and game shows, sports, and other events as well as music shows are fully consumed upon the first transmission.
- Children's programs and cartoons are consumed over the license period on a linear basis as there is a very slow saturation and a very high number of repetitions for the target group kids (three to 13 years of age).
- Program rights for pay television are consumed on a straight-line basis over the license period.
- Acquired content used for streaming purposes is amortized either degressive or on a straight-line basis depending on usage patterns and audience reach over time.

In very specific cases, different consumption methods may be applied where audience potential is considered to be particularly high for each broadcast.

The consumption of inventories and current film and television rights, changes in inventories of work in progress and finished goods as well as own costs capitalized are recognized in the income statement in the position "Cost of materials."

Income Taxes

In accordance with IAS 12, income taxes include both current taxes on income and deferred taxes. Current income taxes are calculated on the taxable income of the financial year and on all adjustments to taxable income of previous financial years, taking into account the tax rates applicable in each case. For the calculation of current and deferred taxes, the applicable tax laws and tax jurisdictions of the respective country in which the consolidated Group companies are registered are considered.

In accordance with IAS 12, deferred tax assets and liabilities are recognized for temporary differences between the tax base and the carrying amounts shown on the IFRS consolidated balance sheet, and for as yet unused tax loss carryforwards and tax credits. Deferred tax assets are reviewed at each balance sheet date and recognized to the extent it is probable that taxable income will be available against which the deductible temporary differences, tax loss carryforwards, and tax credits can be utilized. Deferred tax assets that are unlikely to be realized within a clearly predictable period are reduced by valuation allowances. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred taxes are not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither earnings before taxes nor taxable income,
- temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the foreseeable future, and
- taxable temporary differences arising on initial recognition of goodwill.

The tax rates applied for computation are those expected as of the date of reversal of temporary differences and use of tax loss carryforwards or tax credits, respectively. As a rule, current and deferred taxes are recognized in profit or loss unless they relate to items recognized in other comprehensive income. In this case, current and deferred taxes are recognized in other comprehensive income.

Current and deferred income tax items are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the tax assets and tax liabilities relate to income taxes levied by the same taxation authority.

The Group is subject to global minimum tax according to the OECD model rules (Pillar Two). After applying the Country-by-Country Safe Harbor rules, the minimum taxation is applicable for the Group's activities in Ireland with a statutory tax rate of 12.5 percent as well as in Brazil, Malaysia, and Turkey, where subsidiaries are taking advantage of government subsidy programs that reduce the effective tax rate to below 15 percent. Denmark falls within the scope due to one-time effects. The Group recognized a current tax expense of €18 million for Pillar Two top-up taxes that will be payable by the Group (previous year: €9 million).

The Bertelsmann Group makes use of the exemption for the recognition of deferred taxes in connection with Pillar Two income taxes, which was subject of the amendments to IAS 12 published in May 2023. Brazil, Denmark, Ireland, Malaysia, and Turkey each have tax legislation in force that provides for the imposition of the domestic minimum top-up tax for 2025. As a result, the subsidiaries will be required to pay a domestic top-up tax in each of those countries with respect to their business operations.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income includes net exchange differences and gains and losses from the fair value measurement of equity instruments with changes through other comprehensive income (IFRS 9 classification category FVOCI) and of derivatives used to hedge future cash flows (cash flow hedge) in accordance with IFRS 9. In addition, in accordance with IAS 28.10, changes in other comprehensive income for entities accounted for using the equity method are recognized in this item. Deferred taxes on the aforementioned items are also recognized directly in equity.

Provisions

Provisions for pensions and similar obligations are calculated using the projected unit credit method in accordance with IAS 19. The net interest expense included in pension expense is recognized in the financial result. Remeasurement effects of defined benefit pension plans (actuarial gains and losses on the defined benefit obligation, differences between actual investment returns and the returns implied by the net interest cost on the plan assets, and effects of the asset ceiling) are recognized immediately in equity under other comprehensive income and are not reclassified to profit or loss in a subsequent period (recycled). Remeasurement effects of defined benefit pension plans (actuarial gains and losses on the defined benefit obligation, differences between actual investment returns and the returns implied by the net interest cost on the plan assets, and effects of the asset ceiling) are recognized in the other retained earnings in the year in which these gains and losses are incurred as part of the reconciliation of total comprehensive income for the period in the statement of changes in equity. With the exception of the other personnel-related provisions calculated in accordance with IAS 19, all other provisions are recognized in accordance with IAS 37. Provisions are measured in the amount of the most likely outcome. Non-current provisions are discounted. The discount rates take into account current market expectations and, if necessary in individual cases, specific risks for the liability. The resulting interest effect is recognized in the income statement under "Other financial expenses." As a rule, income from the reversal of provisions is generally included in the income statement line item to which the provision was previously charged.

Financial Liabilities

Trade payables and other primary financial liabilities, including profit participation certificates and liabilities relating to financial services, are initially measured at their fair value less transaction costs. Subsequent measurement is based on amortized cost using the effective interest method, unless the financial liability is classified as initially recognized at fair value through profit or loss. Future payments related to put options issued by the Bertelsmann Group on the equity interests of subsidiaries are accounted for as a financial liability. The liability is initially recognized at the present value of the redemption amount, with a corresponding charge directly to equity. In the case of a business combination with the transfer of the risks and rewards of the non-controlling interests underlying the put option to the Bertelsmann Group, the goodwill increases by a corresponding amount upon initial recognition. Subsequent measurement of liabilities from put options is recognized in profit or loss.

Derivative Financial Instruments

As set out in IFRS 9, all derivative financial instruments are recognized at fair value on the balance sheet. Derivative financial instruments are recognized as of the trade date of the transaction. When a contract involving a derivative is entered into, it is initially determined whether it serves to hedge a balance sheet item (fair value hedge) or to hedge future cash flows (cash flow hedge). Some derivatives do not meet the requirements set out in IFRS 9 for recognition as a hedge, despite this being their economic purpose (stand-alone hedge).

Changes in the fair values of derivatives are recognized as follows:

- Fair value hedge: Changes in the fair value of these derivatives used to hedge assets or liabilities are recognized in profit or loss; the corresponding gain or loss on the change in fair value of the underlying balance sheet item is also included in profit or loss.
- Cash flow hedge: The effective portion of the changes in the fair value of derivatives used to hedge future cash flows is recognized in other comprehensive income. Upon receiving an underlying non-financial asset or a non-financial liability, the amount is reclassified from accumulated other comprehensive income to the respective item. In other cases, the reclassification of the previously recognized gains and losses from equity to the income statement is performed when the hedged underlying transaction affects profit or loss. The ineffective portion of the changes in the fair value of the hedging instrument is recognized in profit or loss.
- Stand-alone hedge: Changes in the fair value of derivatives that do not meet the criteria for recognition as hedges are recognized in profit or loss.

Share-Based Payments

Share-based payments for employees of the Bertelsmann Group include equity-settled share-based payment transactions and cash-settled share-based payment transactions. Equity-settled share-based payment transactions are granted to certain directors and senior employees in the form of share options. The options are granted at the market price on the grant date and are exercisable at that price. For share options, the fair value of the options granted is recognized as personnel costs with a corresponding increase in equity. The fair value is measured at the grant date and allocated over the vesting period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a binomial option pricing model, taking into account the terms and conditions at which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options vesting. Share options forfeited solely due to share prices not achieving the vesting threshold are excluded. The financial liability arising under cash-settled share-based payment transactions is measured initially at fair value at grant date using an option pricing model. Until the liability is settled, its fair value shall be remeasured at the end of each reporting period and at the date of settlement, with any value changes recognized in profit or loss as personnel costs of the period.

Non-Current Assets Held for Sale and Related Liabilities

Non-current assets or disposal groups are classified as held for sale if the associated carrying amount will be recovered principally through a sale transaction and not from continued use. These non-current assets and the associated liabilities are presented in separate balance sheet positions in accordance with IFRS 5. They are measured at the lower of the carrying amount or fair value less costs to sell. Depreciation/amortization is not recognized as long as a non-current asset is classified as held for sale or forms part of a disposal group that is classified as held for sale.

Significant Judgments, Estimates, and Assumptions

The preparation of the Consolidated Financial Statements requires the use of accounting judgments, estimates, and assumptions that may impact the carrying amounts of assets, liabilities, income, and expenses recognized. This assessment takes into account both current macroeconomic and geopolitical developments and their potential future developments, as necessary. Since these assessments are inherently subject to a high degree of uncertainty, the valuation takes into account potential developments and risk factors. Estimates and the underlying assumptions are reviewed on an ongoing basis. As a rule, adjustments to estimates are taken into account in the period in which the change is made and in future periods. Amounts actually realized may differ from estimated amounts. The following section presents accounting judgments, estimates, and assumptions that are material in the Bertelsmann Consolidated Financial Statements for understanding the uncertainties associated with financial reporting:

Judgments

- Control of entities in which the Bertelsmann Group holds less than half of the voting rights: Management considers that the Bertelsmann Group has control of Groupe M6, which belongs to RTL Group, even though it holds less than 50 percent of the voting rights. RTL Group is the controlling shareholder of Groupe M6, while the balance of other holdings remains highly dispersed, and the other shareholders have not organized their interest in such a way that they intend to vote differently from the Bertelsmann Group.
- Significant influence although the Bertelsmann Group holds less than 20 percent of the equity shares in another entity: Although the Bertelsmann Group holds less than 20 percent of the equity shares of Atresmedia, management considers that the Group exercises a significant influence on Atresmedia in view of the representation of RTL Group on the Board of Directors and other governing bodies of Atresmedia.
- Leases: Some real estate lease contracts include extension or termination options. Payments from these optional periods are included in the lease liability, provided it is reasonably certain that the lease will be extended beyond the non-cancellable lease period or that a termination option will not be exercised. In assessing whether an option to extend or terminate will be exercised, management considers all facts and circumstances that are associated with an economic incentive to exercise the option or not to exercise it. These include, in particular, the amount of lease payments compared to market prices in the optional period, completed or expected leasehold improvements, and the importance of the underlying asset to the Bertelsmann Group's operations.

Estimates and Assumptions

- Recognition of income and expense: In the event of return rights, mostly for print products, estimates must be made with regard to the anticipated return volume, as revenues are recognized taking the anticipated returns into account. Return ratios determined using statistical methods are used to identify the anticipated returns. The transaction prices to be determined using the contract-based five-step model defined in IFRS 15 often include both fixed and variable consideration. The variable components are determined on the basis of estimates, which are made and updated in accordance with constraint conditions. Variable considerations are therefore only included to the extent that it is highly probable that revenue already recognized will not have to be reversed as soon as the uncertainty about the actual amount of the consideration no longer exists. External factors influencing the estimate, such as the long period until the value is determined, past experience, and the number of performance obligations within a contract, are taken into account as far as possible. For various business models, qualitative estimates must be made as part of principal-agent considerations as to who is to be regarded as a customer of a Bertelsmann company and whether a Bertelsmann company is to be regarded as principal or agent in a transaction. In such business relationships, the transaction price is only recognized as revenue on a gross basis if the company acts as principal. The principal position exists if the Bertelsmann company bears primary responsibility for the fulfilment of the performance obligation. Otherwise, revenue is recognized on a net basis. Disclosures on anticipated returns are presented in note 24 “Liabilities.”
- Investments in minority stakes held by venture capital organizations: The measurement of various minority stakes held by venture capital organizations recognized at fair value (December 31, 2025: €1,047 million; December 31, 2024: €1,074 million) that are not based on prices quoted on active markets is generally based on observable prices obtained as part of the most recently implemented qualified financing rounds, taking into account the life and developmental cycle of the respective entity. Adjustments are also generally made for financial instruments with contractual lockups. Further explanations are presented in note 27 “Additional Disclosures on Financial Instruments.”
- Assumptions are also made for fair value measurement of other financial assets and financial liabilities. In this regard, Bertelsmann uses various financial methods that take into account the market conditions and risks in effect at the end of the respective reporting periods. The inputs to these models are taken from observable market data where possible, but where these are not available, fair value measurement is based on assumptions by management. These assumptions relate to inputs such as cash flows, discount rate, liquidity risk, and default risks. If a right to early termination or repayment exists for financial debt, the determination of the remaining term takes into account whether there is actually an intention to exercise such right. Further explanations are presented in note 27 “Additional Disclosures on Financial Instruments.”
- In the case of purchase price allocations, assumptions are also made regarding the measurement of assets and liabilities assumed as part of business combinations. This applies in particular with regard to the acquired intangible assets, as measurements are based on fair value. As a rule, this is the present value of the future cash flows after taking into account the present value of the tax amortization benefit. In addition, the definition of uniform useful lives within the Group is based on management’s assumptions. General information on useful lives is presented in the sections “Other Intangible Assets” and “Property, Plant, and Equipment.”
- In connection with non-current assets held for sale and related liabilities as well as the impairment tests for intangible assets, property, plant, and equipment, and right-of-use assets, the determination of the fair value less costs to sell requires management judgments as it relates to estimates of proceeds of the disposal, residual obligations, and direct disposal costs. The classification as assets held for sale and discontinued operations also requires management judgment.

- Trade and other receivables and receivables relating to financial services that are measured at amortized cost: Calculation of loss allowance for accounts receivable is based on historical credit loss rates for groups of financial assets with similar credit risk characteristics and on forward-looking information, including customer-specific information and forecasts of future economic conditions. Further explanations are presented in note 27 “Additional Disclosures on Financial Instruments.”
- Advance payments: Sales estimates and assumptions on future sales success are made in connection with advances paid to authors to secure exploitation rights for their publications. Disclosures on advance payments are presented in note 13 “Inventories.”
- Impairment: The management’s estimates of cash flow, on which impairment tests are based, are based on factors including assumptions of economic trends and the associated risks, the regulatory environment, the competitive environment, market share, investments, EBITDA margins, and growth rates at the time of this assessment. A combination of long-term trends, industry forecasts, and in-house knowledge, with special emphasis on recent experience, is used in forming the assumptions about the development of the various relevant markets in which the Bertelsmann Group operates. The relevant markets are an area highly exposed to the general economic conditions. The development of the relevant markets is just one of the key operational drivers used by the Bertelsmann Group to assess individual business models. The most important assumptions include estimated growth rates, the weighted average cost of capital, and tax rates. All these different elements are variable, interrelated, and difficult to isolate as the main drivers of the various business models and respective valuations. Future changes to these estimates as a result of more recent information could have a material impact on the amount of the possible impairment. The growth rates applied are based on long-term real growth rates for the relevant economies, growth expectations for the relevant sectors, and long-term inflation forecasts for the countries in which the cash-generating units operate. The values allocated to the key assumptions are generally in line with external sources of information. The figures obtained using the respective discount rates reflect the recoverable amount of the cash-generating units. Material changes in the market or competitive environment may impair the value of cash-generating units. Details on impairment testing for intangible assets (including goodwill) in the Bertelsmann Group are presented in note 9 “Intangible Assets.” In addition, in the case of film rights, estimates are made with regard to anticipated revenues, which are subject to increased uncertainty due to potential future changes in trends and viewer preferences.
- Pension obligations: Pension obligations are measured using the projected unit credit method. Using this approach, biometric calculations, the prevailing long-term capital market interest rates, and, in particular, assumptions about future salary and pension increases are taken into account. Details on the assumptions made in pension accounting are presented in note 19 “Provisions for Pensions and Similar Obligations.”
- Provisions for onerous contracts and warranties are also based to a significant extent on management estimates with regard to their amount and probability of occurrence. Assessments of whether there is a present obligation, whether an outflow of resources is probable and whether it is possible to reliably determine the amount of the obligation are generally based on the expertise of in-house or third-party specialists. More recent information could change the estimates and thus impact the Group’s financial position and financial performance. The legal and regulatory environment in which Bertelsmann operates does not bear significant litigation risks. With regard to risk provisioning, a provision for potential losses from litigation is recognized when the risks of a loss are considered probable and when a reliable estimate of the anticipated financial impact is possible. For significant contingent liabilities for which the possibility of a future loss is more than remote but less than probable, the Bertelsmann Group estimates the possible loss where the Group believes that an estimate can be made. Contingent liabilities from litigation that were of subordinate significance from a Group perspective existed at the end of the reporting period. Management regularly reviews the recognition, measurement, and use of provisions along with the disclosure requirements for contingent liabilities. Disclosures on provisions for onerous contracts and warranties are presented in note 20 “Other Provisions.”

- Put option liabilities: Put option liabilities are measured according to an underlying fair value or are based on forecasted performance targets. The performance targets are based, for example, on a multiple of earnings, meaning that judgment is required where there are adjustments to forecasted results or to the probability of meeting each performance target. In addition, the determination of the transaction-specific discount rates for non-current put option liabilities requires judgment. Further information on put options can be found in note 24 “Liabilities.”
- Lease liabilities are recognized at the present value of the outstanding lease payments using maturity-, currency-, and risk-specific incremental borrowing rates. The starting point for determining the incremental borrowing rates is risk-free, country-, and maturity-specific interest rates for government bonds. These interest rates are adjusted by a specific risk premium for Bertelsmann SE & Co. KGaA as well as a lease-specific risk premium and a security discount. The lease-specific risk premium takes into account in particular that the lease contracts are not concluded by Bertelsmann SE & Co. KGaA itself, but by its subsidiaries, as well as the different payment profile of a lease contract in contrast to a bullet government bond. Further explanations on lease liabilities are presented in note 23 “Lease Liabilities.”
- The activities of the Group companies are subject to the respective applicable tax laws and pronouncements. Assumptions and estimates also form the basis for judgments regarding the ability to realize uncertain tax positions and future tax benefits that may arise from the interpretation of tax regulations. Recognition of an asset or liability from an uncertain tax position is performed in accordance with IAS 12 if payment or refund in respect of the legal uncertainty is probable. Measurement of the uncertain tax assets and tax liabilities is at its most likely amount in accordance with IFRIC 23. Deferred tax assets are only carried to the extent that it is probable that they can be utilized against future taxable profits. When assessing the probability of the ability to use deferred tax assets in the future, various factors are taken into account, including past earnings, company forecasts, tax planning strategies, and loss carryforward periods. Information relating to the ability to realize tax benefits is presented in note 8 “Income Taxes.”
- Estimates and assumptions also relate to the share-based payments. The conditions of the cash-settled share-based payment transactions and the stock option plans are presented in greater detail in the section “Share-Based Payments” in note 18 “Equity.”

Notes to the Income Statement and the Balance Sheet

1 Revenues

In the financial year 2025, Group revenues of €18,449 million were generated from contracts with customers in accordance with IFRS 15 (previous year: €18,521 million). The other revenues amounting to €508 million (previous year: €467 million) not in the scope of IFRS 15 resulted from financial services of the Riverty business unit in the Arvato Group division. These revenues result from receivables, which are recognized as part of the receivables management service provided. In addition, Riverty sells receivables that were previously acquired from third parties in the course of conducting its financial services.

The following table only shows the revenues from contracts with customers in accordance with IFRS 15 by division and broken down by revenue source, geographical area, and timing of revenue recognition. The categorization of revenue sources and geographical areas shown corresponds to that used in segment reporting.

Revenue from Contracts with Customers

2025								
in € millions	RTL Group	Penguin Random House	BMG	Arvato Group	Bertelsmann Marketing Services	Bertelsmann Education Group	Bertelsmann Investments	Total divisions ¹
Revenue Sources								
Own products and merchandise	118	4,749	47	57	5	10	–	4,986
Services	296	145	5	3,732	872	937	618	6,606
Advertising	3,178	–	–	–	1	–	–	3,180
Rights and licenses	2,720	85	846	–	–	1	–	3,652
	6,312	4,980	897	3,789	879	949	618	18,424
Geographical Areas								
Germany	2,375	327	62	1,411	556	6	44	4,782
France	1,272	13	40	83	45	–	7	1,460
United Kingdom	306	541	132	336	58	–	31	1,404
Other European countries	1,416	444	163	1,211	102	–	124	3,461
United States	762	2,872	436	661	109	353	79	5,271
Other countries	181	783	63	88	9	589	333	2,046
	6,312	4,980	897	3,789	879	949	618	18,424
Timing								
Point in time	2,108	4,832	147	65	6	13	–	7,171
Over time	4,205	148	750	3,724	873	936	618	11,253
	6,312	4,980	897	3,789	879	949	618	18,424

¹ Excluding Corporate activities.

2024								
in € millions	RTL Group	Penguin Random House	BMG	Arvato Group	Bertelsmann Marketing Services	Bertelsmann Education Group	Bertelsmann Investments	Total divisions ¹
Revenue Sources								
Own products and merchandise	126	4,675	79	56	6	6	25	4,973
Services	322	163	3	3,270	932	917	519	6,125
Advertising	3,475	–	–	–	1	–	13	3,489
Rights and licenses	2,950	79	878	–	–	1	1	3,909
	6,873	4,917	960	3,325	940	924	558	18,497
Geographical Areas								
Germany	2,426	311	77	1,416	585	5	145	4,966
France	1,357	12	57	101	42	–	6	1,575
United Kingdom	372	509	124	284	57	–	17	1,362
Other European countries	1,664	409	156	1,015	126	–	109	3,478
United States	845	2,909	476	434	119	347	59	5,190
Other countries	208	768	69	75	11	572	222	1,925
	6,873	4,917	960	3,325	940	924	558	18,497
Timing								
Point in time	2,248	4,751	201	56	8	11	29	7,304
Over time	4,624	165	759	3,269	932	913	529	11,193
	6,873	4,917	960	3,325	940	924	558	18,497

¹ Excluding Corporate activities.

During the reporting period, the revenues from contracts with customers comprise performance obligations satisfied at a certain point in time of €7,171 million (previous year: €7,304 million) and performance obligations satisfied over a certain period of time of €11,253 million (previous year: €11,193 million). If revenue is recognized at a point in time, the respective timing of revenue recognition is determined by the contractually agreed terms of sale. For performance obligations satisfied over time, a sufficient measure of progress is determined generally based on output methods to recognize revenue accordingly. Input methods are used to determine revenue recognition in business models for which they more accurately measure progress. Revenues amounting to €13 million (previous year: €1 million) result from performance obligations already satisfied in previous periods. Bertelsmann makes use of practical expedients set out in IFRS 15 and does not disclose any unsatisfied performance obligations for contracts with an original duration of no more than 12 months, or for contracts for which revenue can be recognized according to the amount invoiced for simplification purposes. As of December 31, 2025, Bertelsmann expects future revenues from existing long-term service level agreements of €1,887 million (previous year: €1,586 million), which will be attributable to unsatisfied (or partially unsatisfied) performance obligations as of the end of the reporting period and is expected to be recognized in the amount of €671 million (previous year: €649 million) in the next financial year and in the amount of €1,216 million (previous year: €937 million) in the following years.

2 Other Operating Income

in € millions	2025	2024
Income from reimbursements	74	64
Income from sideline operations	37	39
Gains from disposals of non-current assets	29	26
Foreign exchange gains	6	1
Sundry operating income	194	147
	340	277

In the item “Foreign exchange gains,” gains and losses from foreign currency transactions are offset to better reflect the economic substance. The item “Sundry operating income” consists of €35 million from expected settlement payments and a number of individually immaterial matters in the subsidiaries.

3 Personnel Costs

in € millions	2025	2024
Wages and salaries	4,306	4,183
Statutory social security contributions	685	642
Expenses for pensions and similar obligations	127	127
Profit sharing	50	63
Other employee expenses	255	239
	5,423	5,255

The contributions paid by the employer to state pension plans amounted to €355 million in the financial year 2025 (previous year: €338 million).

4 Amortization/Depreciation, Impairment, and Reversals of Impairment Losses on Intangible Assets, Property, Plant, and Equipment, and Right-of-Use Assets

in € millions	2025	2024
Amortization/depreciation, impairment, and reversals of impairment losses on		
– intangible assets	689	607
– property, plant, and equipment and right-of-use assets	573	544
	1,261	1,151

Further details on amortization/depreciation, impairment, and reversals of impairment losses shown are presented in note 9 “Intangible Assets” and note 10 “Property, Plant, and Equipment and Right-of-Use Assets.”

5 Other Operating Expenses

in € millions	2025	2024
Administrative expenses	1,230	1,226
Selling and transmission expenses	589	652
Advertising costs	454	427
Loss allowances on receivables, loans, and non-financial assets	395	391
Consulting and audit fees	215	177
Fair value measurement of investments	174	22
Fair value measurement of receivables relating to financial services	37	39
Operating taxes	94	90
Losses on disposals of non-current assets	11	11
Adjustment to carrying amounts on assets held for sale	–	1
Sundry operating expenses	161	137
	3,360	3,172

The item “Administrative expenses” includes repair and maintenance costs of €226 million (previous year: €236 million) and costs for IT services of €337 million (previous year: €330 million). In the financial year 2025, expenses from short-term leases in the amount of €30 million (previous year: €38 million) and expenses from leases for low-value assets in the amount of €15 million are also included in this item (previous year: €14 million). The item “Loss allowances on receivables, loans, and non-financial assets” comprises among others loss allowances on advance payments for royalties and licenses of the Penguin Random House division amounting to €305 million (previous year: €306 million) and loss allowances on receivables relating to financial services in the amount of €9 million (previous year: €25 million). The item “Fair value measurement of investments” comprises, among others, effects from the measurement of financial instruments held in the portfolio of the Bertelsmann Investments division. Bertelsmann Investments assigns its minority stakes and fund of funds investments held by venture capital organizations to the fair value through profit or loss category in accordance with IFRS 9. Further details are presented in note 12 “Minority Stakes and Other Financial Assets.” The item “Fair value measurement of receivables relating to financial services” includes effects from the measurement of receivables for resale to financial intermediaries and structured entities by the Riverty business unit. The item “Sundry operating expenses” consists of a number of individually immaterial matters in the subsidiaries.

6 Interest Income and Interest Expenses

in € millions	2025	2024
Interest income		
Interest income on cash and cash equivalents	41	39
Other interest income	16	16
	57	55
Interest expenses		
Interest expenses on financial debt	(159)	(173)
Interest expenses on interest rate derivatives	–	(1)
Other interest expenses	(18)	(10)
	(177)	(183)

Interest expenses on financial debt include interest expenses calculated using the effective interest method, adjusted for the effects of derivative financial instruments entered into as hedging instruments in accordance with IFRS 9 against changes in interest rates under hedge accounting.

7 Other Financial Income and Expenses

in € millions	2025	2024
Other financial income		
Financial income from put/call options	26	63
Income from minority interests in partnerships	–	2
Non-operating foreign exchange gains	1	–
Sundry financial income	28	44
	55	109
Other financial expenses		
Net interest on defined benefit plans	(14)	(16)
Interest expenses on lease liabilities	(65)	(59)
Dividend entitlement on profit participation certificates	(44)	(44)
Financial expenses from put/call options	(19)	(25)
Non-operating foreign exchange losses	–	(7)
Other non-operating expenses from derivatives	(19)	(5)
Sundry financial expenses	(77)	(80)
	(237)	(236)

To better reflect the economic substance, income and expenses from non-operating foreign currency hedging transactions are offset against the results from the measurement of the economically hedged items in foreign currency, and are recognized as non-operating foreign exchange gains or losses. In the financial year 2025, the net results from these non-operating foreign currency transactions of €-32 million (previous year: €4 million) were offset against the net results from hedged foreign currency transactions amounting to €32 million (previous year: €-11 million).

8 Income Taxes

Income taxes, broken down into current and deferred income taxes, are as follows:

in € millions	2025	2024
Earnings before income taxes	1,586	1,442
Current income taxes	(382)	(336)
Deferred income taxes	(197)	(70)
Total income taxes	(579)	(406)
Net income after income taxes	1,007	1,036

Tax loss carryforwards of €339 million (previous year: €349 million) were utilized in the financial year 2025, reducing current tax expenses by €80 million (previous year: €67 million). Of the tax loss carryforwards utilized, €1 million (previous year: €1 million) was due to German corporate income tax, €1 million (previous year: €5 million) was due to German trade tax and €337 million (previous year: €343 million) was due to foreign income taxes. These amounts include €6 million (previous year: €5 million) for tax loss carryforwards for which no deferred tax assets were recognized in the past. These relate with €1 million to German corporate tax (previous year: €0 million) and with €1 million to German trade tax (previous year: €0 million) and to foreign income taxes in the amount of €4 million (previous year: €5 million). As a result of this utilization, current tax expense decreased by €1 million (previous year: €1 million).

The recognition of previously unrecognized tax loss carryforwards, deductible temporary differences, and tax credits resulted in a reduction in deferred tax expense of €53 million (previous year: €54 million). The write-down of deferred tax assets, mainly relating to domestic loss carryforwards, resulted in deferred tax expense of €185 million (previous year: €0 million).

Deferred tax assets and liabilities resulted from the following items and factors:

Deferred Taxes

in € millions	12/31/2025			12/31/2024		
	Assets	Equity and liabilities	Recognized in profit or loss in the financial year	Assets	Equity and liabilities	Recognized in profit or loss in the financial year
Goodwill	45	156	(13)	56	167	(4)
Other intangible assets	95	345	67	92	375	26
Property, plant, and equipment and right-of-use assets	47	276	7	61	287	57
Investments accounted for using the equity method	–	4	–	–	4	–
Minority stakes and other financial assets	14	38	(8)	12	32	24
Inventories	129	5	(32)	169	5	(20)
Trade and other receivables	151	34	4	154	32	16
Receivables relating to financial services	–	10	(3)	–	7	(2)
Other non-financial assets	110	185	–	66	138	4
Cash and cash equivalents	–	2	3	–	5	2
Provisions for pensions and similar obligations	421	485	7	872	570	(17)
Other provisions	103	25	(15)	119	25	(4)
Financial debt	18	4	34	–	20	(9)
Lease liabilities	256	11	(29)	274	10	(90)
Trade and other payables	77	41	(6)	79	35	(30)
Liabilities relating to financial services	–	–	(10)	10	–	(10)
Other non-financial liabilities	18	6	5	21	13	2
Loss carryforwards/tax credits	252	–	(208)	462	–	(15)
Total	1,736	1,627	(197)	2,447	1,725	(70)
Offset	(1,443)	(1,443)	–	(1,549)	(1,549)	–
Carrying amount	293	184	–	898	176	–

The item “Property, plant, and equipment and right-of-use assets” includes deferred tax assets of €23 million (previous year: €19 million) and deferred tax liabilities of €208 million (previous year: €216 million) in connection with right-of-use assets in accordance with IFRS 16.

No deferred tax liabilities were recognized for temporary differences in the amount of €421 million (previous year: €518 million) in connection with investments in subsidiaries as Bertelsmann can control their reversal, and it is probable that these temporary differences will not be reversed in the foreseeable future.

In the companies that incurred a loss in the current or prior period, deferred tax assets are recognized that exceed deferred tax liabilities by €11 million (previous year: €559 million). In the financial year 2025, the majority of this amount relates to a unit of the RTL Group division in France. The recognition is based on the assessment that sufficient taxable income will be available in the future to utilize the tax loss carryforwards.

Current and deferred tax assets and liabilities are offset against each other if they relate to the same tax authority and meet the criteria for offsetting. The term of the deferred taxes on temporary differences is mostly long-term.

Deferred tax liabilities in other comprehensive income amount to €-17 million (previous year: deferred tax assets of €355 million).

Valuation allowances for deferred tax assets are recognized on temporary differences, tax loss carryforwards, and tax credits when it is unlikely that they can be utilized in the foreseeable future. The need to recognize valuation allowances is assessed primarily based on existing deferred tax liabilities from temporary differences and projected taxable income within a planning period.

Temporary differences, tax loss carryforwards, and tax credits for which no deferred taxes have been recognized can be carried forward as follows:

Expiration

in € millions	12/31/2025	12/31/2024
Temporary differences (unlimited carryforward period)	1,371	173
Tax loss carryforwards		
Unlimited carryforward period	6,126	4,895
To be carried forward for more than 5 years	422	353
To be carried forward for up to 5 years	49	58
Tax credits		
Unlimited carryforward period	–	2
To be carried forward for more than 5 years	–	–
To be carried forward for up to 5 years	–	1

A reconciliation of expected tax result to actual tax result is shown in the following table:

Reconciliation to Actual Tax Expense

in € millions	2025	2024
Earnings before income taxes	1,586	1,442
Income tax rate applicable to Bertelsmann SE & Co. KGaA (in percent)	31.60	31.10
Expected tax expense	(501)	(448)
The tax effects of the following items led to differences between the expected and actual tax expense:		
Adjustment to different national tax rates	154	122
Effect of changes in tax rate and tax law	5	(9)
Non-tax-deductible impairment on goodwill	–	–
Tax effects in respect of results from disposals of investments	118	(4)
Current income taxes for previous years	(34)	2
Deferred income taxes for previous years	22	(5)
Effects of measurements of deferred tax assets	(224)	(30)
Permanent differences	(55)	3
Other adjustments	(64)	(35)
Total of adjustments	(78)	42
Actual tax expense	(579)	(406)

Permanent differences mainly include effects from tax-free income and fair value measurement effects. Other adjustments also include tax expenses from the top-up tax in connection with global minimum taxation, withholding taxes, and additional levy in France.

Effective Income Tax Rate

in percent	2025	2024
Corporate income tax including solidarity surcharge	15.83	15.83
Trade tax	15.77	15.27
Effective income tax rate	31.60	31.10

The effective tax rate is based on the tax rate of the German Group parent entity Bertelsmann SE & Co. KGaA and includes corporate income tax, the solidarity surcharge, and trade tax. In addition, the Group operates mainly in the United States with a tax rate from 21.00 percent to 26.10 percent and in France with a tax rate of 25.00 percent to 25.83 percent.

9 Intangible Assets

in € millions	Other intangible assets					Total	Total
	Goodwill	Music and film rights	Other rights and licenses	Internally generated intangible assets	Advance payments		
Cost							
Balance as of 1/1/2024	8,857	3,931	3,615	1,482	40	9,068	17,925
Exchange differences	60	132	(116)	25	1	42	102
Additions through business combinations	345	15	157	33	–	205	550
Other additions	–	265	193	66	49	573	573
Reductions through disposal of investments	(1)	–	–	–	–	–	(1)
Other disposals	–	(105)	(35)	(27)	–	(167)	(167)
Reclassifications in accordance with IFRS 5	–	(6)	(4)	–	–	(10)	(10)
Reclassifications and other changes	–	70	(92)	120	(51)	47	47
Balance as of 12/31/2024	9,261	4,302	3,718	1,699	40	9,759	19,020
Exchange differences	(284)	(262)	(146)	(71)	(1)	(480)	(764)
Additions through business combinations	331	134	186	–	–	320	651
Other additions	–	361	168	114	47	691	691
Reductions through disposal of investments	(47)	–	(1)	(43)	–	(44)	(92)
Other disposals	–	(7)	(44)	(41)	–	(91)	(91)
Reclassifications in accordance with IFRS 5	(27)	–	(3)	–	–	(3)	(30)
Reclassifications and other changes	19	31	(91)	88	(37)	(9)	11
Balance as of 12/31/2025	9,253	4,560	3,787	1,747	49	10,142	19,395
Accumulated amortization							
Balance as of 1/1/2024	454	2,100	1,650	1,236	4	4,990	5,444
Exchange differences	5	46	16	29	–	91	96
Amortization	–	200	242	141	–	583	583
Impairment losses	–	13	11	4	2	30	30
Reversals of impairment losses	–	(5)	–	(1)	–	(6)	(6)
Reductions through disposal of investments	–	–	–	–	–	–	–
Other disposals	–	(105)	(35)	(27)	–	(167)	(167)
Reclassifications in accordance with IFRS 5	–	(4)	1	–	–	(3)	(3)
Reclassifications and other changes	–	7	(32)	26	–	1	1
Balance as of 12/31/2024	459	2,253	1,855	1,407	6	5,521	5,980
Exchange differences	(14)	(89)	(92)	(64)	(1)	(246)	(260)
Amortization	–	205	237	126	–	567	567
Impairment losses	–	19	59	52	1	132	131
Reversals of impairment losses	–	(6)	–	(4)	–	(10)	(10)
Reductions through disposal of investments	–	–	(1)	(30)	–	(31)	(31)
Other disposals	–	(7)	(42)	(22)	–	(70)	(70)
Reclassifications in accordance with IFRS 5	–	–	(3)	–	–	(3)	(3)
Reclassifications and other changes	–	–	(3)	4	–	1	2
Balance as of 12/31/2025	445	2,375	2,011	1,470	6	5,861	6,306
Carrying amount as of 12/31/2025	8,808	2,184	1,776	278	43	4,281	13,089
Carrying amount as of 12/31/2024	8,802	2,049	1,863	292	34	4,238	13,040

Other rights and licenses include brands and publishing rights, acquired customer relationships along with acquired software, and other licenses. In the financial year 2025, BMG acquired music catalogs in the amount of €358 million (previous year: €243 million), €303 million of which related to various music catalogs in the United States. Internally generated intangible assets mostly include own film and TV productions and internally generated software. As in the previous year, no intangible assets were subject to restrictions on title as of the end of the reporting period.

RTL Group identified the planned migration of RTL+ in Germany to the Bedrock platform, which is expected to be completed by the end of April 2026, as a triggering event. As a result, an impairment test was performed on the carrying amount of the RTL+ streaming platform in Germany. This assessment led to the recognition of an impairment loss totaling €25 million.

Following reputational event and a weak real estate market recovery, an impairment test was performed on intangible assets identified and recognized in connection with the acquisition of Stéphane Plaza (a subsidiary of Groupe M6, which belongs to the RTL Group). The impairment test performed as of December 31, 2025, identified an impairment loss of €36 million on the Stéphane Plaza brand.

Goodwill and other intangible assets are attributable to the following cash-generating units:

Goodwill and Other Intangible Assets with Indefinite Useful Lives by Cash-Generating Units

in € millions	Goodwill		Other intangible assets with indefinite useful lives	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
RTL Group	5,151	5,198	164	164
RTL Group, Group level	1,777	1,834	–	–
Fremantle	1,455	1,450	–	–
RTL Deutschland	1,248	1,264	–	–
Groupe M6	618	617	164	164
Other	53	33	–	–
Penguin Random House	1,315	1,319	–	–
BMG	384	387	–	–
Arvato Group	522	425	–	–
Riverty	348	348	–	–
Other	174	77	–	–
Bertelsmann Education Group	1,278	1,370	–	–
Afya	400	375	–	–
Relias Learning	872	989	–	–
Alliant University	6	6	–	–
Bertelsmann Investments	157	103	–	–
HR Tech	85	71	–	–
Other	72	32	–	–
	8,808	8,802	164	164

Intangible assets with indefinite useful lives primarily concern Groupe M6 trademark rights in France (€120 million; previous year: €120 million) and brands related to Gulli (€38 million; previous year: €38 million), which also belong to Groupe M6. In determining that the M6 trademark rights have an indefinite useful life, management has considered various factors such as the historical and expected longevity of the brand, the impact of possible changes in broadcasting technologies, the impact of possible evolutions of the regulatory environment in the French television industry, the current and expected audience share of the M6 channel, and management's strategy to maintain and strengthen the trademark "M6." As of December 31, 2025, based on the analysis of these factors, there is no foreseeable limit to the period of time over which the M6 brand is expected to generate cash inflows. Given their positioning, the market's awareness of the brands and their history, Gulli-related brands are considered to also have an indefinite useful life.

For the purpose of impairment testing in accordance with IAS 36, goodwill from a business combination is allocated to the cash-generating units that are expected to benefit from the synergies of the business combination. As of December 31, 2025, the market price of RTL Group S.A. shares on the Frankfurt Stock Exchange was €34.45 (previous year: €26.70). At that date, the recoverable amount for the goodwill impairment test of RTL Group recognized at Group level was based on the value in use using a discounted cash flow method, as management considered the share price of RTL Group does not fully reflect its ability to monetize both linear and non-linear content. This ability gives RTL Group a competitive advantage over pure-play streaming services and results in significant synergies between linear TV channels and streaming

offers. Management expects a more favorable market environment for RTL Group's streaming activities than assumed by the capital markets. Fremantle has launched several growth initiatives to drive long-term productivity. Furthermore, shares conveying a majority include a control premium compared to the valuation of individual listed shares. The value in use exceeded the carrying amount.

As of December 31, 2025, the market price of Métropole Télévision shares on the Paris Stock Exchange was €12.18 (previous year: €11.24). The recoverable amount of Groupe M6 at that date was based on the value in use using a discounted cash flow method, as management considered the share price of Groupe M6 does not fully reflect its earnings potential due to the expected growth in AVOD (advertising-funded Video On Demand) offers. The value in use exceeded the carrying amount. As of December 31, 2025, the market price of Afya shares, which represent partly a class of shares other than Bertelsmann shares, on the Nasdaq was US\$15.41 (previous year: US\$15.88). The recoverable amount derived from the stock market price is slightly below the carrying amount. The value in use determined on the basis of a discounted cash flow method exceeded the carrying amount.

For the other cash-generating units, the recoverable amount equals the fair value, which is derived from discounted cash flows less costs of disposal and which is categorized within Level 3 of the fair value hierarchy. Forecasted cash flows were based on internal estimates, which covers three detailed planning periods, and, with one exception, were supplemented by two further detailed planning periods. For periods after this detailed horizon, a perpetual annuity was applied, taking into account individual business-specific growth rates.

The cash flow forecasts underlying the impairment testing of the individual cash-generating units bearing material goodwill are based on the following assumptions relating to the market development for the beginning of the detailed planning period: For 2026, a stable to slightly declining development is expected in the relevant TV advertising markets. The streaming market is expected to grow significantly in Germany and moderately in Hungary. Furthermore, the market for printed books is expected to record slight growth. In the relevant music market, the music publishing market segment and recorded music market segment are expected to grow significantly. The markets for logistics, IT and financial services are predicted to show moderate growth in 2026. A moderate decline is expected for the German offset printing market, while a slight decline is forecast for the North American book printing market. Overall, sustained significant to strong growth is anticipated for the relevant US markets for IT solutions for healthcare, and for the Brazilian market for medical university education. The mobile gaming advertising market is expected to grow significantly.

In addition, recoverable amounts based on discounted cash flows were measured using the following individual business-specific growth rates and discount rates after taxes for periods after the detailed planning period:

Overview of Growth and Discount Rates

	Growth rate in % for the year		Discount rate in % for the year	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
RTL Group				
RTL Group, Group level ¹	0.8	0.8	7.2	7.8
Fremantle	1.8	1.8	7.4	8.1
RTL Deutschland	0.5	0.5	6.9	7.5
Groupe M6 ²	0.5	0.5	7.4	8.1
Other	2.0	2.0	8.7	9.4
Penguin Random House	0.5	0.5	8.4	8.8
BMG	2.0	2.0	7.0	7.5
Arvato Group				
Riverty	1.5	1.5	7.0	6.8
Other	1.0–1.5	1.0–1.5	8.1–8.6	8.6–9.2
Bertelsmann Education Group				
Afya ³	4.0	n/a	11.7	n/a
Relias Learning	2.5	2.5	7.8	8.2
Alliant University	2.0	2.0	8.5	9.5
Bertelsmann Investments				
HR Tech	1.5	1.5	6.7	8.3
Other ⁴	1.5	1.5	6.5–10.6	7.5–11.7

1 Discount rate before taxes December 31, 2025: 9.5 percent (previous year: 10.5 percent).

2 Discount rate before taxes December 31, 2025: 10.0 percent (previous year: 11.0 percent).

3 Discount rate before taxes December 31, 2025: 13.3 percent.

4 No impairment was identified for the entity Lets Transport, which has been fully consolidated since October 1, 2025, and is identical to the CGU Next-India.

The key assumptions on which the development of the recoverable amount is based also include the future achievable EBITDA margin, which is derived from internally determined assumptions based on past experience, supplemented by current expectations and underpinned by external market assessments. For all cash-generating units, margin levels are expected to remain stable or continue to grow, due, among other things, to forecast economies of scale and efficiency measures.

In the financial year 2025, no impairment loss was recognized on goodwill (previous year: €0 million). Impairment losses on goodwill and other intangible assets with indefinite useful lives are recognized in the income statement under “Amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets.”

For the cash-generating unit Groupe M6, which belongs to the RTL Group division, the recoverable amount exceeds the carrying amount by €263 million. In the event of an increase in the discount rate by 1.1 percentage points, a decrease in the long-term growth rate by 1.4 percentage points, or a decrease in the EBITDA margin by 1.9 percentage points, the recoverable amount would fall below the carrying amount.

For the cash-generating unit Fremantle, which belongs to the RTL Group division, the recoverable amount exceeds the carrying amount by €370 million. In the event of an increase in the discount rate by 0.9 percentage points, a decrease in the long-term growth rate by 1.5 percentage points, or a decrease in the EBITDA margin by 1.3 percentage points, the recoverable amount would fall below the carrying amount.

For the cash-generating unit We Are Era, which belongs to the RTL Group division and is recognized in the item “Other,” the recoverable amount exceeds the carrying amount by €7 million. In the event of an increase in the discount rate by 0.7 percentage points, a decrease in the long-term growth rate by 0.9 percentage points, or a decrease in the EBITDA margin by 0.4 percentage points, the recoverable amount would fall below the carrying amount.

For the goodwill to be tested at the level of the RTL Group division, the recoverable amount would fall below the carrying amount of the cash-generating unit in the event of an increase in the discount rate by 1.4 percentage points, a decrease in the long-term growth rate by 2.1 percentage points, or a decrease in the EBITDA margin by 2.6 percentage points.

Other material goodwill was not subject to impairment, even given a change by one of the three most important factors: discount rate (increase of 1.0 percentage point), long-term growth rate (decrease of 1.0 percentage point), or EBITDA margin (decrease of 1.0 percentage point).

10 Property, Plant, and Equipment and Right-of-Use Assets

Right-of-use assets from leased property, plant, and equipment are capitalized in accordance with IFRS 16. The balance sheet position “Property, plant, and equipment and right-of-use assets” comprises property, plant, and equipment owned by the Bertelsmann Group and right-of-use assets from leased property, plant, and equipment.

Property, Plant, and Equipment and Right-of-Use Assets

in € millions	12/31/2025	12/31/2024
Owned property, plant, and equipment	2,028	1,867
Right-of-use assets from leased property, plant, and equipment	1,172	1,166
	3,200	3,033

Property, Plant, and Equipment

in € millions	Land, rights equivalent to land, and buildings	Technical equipment and machinery	Other equipment, fixtures, furniture, and office equipment	Advance payments and construction in progress	Total
Cost					
Balance as of 1/1/2024	1,487	1,917	1,358	116	4,878
Exchange differences	7	16	3	2	28
Additions through business combinations	–	3	3	–	6
Other additions	65	90	121	121	397
Reductions through disposal of investments	–	–	–	–	–
Other disposals	(50)	(378)	(106)	(3)	(537)
Reclassifications in accordance with IFRS 5	11	15	8	(1)	33
Reclassifications and other changes	30	70	25	(117)	8
Balance as of 12/31/2024	1,550	1,733	1,412	118	4,813
Exchange differences	(21)	(37)	(45)	(8)	(112)
Additions through business combinations	–	1	12	1	14
Other additions	98	69	148	185	500
Reductions through disposal of investments	–	–	(1)	–	(1)
Other disposals	(29)	(50)	(92)	(1)	(173)
Reclassifications in accordance with IFRS 5	–	–	(3)	–	(3)
Reclassifications and other changes	33	64	74	(136)	34
Balance as of 12/31/2025	1,631	1,779	1,505	158	5,072
Accumulated depreciation					
Balance as of 1/1/2024	775	1,477	873	–	3,125
Exchange differences	4	11	10	–	25
Depreciation	47	96	134	–	277
Impairment losses	–	4	2	–	6
Reversals of impairment losses	–	(1)	–	–	(1)
Reductions through disposal of investments	–	–	–	–	–
Other disposals	(42)	(370)	(100)	–	(512)
Reclassifications in accordance with IFRS 5	10	16	9	–	35
Reclassifications and other changes	–	(5)	(4)	–	(9)
Balance as of 12/31/2024	794	1,227	925	–	2,946
Exchange differences	(10)	(23)	(29)	–	(62)
Depreciation	47	101	146	–	294
Impairment losses	–	2	10	–	12
Reversals of impairment losses	–	(4)	(2)	–	(6)
Reductions through disposal of investments	–	–	(1)	–	(1)
Other disposals	(27)	(46)	(89)	–	(162)
Reclassifications in accordance with IFRS 5	–	–	–	–	–
Reclassifications and other changes	2	10	10	–	22
Balance as of 12/31/2025	807	1,267	970	–	3,044
Carrying amount as of 12/31/2025	823	512	535	158	2,028
Carrying amount as of 12/31/2024	756	506	487	118	1,867

As in the previous year, no property, plant, and equipment were subject to restrictions on title as of the end of the reporting period. In the financial year 2025, impairment testing of a cash-generating unit of the Bertelsmann Marketing Services division identified imputed shortfalls. Subsequent impairment testing of property, plant, and equipment amounting to €10 million at the individual asset level resulted in no impairment, which was mainly attributable to technical equipment and machinery (previous year: €10 million). Impairment losses totaling €12 million were recognized for property, plant, and equipment (previous year: €6 million).

Right-of-Use Assets

The vast majority of leases concern rental properties in the RTL Group, Penguin Random House, Arvato Group, and Bertelsmann Education Group divisions. In addition, leases also exist for technical equipment and machinery, vehicles and other fixtures, furniture, and office equipment. The existing lease contracts have different terms and a number of property leases include extension or termination options in order to maximize operational flexibility in terms of managing the assets used in the Group's operations. Details on the corresponding lease liabilities are presented in note 23 "Lease Liabilities."

The following table shows depreciation and impairment, additions, and other changes to the right-of-use assets in the financial year 2025 as well as the carrying amounts of the right-of-use assets from leased property, plant, and equipment as of December 31, 2025:

Change in Right-of-Use Assets

in € millions	Land, rights equivalent to land, and buildings	Technical equipment and machinery	Other equipment, fixtures, furniture, and office equipment	Total
Carrying amount of leased property, plant, and equipment as of 1/1/2025	1,138	7	21	1,166
Additions	99	4	21	124
Depreciation and impairment	(255)	(5)	(12)	(272)
Other changes	152	4	(2)	154
Carrying amount of leased property, plant, and equipment as of 12/31/2025	1,134	9	29	1,172

in € millions	Land, rights equivalent to land, and buildings	Technical equipment and machinery	Other equipment, fixtures, furniture, and office equipment	Total
Carrying amount of leased property, plant, and equipment as of 1/1/2024	1,031	4	21	1,055
Additions	218	7	13	237
Depreciation and impairment	(247)	(4)	(11)	(262)
Other changes	137	–	(1)	136
Carrying amount of leased property, plant, and equipment as of 12/31/2024	1,138	7	21	1,166

In the financial years 2025 and 2024, the other changes mainly relate to lease contracts from acquisitions and extensions of existing lease contracts.

11 Interests in Other Entities

Subsidiaries with Material Non-Controlling Interests

In the Group's view, material non-controlling interests relate to RTL Group and to the education company Afya. The proportion of ownership interests held by non-controlling interests in RTL Group, based in Luxembourg, is 23.3 percent after consideration of treasury shares (previous year: 23.7 percent). The profit allocated to non-controlling interests of RTL Group amounted to €270 million (2024: €201 million). At RTL Group itself, material non-controlling interests relate to the subsidiary Groupe M6, based in Paris, France. RTL Group has an indirect interest in Groupe M6 of 49.5 percent (after considering treasury shares; previous year: 48.6 percent). Deviating from the ownership interests, the voting rights are 49.6 percent (previous year: 48.7 percent). Of the non-controlling interests of RTL Group, €768 million (previous year: €811 million) is attributable to Groupe M6. In addition, material non-controlling interests are attributable to the Brazilian based education company Afya. As of December 31, 2025, the non-controlling interests in the company, which belongs to the Bertelsmann Education Group division, amounted to 32.0 percent (previous year: 33.6 percent). The profit allocated to non-controlling interests of Afya amounted to €25 million (2024: €30 million).

Change in Bertelsmann Shareholders' Equity

In the financial year 2025, Bertelsmann Education Group further increased its interest in the Nasdaq-listed education company Afya by acquiring additional shares and through Afya's acquisition of its own shares and held, as of December 31, 2025, 76 percent (December 31, 2024: 76 percent) of the voting rights and – after adjustment of treasury shares held by Afya – 68 percent (December 31, 2024: 66 percent) of the equity interest. The transactions were accounted for as an equity transaction in accordance with IFRS 10. The transactions resulted in a decrease of the equity attributable to the Bertelsmann shareholders in the amount of €15 million (thereof a decrease in the currency translation reserve in the amount of €2 million) and a decrease of the equity attributable to the non-controlling interests in the amount of €13 million. As of December 31, 2025, the education company Afya held 3.86 million own shares.

in € millions	Change in Bertelsmann shareholders' equity
Carrying amount of interests acquired	13
Decrease in Bertelsmann shareholders' equity	15
– thereof decrease in retained earnings	12
– thereof decrease in the currency translation reserve	2

In July 2025, RTL Group exercised its right to acquire the remaining interest in the production company Lux Vide, increasing its ownership from 70 percent to 100 percent. The consideration paid amounted to €35 million and related to the settlement of a put option liability on the remaining share capital, which was recognized in connection with the acquisition of the majority interest in Lux Vide in 2022. The transaction was accounted for as an equity transaction in accordance with IFRS 10. The transaction resulted in an increase of the equity attributable to Bertelsmann shareholders in the amount of €15 million and a decrease of the equity attributable to non-controlling interests in the amount of €15 million.

in € millions	Change in Bertelsmann shareholders' equity
Carrying amount of interests acquired	15
Increase in Bertelsmann shareholders' equity	15
– thereof increase in retained earnings	15

The acquisition of its own shares by RTL Group resulted in a reduction in equity attributable to Bertelsmann shareholders of €24 million and a reduction in equity attributable to non-controlling interests of €49 million. As of December 31, 2025, RTL Group held 3.45 million own shares.

The following table shows summarized financial information on RTL Group and Afya, including the interests in their subsidiaries, joint ventures, and associates. The information disclosed shows the amounts before intercompany eliminations.

Financial Information for Subsidiaries with Material Non-Controlling Interests

in € millions	RTL Group		Afya	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Non-current assets	7,004	7,463	1,457	1,483
Current assets	5,156	4,829	301	247
Non-current liabilities	1,375	1,762	545	525
Current liabilities	3,599	3,279	149	180
Bertelsmann shareholders' equity	5,370	5,430	826	789
Non-controlling interests	1,816	1,821	238	236

in € millions	2025	2024	2025	2024
Revenues	6,326	6,888	586	567
Profit or loss	945	543	72	65
– thereof of non-controlling interests	270	201	25	30
Total comprehensive income	882	597	69	(132)
– thereof of non-controlling interests	255	216	24	(27)
Dividends to non-controlling interests	177	191	10	3
Cash flow from operating activities	575	778	262	261
Cash flow from investing activities	847	(210)	(89)	(188)
Cash flow from financing activities	(1,546)	(567)	(139)	(10)
Increase/(decrease) in cash and cash equivalents	(123)	1	34	62

Investments Accounted for Using the Equity Method

The investments accounted for using the equity method relate to joint ventures in the amount of €22 million (previous year: €21 million) and to associates in the amount of €446 million (previous year: €457 million). In the financial year 2025, impairment losses and reversals of impairment losses on associates were recognized in total of €9 million (previous year: impairment losses of €7 million).

Investments in Joint Ventures

As of December 31, 2025, investments in 14 (previous year: 14) individually immaterial joint ventures were accounted for in the Consolidated Financial Statements. The following table shows summarized financial information on these joint ventures. The information given represents in each case the Bertelsmann Group's interest.

Financial Information on Individually Immaterial Joint Ventures

in € millions	12/31/2025	12/31/2024
Non-current assets	19	19
Current assets	34	33
Non-current liabilities	7	7
Current liabilities	18	17

in € millions	2025	2024
Earnings after taxes from continuing operations	11	12
Earnings after taxes from discontinued operations	–	–
Other comprehensive income	–	–
Total comprehensive income	11	12

Investments in Associates

As of December 31, 2025, investments in 31 (previous year: 31) associates were accounted for in the Consolidated Financial Statements. As in the previous year, the investment of RTL Group in the Spanish media group Atresmedia, based in San Sebastián de los Reyes, Spain, is individually material for the Group. As of December 31, 2025, the ownership interest of RTL Group in Atresmedia was 15.1 percent (previous year: 15.1 percent). As of December 31, 2025, the stock market value of Atresmedia, which is listed on the Madrid Stock Exchange, amounted to €1,102 million (previous year: €986 million) with a share price of €4.88 (December 31, 2024: €4.37). As of December 31, 2025, the fair value less costs of disposal amounted to €164 million for 15.1 percent of shares held by RTL Group (previous year: €147 million for 15.1 percent of shares held by RTL Group), which is assigned to Level 1 fair value measurement.

As of June 30, 2025, a reversal of impairment losses of €10 million on the at-equity investment in Atresmedia was recognized based on internal discounted cash flows valuation and supported by the stock price. As of December 31, 2025, the investment in Atresmedia was tested for impairment in accordance with IAS 36. The recoverable amount of Atresmedia on December 31, 2025, was based on the value in use determined using a discounted cash flow model, as management considered the share price of Atresmedia did not fully reflect its earning potential, which includes the diversification strategy through expansion of its investment portfolio, strengthening its digital streaming offers, and building its leading position in locally relevant content production. As of December 31, 2025, neither an additional impairment loss nor a reversal of an impairment loss had to be recognized on the at-equity investment in Atresmedia. The value in use was measured on the basis of the following assumptions: a discount rate after tax of 7.9 percent (December 31, 2024: 9.2 percent) and a long-term growth rate of 0.0 percent (December 31, 2024: 0.0 percent). In the event of an increase in the discount rate by 0.9 percentage points, a decrease in the long-term growth rate of 1.2 percentage points, or a decrease in the EBITDA margin of 0.7 percentage points, the recoverable amount would fall below the carrying amount. The discount rate before taxes was 10.6 percent (December 31, 2024: 12.5 percent).

The following table shows summarized financial information for Atresmedia. The information presented represents the amounts included in the financial statements of Atresmedia plus adjustments for using the equity method, and not the Bertelsmann Group's share of these amounts.

Financial Information on Individually Material Associates

in € millions	Atresmedia	
	12/31/2025	12/31/2024
Non-current assets	671	675
Current assets	809	828
Non-current liabilities	337	126
Current liabilities	409	547
Equity	734	830

in € millions	2025	2024
Revenues	1,002	1,018
Earnings after taxes from continuing operations	62	119
Earnings after taxes from discontinued operations	–	–
Other comprehensive income	(14)	52
Total comprehensive income	48	171
Dividends received from the associate	22	17

The reconciliation of the summarized financial information shown to the carrying amount of the interest in Atresmedia in the Consolidated Financial Statements is shown in the following table:

Reconciliation to Carrying Amount

in € millions	12/31/2025	12/31/2024
Equity	734	830
Proportionate equity	113	127
Goodwill	134	134
Impairment on investments accounted for using the equity method	(79)	(89)
Carrying amount	168	172

The following table shows summarized financial information on associates that management considers individually immaterial. The information given represents in each case the Bertelsmann Group's interest.

Financial Information on Individually Immaterial Associates

in € millions	12/31/2025	12/31/2024
Non-current assets	329	335
Current assets	130	135
Non-current liabilities	52	62
Current liabilities	132	134

in € millions	2025	2024
Earnings after taxes from continuing operations	31	(17)
Earnings after taxes from discontinued operations	–	–
Other comprehensive income	2	(4)
Total comprehensive income	33	(20)

The total carrying amount of the investments in all individually immaterial associates amounts to €278 million (previous year: €284 million) as of December 31, 2025. This includes €108 million (previous year: €106 million) for Atolls GmbH, which belongs to RTL Group, and €31 million (previous year: €31 million) for the three University Venture Funds, which invest in innovative companies in the education sector. Bertelsmann holds between 47.3 percent and 100.0 percent of the shares in these funds. As operational management and investment decisions in particular are the responsibilities of the respective fund managers, there is significant influence, but control as defined by IFRS 10 does not exist despite an ownership interest of over 50 percent in some cases.

Results from Investments Accounted for Using the Equity Method

in € millions	2025	2024
Gains from investments accounted for using the equity method	53	67
– joint ventures	11	13
– associates	42	54
Losses from investments accounted for using the equity method	(1)	(51)
– joint ventures	–	(1)
– associates	(1)	(50)
Results from investments accounted for using the equity method	52	16
– joint ventures	11	12
– associates	41	4

In the financial year 2025, dividends received from investments accounted for using the equity method amounted to €63 million (previous year: €60 million).

12 Minority Stakes and Other Financial Assets

in € millions	Current		Non-current	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Loans	25	33	23	25
Minority stakes held by venture capital organizations	3	7	1,118	1,163
Fund of funds investments held by venture capital organizations	–	–	196	164
Other financial assets	152	201	139	145
Derivative financial instruments	18	44	44	6
	198	284	1,520	1,503

The item "Minority stakes held by venture capital organizations" includes investments purchased by the Bertelsmann Investments division. The fair value of its listed investments is measured on the basis of their market values and of its unlisted investments, if possible, on the basis of observable prices obtained as part of the most recently implemented qualified financing rounds which meet the minimum requirements for

volume and participants, taking into account life and development cycles of the entity. Fund of funds investments held by venture capital organizations of the Bertelsmann Investments division are also measured at fair value through profit or loss. The measurement of their fair values is based on the valuations of the external management as presented in regular reporting and taking into account a fungibility discount. The gains and losses resulting from changes in the fair value of both minority stakes and fund of funds investments held by venture capital organizations are recognized as other operating expenses in the item "Fair value measurement of investments." The changes in carrying amounts recognized in profit or loss of the financial instruments held by the Bertelsmann Investments division in the venture capital organizations amounted to €-119 million in the financial year 2025 (previous year: €52 million).

Bertelsmann exercises the option granted by IFRS 9 to measure equity instruments at fair value through other comprehensive income mainly for individually immaterial investments and investments in affiliates and recognizes these investments in "Other financial assets." The minority stake in Teleperformance in the amount of €142 million (previous year: €192 million), measured at fair value through profit or loss, is also included in this item and classified as Level 1.

As in the previous year, no other financial assets were subject to restrictions on title as of the end of the reporting period.

13 Inventories

in € millions	12/31/2025	12/31/2024
Program rights	1,338	1,338
Raw materials and supplies	95	93
Work in progress	117	124
Finished goods and merchandise	419	436
Advance payments	239	230
	2,208	2,221

In the financial year 2025, write-downs on inventories were recognized in the amount of €-124 million (previous year: €-78 million). In addition, reversals of write-downs on inventories were recognized in the amount of €40 million (previous year: €86 million). As in the previous year, no inventories were subject to restrictions on title as of the end of the reporting period.

In the financial year 2025, the consumption of program rights recognized in profit or loss amounted to €2,456 million (previous year: €2,718 million). Expenses for raw materials and supplies amounting to €543 million (previous year: €561 million) were recognized, and the cost for merchandise amounted to €53 million (previous year: €67 million). Changes in inventories of work in progress and finished goods amounted to €85 million (previous year: €64 million). In addition, other own costs capitalized of €99 million (previous year: €90 million) were recognized.

14 Trade and Other Receivables

in € millions	12/31/2025	12/31/2024
Non-current		
Trade receivables	37	35
Contract assets	1	1
Other receivables	46	47
	84	83
Current		
Trade receivables	3,639	3,690
Contract assets	22	27
Receivables from participations	13	18
Other receivables	309	259
	3,984	3,994

Trade receivables are due for payment generally within 12 months. The item “Contract assets” covers the conditional right to consideration for completely satisfied performance obligations in accordance with IFRS 15. As of January 1, 2024, this item amounted to €30 million. As of the end of the reporting period, trade and other receivables totaling €17 million (previous year: €17 million) were subject to restrictions on title.

15 Receivables Relating to Financial Services

The amounts shown in the following table are mainly attributable to the Riverty business unit.

in € millions	12/31/2025	12/31/2024
Current		
Purchased receivables which are not credit-impaired	287	324
Receivables which are credit-impaired on purchase	556	480
Receivables relating to sold receivables	80	82
Receivables relating to financial services for resale	382	400
Continuing involvement	319	259
	1,624	1,545

Receivables relating to financial services were not subject to restrictions on title either as of December 31, 2025 or as of December 31, 2024.

16 Other Non-Financial Assets

in € millions	12/31/2025	12/31/2024
Non-current		
Other non-financial assets	1,241	1,351
	1,241	1,351
Current		
Other non-financial assets	1,471	1,493
– advance payments	686	704
– deferred items	230	236
– other tax receivables	161	139
– sundry non-financial assets	395	414
	1,471	1,493

The non-current other non-financial assets relate to advance payments for royalties and licenses in the amount of €980 million (previous year: €1,125 million). Loss allowances are generally recognized for advance payments for royalties and licenses if no recoupment is expected. The amount of these allowances is based on management estimates of future sales volumes and price changes using historical data. Costs

for obtaining and fulfilling contracts with customers are recognized in the amount of €31 million (previous year: €32 million). The amount of amortization and impairment losses recognized for these costs was immaterial, both individually and in total.

17 Cash and Cash Equivalents

in € millions	12/31/2025	12/31/2024
Bank balances and cash on hand	1,110	1,265
Cash equivalents	699	977
	1,809	2,242

Cash equivalents include short-term, highly liquid securities with a term to maturity on acquisition of not more than three months. Furthermore, this item includes short-term investments in diversified money market funds with very good ratings, which are measured at fair value through profit or loss and are subject to only insignificant fluctuations in value. As of the end of the reporting period, cash and cash equivalents in the amount of €110 million were subject to restrictions on title (previous year: €84 million). Thereof, €103 million relates to payments received as part of Riverty's receivables management service provided (previous year: €79 million). A further €6 million (previous year: €5 million) with restrictions on title relates to numerous immaterial items.

18 Equity Subscribed Capital

Number of shares	12/31/2025	12/31/2024
Ordinary shares	83,760	83,760
Total shares	83,760	83,760

Compared with the previous year, the subscribed capital of Bertelsmann SE & Co. KGaA remained unchanged at €1,000 million and comprises 83,760 registered shares (ordinary shares). 80.9 percent of the capital shares in Bertelsmann SE & Co. KGaA are held indirectly by foundations (Bertelsmann Stiftung, Reinhard Mohn Stiftung, BVG-Familienstiftung, BVG-Stiftung), and 19.1 percent are held indirectly by members of the Mohn family. Bertelsmann Verwaltungsgesellschaft (BVG) controls all voting rights at the General Meeting of Bertelsmann SE & Co. KGaA and Bertelsmann Management SE (general partner).

In the financial year 2025, a dividend amounting to €220 million was distributed to the shareholders (previous year: €220 million). The dividend per ordinary share amounted to €2,627 (previous year: €2,627).

The change in other comprehensive income after taxes is derived as follows:

Changes to Components of Other Comprehensive Income after Taxes

in € millions	2025				
	Before-tax amount	Taxes	Net-of-tax amount	Attributable to Bertelsmann shareholders	Attributable to non-controlling interests
Items that will not be reclassified subsequently to profit or loss					
Remeasurement component of defined benefit plans	162	(376)	(214)	(216)	2
Changes in fair value of equity instruments	–	–	–	–	–
Share of other comprehensive income of investments accounted for using the equity method	(2)	–	(2)	(1)	–
Items that will be reclassified subsequently to profit or loss when specific conditions are met					
Exchange differences	(573)	–	(573)	(556)	(17)
Cash flow hedges	(52)	5	(47)	(41)	(6)
Share of other comprehensive income of investments accounted for using the equity method	2	–	2	2	–
Other comprehensive income net of tax	(463)	(371)	(834)	(813)	(21)

in € millions	2024				
	Before-tax amount	Taxes	Net-of-tax amount	Attributable to Bertelsmann shareholders	Attributable to non-controlling interests
Items that will not be reclassified subsequently to profit or loss					
Remeasurement component of defined benefit plans	6	1	7	6	1
Changes in fair value of equity instruments	(10)	3	(7)	(5)	(2)
Share of other comprehensive income of investments accounted for using the equity method	9	–	9	7	2
Items that will be reclassified subsequently to profit or loss when specific conditions are met					
Exchange differences	60	–	60	105	(45)
Cash flow hedges	30	(6)	24	22	2
Share of other comprehensive income of investments accounted for using the equity method	–	–	–	–	–
Other comprehensive income net of tax	94	(2)	93	134	(41)

In the financial year 2025, the change in taxes in other comprehensive income is mainly due to the write-down of deferred tax assets on provisions for pensions in Germany.

Share-Based Payments

The Bertelsmann Group has granted cash-settled or equity-settled share-based payment awards. Significant share-based payments are attributable to Groupe M6, which belongs to RTL Group, and the education companies Afya and Relias, which belong to Bertelsmann Education Group. In addition, there are additional share-based payments within the Bertelsmann Group that are immaterial on a stand-alone basis and in total.

Performance Share Plans Groupe M6

There are various performance share plans at Groupe M6, which belongs to RTL Group, open to directors and certain employees. The number of performance shares granted to participants is approved by the Supervisory Board of Métropole Télévision SA in accordance with the authorization given by the General Meeting of Shareholders.

Plans awarded in the financial year 2025:

- one plan concerns a group of 176 beneficiaries and involves 342,500 shares, subject to the condition of presence in Groupe M6 on April 21, 2028 and the achievement of consolidated EBITA objectives in 2025;
- another plan concerns a group of 19 beneficiaries and involves 241,200 shares, subject to the condition of presence in Groupe M6 on April 21, 2028. It is awarded annually on the basis of multi-year performance conditions.

The fair value of performance shares granted is based on the value of the share at date of grant less the current value of future dividends estimated for the period of unavailability.

The following table shows the principal features of the performance share plans outstanding as of December 31, 2025, or which expired during the year, and for which a valuation of the fair value of the benefit granted was carried out:

Main Characteristics of the Performance Share Plans

Grant date	Share price (in €)	Risk-free interest rate (in percent) ¹	Expected return (in percent)	Fair value (in €)
10/10/2022 (2 plans)	10.34	2.07	6.15	8.38
5/15/2023 (2 plans)	13.32	2.79	7.89	11.40
5/6/2024 (2 plans)	13.08	3.07	10.57	10.69
4/22/2025 (2 plans)	13.96	2.09	9.83	10.77

¹ Risk-free rate: specified term after 2 years.

For all performance share plans, the maturity corresponds to the vesting period (i.e., two years or three years). In addition, it is assumed, based on historical observations, that five to ten percent of the shares will not be delivered due to the departure of beneficiaries during the vesting period.

During the financial year, the balance of shares granted changed as follows:

Development of Shares Granted

Grant date	Maximum number granted	Balance as of 12/31/2024	Change based on performance	Granted	Delivered	Forfeited	Balance as of 12/31/2025
10/10/2022	291,050	270,850	–	–	(264,350)	(6,500)	–
10/10/2022	224,700	169,075	663	–	(169,738)	–	–
5/15/2023	311,300	297,200	–	–	–	(9,500)	287,700
5/15/2023	191,900	157,733	(21,772)	–	–	(5,867)	130,094
5/6/2024	322,200	313,700	–	–	–	(9,500)	304,200
5/6/2024	209,000	197,192	(23,292)	–	–	(17,333)	156,567
4/22/2025	342,500	–	(10,275)	342,500	–	–	332,225
4/22/2025	241,200	–	(31,555)	241,200	–	–	209,645
Total	2,133,850	1,405,750	(86,231)	583,700	(434,088)	(48,700)	1,420,431

The forfeitures recorded during the financial year are due to beneficiaries leaving before the exercise period of their rights began. Forfeitures may also be due to non-achievement of financial performance targets set on allocating the plans.

The employee expenses related to the plans are as follows:

Personnel Costs

in € millions	2025	2024
Grant date		
10/10/2022 (2 plans)	0.2	1.4
5/15/2023 (2 plans)	1.5	1.7
5/6/2024 (2 plans)	1.7	1.2
4/22/2025 (2 plans)	1.2	–
Total	4.6	4.3

Afya Stock Options Plan

The stock option plan approved on August 30, 2019, and last amended on July 31, 2023, authorized senior executives and other employees to acquire shares in Afya Ltd. The stock options plan is accounted for as an equity-settled share-based payment transaction. Due to the modifications, the expense related to the share-based payment reflects the cost of the original award at grant date over the vesting period plus the incremental fair value of the repriced options at modification date over the vesting period of the options.

In the financial year 2025, Afya granted 752,000 (previous year: 113,900) stock options to its executives.

Inputs for Determining Fair Value

	November 2025	April 2025
Strike price at the measurement date (in BRL)	63	80
Expected dividend yield (in percent)	0.0	0.0
Expected volatility (in percent)	24–41	35–44
Risk-free interest rate (in percent)	13–15	14–15
Expected life of stock option (in years)	1–5	1–5
Share price at the measurement date (in BRL)	79.36	107.33
Valuation model used	Binomial	Binomial
Weighted average fair value at the measurement date (in BRL)	33.27	45.95

The number and movements in stock options granted during the period have developed as follows:

Development of the Number of Stock Options and Weighted Average Exercise Price

	Weighted average strike price (in BRL)	Number of shares 2025	Number of shares 2024
Balance as of 1/1	67.31	1,610,679	1,696,064
Granted	63.95	752,000	113,900
Exercised	63.62	(404,478)	(147,955)
Forfeited	72.42	(57,152)	(16,182)
Expired	68.54	(57,680)	(35,148)
Balance as of 12/31	65.91	1,843,369	1,610,679
Exercisable	71.33	340,219	427,202

In the financial year 2025, expenses for this stock option plan amounted to €1 million (previous year: €3 million) and were recognized in profit or loss as personnel expenses.

19 Provisions for Pensions and Similar Obligations

in € millions	12/31/2025	12/31/2024
Defined benefit obligation	555	676
Similar obligations	54	54
	609	731

The Bertelsmann Group operates various pension plans for current and former employees and their surviving dependents. The model of such plans varies according to the legal, fiscal, and economic environment of the country concerned. These company pension plans include both defined contribution and defined benefit plans.

In the case of defined contribution plans, the company makes payments into an external pension fund or another welfare fund through a statutory, contractual, or voluntary model. The company has no obligation to provide further benefits once it has made these payments, so no provisions are recognized. Expenses for defined contribution plans in the amount of €70 million were recognized in the financial year 2025 (previous year: €68 million). The contributions paid by the employer to state pension plans amounted to €355 million in the financial year 2025 (previous year: €338 million).

All other pension plans are defined benefit plans. The US companies' obligations for healthcare costs for employees after they retire (medical care plans) are also defined benefit obligations and are included in the provisions on the balance sheet. For all the retirement benefit plans, a distinction must be made as to whether or not these are financed through an external investment fund.

Net Defined Benefit Liability Recognized in the Balance Sheet

in € millions	12/31/2025	12/31/2024
Present value of defined benefit obligation of unfunded plans	543	579
Present value of defined benefit obligation of funded plans	2,585	2,825
Total present value of defined benefit obligation	3,128	3,404
Fair value of plan assets	(2,789)	(2,904)
Impact from asset ceiling	–	–
Net defined benefit liability recognized in the balance sheet	339	500
– thereof provisions for pensions	555	676
– thereof other assets	216	176

Provisions are recognized for these defined benefit plans. The following tables show the breakdown of the benefit by plan beneficiary and by type of benefit plan:

Plan Beneficiaries

	Number of employees		in € millions	
	2025	2024	2025	2024
Active members	17,328	17,872	695	809
Deferred members	11,209	11,567	591	655
Pensioners	17,310	17,314	1,843	1,940
Total	45,847	46,753	3,128	3,404
– thereof vested			3,079	3,349

Benefit Plans

in € millions	12/31/2025	12/31/2024
Flat salary plans	1,583	1,719
Final salary plans	971	1,070
Career average plans	305	354
Other commitments given	221	208
Medical care plans	48	53
Present value of defined benefit obligation	3,128	3,404
– thereof capital commitments	126	146

The obligations and plan assets available for the existing pension plans are, in some cases, exposed to demographic, economic, and legal risks. The demographic risks are primarily the longevity risk for pensioners. Economic risks include, in this respect, mostly unforeseeable developments on the capital markets and the associated impacts on plan assets and pension obligations. Legal risks can result from restrictions to investments and minimum funding requirements. A Group-wide pension guideline was introduced in 2004 to substantially minimize these risks. This stipulates that all new pension plans are, as a rule, only to be designed as defined contribution plans so that the charges from benefit commitments are always acceptable, calculable, and transparent, and so that no risks can arise that the company cannot influence. In addition, the Bertelsmann Group aims, in particular, to transfer existing final salary-related pension agreements to plans with fixed amounts and capital commitments that are independent from trends. As a result of these measures, the obligations are almost entirely due to the plans that have been closed.

The Bertelsmann Group has minimum funding obligations for the plans in the United States and the United Kingdom. The pension plan in the United States is subject to the minimum funding agreements according to the “Employee Retirement Income Security Act of 1974” (ERISA). In general, the aim under this agreement is to have a fully funded pension plan so that the annual contributions to the plan assets are limited to the pension entitlements the insured employee has earned during the year, as is the case for a defined contribution plan. If the pension obligations are not fully covered by the plan assets, an additional amount sufficient to ensure full financing over a seven-year period must be applied in excess of this contribution. The plans in the United Kingdom are subject to the “Pensions Act 2004,” which includes reviewing the full financing of the pension plan from an actuarial perspective every three years with annual monitoring and, if necessary, eliminating any deficits that may have arisen by means of further additions to plan assets. There are no other material regulatory conditions over and above the minimum funding regulations in the United States and the United Kingdom.

The provisions are determined using actuarial reports in accordance with IAS 19. The amount of provisions depends on the employees’ length of service with the company and their pensionable salary. Provisions are computed using the projected unit credit method, in which the benefit entitlement earned is allocated to each year of service, thus assuming an increasing cost of service in comparison to the entry age normal method. When identifying the present value of the pension obligation, the underlying interest rate is of material importance. In the Bertelsmann Group, this is based on the “Mercer Yield Curve Approach.” With this approach, separate spot rate yield curves are created for the eurozone, the United Kingdom, and the United States on the basis of high-quality corporate bonds. In order to appropriately present the time value of

money in accordance with IAS 19.84, the basis does not consider either spikes for which the risk estimate may be substantially higher or lower, or bonds with embedded options that distort interest rates. Biometric calculations of domestic plans are based on the 2018 G mortality tables of Heubeck-RichttafelIn-GmbH. Comparable country-specific calculation methods are used for foreign pension plans.

Further significant actuarial assumptions were made based on a weighted average as follows:

Actuarial Assumptions

	12/31/2025				12/31/2024			
	Germany	United Kingdom	United States	Other countries	Germany	United Kingdom	United States	Other countries
Discount rate	4.30 %	5.64 %	5.16 %	3.40 %	3.50 %	5.60 %	5.55 %	3.08 %
Salary trend	2.25 %	2.40 %	3.50 %	1.76 %	2.25 %	2.67 %	3.50 %	1.89 %
Pension trend ¹	2.00 %	2.28 %	n/a	1.97 %	2.00 %	2.97 %	n/a	1.97 %

¹ The pension trend for Germany applies to eligible individuals not subject to an agreed guarantee adjustment.

An increase or decrease in the assumptions set out above compared to the assumptions actually applied would have had the following effects on the present value of the defined benefit obligation as of December 31, 2025:

Effect of Actuarial Assumptions

in € millions	Increase	Decrease
Effect of 0.5 percentage point change in discount rate	(165)	181
Effect of 0.5 percentage point change in salary trend	11	(10)
Effect of 0.5 percentage point change in pension trend	98	(88)
Effect of change in average life expectancy by 1 year	130	(134)

In order to determine the sensitivity of the longevity, the mortality rates for all beneficiaries were reduced or increased evenly, so that the life expectancy of a person of a country-specific retirement age increases or decreases by one year.

Changes in the present value of defined benefit obligations and plan assets were as follows:

Development of the Defined Benefit Plans

in € millions	Defined benefit obligation (I)		Fair value of plan assets (II)		Net defined benefit balance (I)-(II) ¹	
	2025	2024	2025	2024	2025	2024
Balance as of 1/1	3,404	3,368	2,904	2,874	500	494
Current service cost	30	32	–	–	30	32
Interest expenses	126	127	–	–	126	127
Interest income	–	–	112	111	(112)	(111)
Past service cost	(2)	–	–	–	(2)	–
Income and expenses for defined benefit plans recognized in the consolidated income statement	154	159	112	111	42	48
Income/expense on plan assets excluding amounts included in net interest expenses	–	–	(30)	20	30	(20)
Actuarial gains (-) and losses (+)						
– changes in financial assumptions	(240)	(42)	–	–	(240)	(42)
– changes in demographic assumptions	2	(1)	–	–	2	(1)
– experience adjustments	46	58	–	–	46	58
Remeasurements for defined benefit plans recognized in the consolidated statement of comprehensive income	(192)	15	(30)	20	(162)	(6)
Contributions to plan assets by employer	–	–	(100)	(108)	100	108
Contributions to plan assets by employees	2	2	2	2	–	–
Pension payments	(195)	(168)	(51)	(30)	(144)	(138)
Cash effects from settlements	–	–	–	–	–	–
Change of consolidation scope	–	(1)	–	–	–	–
Changes associated with assets held for sale	–	1	–	–	–	–
Exchange rate changes	(42)	30	(45)	35	4	(6)
Other changes	(3)	(1)	(3)	(1)	–	–
Other reconciling items	(237)	(137)	(197)	(101)	(40)	(36)
Balance as of 12/31	3,128	3,404	2,789	2,904	339	500
thereof						
Germany	2,409	2,638	2,006	2,097	403	542
United Kingdom	472	479	648	641	(175)	(162)
United States	112	144	78	111	33	33
Other European countries	111	116	42	41	69	75
Other countries	24	27	15	14	9	12

¹ In the financial year 2025, for calculating the "Net defined benefit balance," the effects of the asset ceiling in accordance with IAS 19 amounting to €0 million were taken into account in the item "Other changes" (previous year: €0 million).

Of the contributions to plan assets, €1 million (previous year: €2 million) pertains to Germany. Employer contributions to plan assets are expected to amount to €5 million in the next financial year. Reimbursement rights for defined benefit obligations in Germany amount to €20 million (previous year: €22 million) and are recognized in the balance sheet position "Trade and other receivables."

The expenses for defined benefit plans are broken down as follows:

Expenses for Defined Benefit Plans

in € millions	2025	2024
Current service cost	30	32
Past service cost and impact from settlement	(2)	–
Net interest expenses	14	16
Net pension expenses	42	48

The portfolio structure of plan assets is composed as follows:

Portfolio Structure of Plan Assets

in € millions	12/31/2025	12/31/2024
Debt instruments ¹	1,855	1,995
Equity instruments ¹	613	630
Cash and cash equivalents	66	89
Qualifying insurance policies	122	127
Other funds	129	102
Derivatives	–	(50)
Property	3	7
Other	1	3
Fair value of plan assets	2,789	2,904

¹ For almost all equity and debt instruments, market prices are listed on an active market.

The plan assets in the Bertelsmann Group are used exclusively for the fulfillment of benefit obligations. To avoid a concentration of risk, plan assets are invested in various classes of investments. The majority of plan assets are managed by Bertelsmann Pension Trust e.V. under a contractual trust arrangement (CTA) by pension commitments of Bertelsmann SE & Co. KGaA and some of the German subsidiaries. There is no funding requirement for the CTA. In the financial year 2025, no contribution was made to plan assets; instead, Bertelsmann SE & Co. KGaA was reimbursed €105 million for the 2024 pension payments through the CTA. In the financial year 2025, the Executive Board decided to change the previous income-oriented investment strategy (total return approach) to a liability-driven investment strategy. The aim of the new investment strategy is to further reduce the economic risks arising from pension obligations to create financial leeway for the Bertelsmann Group. To this end, a comprehensive asset-liability management study was conducted for the first time and initial measures were implemented to strategically align capital investments with the liability structure. The implementation of a liability-driven investment (LDI) approach and further measures are planned for fiscal year 2026. The management board of the pension trust is responsible for the investment and regularly informs the trustor of the status and performance of the pension assets.

The weighted-average duration of the pension obligations as of December 31, 2025, is as follows:

Weighted Average Duration

in years	2025	2024
Germany	12	13
United Kingdom	15	14
United States	9	10
Other countries	13	13

The maturity profile of the anticipated undiscounted pension payments is presented in the following table:

Maturity Profile of Pension Payments

in € millions	Expected pension payments
2026	181
2027	181
2028	192
2029	200
2030	212
2031–2035	1,003

Similar obligations relate to provisions for bonuses for employee service anniversaries, amounts due but not yet paid to defined contribution plans, partial retirement, and severance payments at retirement. Severance payments at retirement are made when employees leave the company and are based on statutory obligations. Provisions for employee service anniversary bonuses and severance payments at retirement are recognized in the same way as defined benefit plans, but with actuarial gains and losses recognized in profit or loss. Employees in Germany who are at least 55 years old and have a permanent employment contract with the company qualify for the partial retirement schemes. The partial retirement phase lasts two to six years.

The following table shows the breakdown in similar obligations:

Breakdown of Similar Obligations

in € millions	12/31/2025	12/31/2024
Provisions for employee service anniversaries	24	25
Provisions for old-age part-time schemes	14	11
Other	16	18
Similar obligations	54	54

20 Other Provisions

in € millions	12/31/2024			Reversal	Usage	Other effects	Accrued interest	12/31/2025	
		of which > 1 year	Additions						of which > 1 year
Onerous contracts	143	86	26	(4)	(51)	(9)	3	107	56
Litigation	48	25	16	(8)	(4)	(2)	–	51	27
Restructuring	98	27	120	(8)	(62)	(3)	1	146	7
Other employee benefits	12	1	7	(1)	(8)	(1)	–	9	–
Other	99	45	46	(17)	(13)	2	1	117	43
	400	184	215	(39)	(138)	(13)	5	430	133

The provisions for onerous contracts concern the Penguin Random House division in the amount of €63 million (previous year: €88 million), thereof €54 million are attributable to an onerous lease contract of Penguin Random House in the United States (previous year: €78 million). A further €27 million (previous year: €28 million) relates to Bertelsmann Marketing Services and a further €13 million (previous year: €23 million) to RTL Group. Provisions for litigation pertain in the amount of €25 million (previous year: €22 million) to RTL Group companies.

In accordance with IAS 37, restructuring provisions include termination benefits and other costs relating to market-related restructuring measures. Provisions in the amount of €146 million (previous year: €98 million) are recognized for various restructuring programs within the Bertelsmann Group. The additions relate mainly to the RTL Group division (€106 million). In December 2025, RTL Deutschland announced a restructuring plan. This plan is based on cost-run benchmark and defined top-down target developed in consultation and agreement with the RTL Deutschland work council. The related restructuring provision amounted to €89 million as of December 31, 2025. In addition, RTL Deutschland continued to implement and expand its existing restructuring plan, originally announced in the financial year 2023 for the reorganization of its publishing activities, throughout 2025. The related restructuring provision amounted to €20 million as of December 31, 2025 (previous year: €36 million).

The item “Other” is mainly attributable to the Arvato Group (€55 million, previous year: €41 million) and Bertelsmann Marketing Services (€18 million, previous year: €21 million) divisions. In the Bertelsmann Marketing Services division, a provision in the amount of €11 million (previous year: €13 million) refers to compensation obligations from pension entitlements for former employees at the Prinovis location in Ahrensburg toward Axel Springer SE.

21 Profit Participation Capital

in € millions	12/31/2025	12/31/2024
Profit participation capital 1992	23	23
Profit participation capital 2001	390	390
	413	413

The market value of the 2001 profit participation certificates was €733 million with a closing rate of 258.00 percent on the last day of trading in the past financial year on the Frankfurt Stock Exchange (previous year: €785 million with a rate of 276.00 percent) and, correspondingly, €21 million for the 1992 profit participation certificates with a rate of 124.00 percent (previous year: €22 million with a rate of 131.20 percent). The market values are categorized within Level 1 of the fair value hierarchy. Further information on profit participation capital is presented in detail in the Combined Management Report.

22 Financial Debt

Financial debt includes all interest-bearing liabilities to banks and capital markets as of the end of the reporting period. Carrying amounts are calculated as follows:

Current and Non-Current Financial Debt

in € millions	Current		Non-current	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Bonds	443	512	3,562	3,855
Promissory notes	75	150	100	175
Liabilities to banks	101	128	108	112
Other financial debt	67	59	7	133
	686	850	3,777	4,276

The Bertelsmann Group has access to floating-rate and fixed-rate funds through various contractual arrangements. Financial debt is generally unsecured.

In September 2025 a bond of €750 million was repaid on schedule; of this amount, €233 million had already been repaid ahead of schedule. In addition, Bertelsmann placed a fixed-rate publicly listed bond of €750 million with a term of eight years in October 2025. As part of a public buyback offer, a repayment ahead of schedule of €455 million was made in November 2025 on the hybrid bond of nominal €600 million, which was initially terminable in April 2027. The €150 million promissory note due in December 2025 was repaid on schedule. In addition, a floating-rate bond of €300 million due in July 2026 was repaid ahead of schedule in December 2025. Furthermore, the education company Afya placed an unlisted bond of BRL1,500 million in two tranches in October 2025. The first tranche of BRL500 million is due in 2028, while the second tranche of BRL1,000 million is due in 2030. At the same time, Afya has repaid the BRL500 million bond due in 2027 and 2028 ahead of schedule.

The decrease in "Other financial debt" is due, among other things, to Afya's acquisition of all convertible preferred shares under a buyback agreement for a total price of BRL832 million, which was executed in November 2025.

At the end of the reporting period, the Group had publicly listed bonds, private placements, and promissory notes outstanding with a nominal volume of €4,197 million (previous year: €4,713 million). The differences in carrying amount versus nominal amount in the table below result from transaction costs, discounts, and fair value effects from hedge accounting in connection with the conclusion of derivatives. In addition, early redemptions of €57 million were taken into account in calculating the carrying amount of the €500 million bond maturing in April 2026.

Bonds and Promissory Notes

Interest rate; emission; maturity; fixed interest	in millions Nominal amount	in € millions			
		Carrying amount		Fair value	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
1.250%; 2018; 2025; fixed-interest bond ¹	€750	–	512	–	512
1.787%; 2015; 2025; fixed-interest promissory note	€150	–	150	–	149
1.125%; 2016; 2026; fixed-interest bond ¹	€500	443	443	441	435
3 months EURIBOR + 53 bp; 2024; 2026; floating rate note	€300	–	299	–	300
1.000%; 2019; 2026; floating- and fixed-interest promissory note ²	€75	75	75	75	74
1.600%; 2020; 2027; fixed-interest promissory note	€100	100	100	99	98
1.000%; 2020; 2027; fixed-interest bond	€100	100	100	98	97
CDI (Certificado de Depósito Interbancário) + 180 bp; 2022; 2028; floating-rate bond ^{1,3}	BRL500	–	77	–	78
CDI (Certificado de Depósito Interbancário) + 70 bp; 2025; 2028; floating-rate bond ¹	BRL500	77	–	78	–
2.000%; 2020; 2028; fixed-interest bond ¹	€750	748	747	741	733
3.500%; 2022; 2029; fixed-interest bond ¹	€750	747	745	761	770
1.500%; 2020; 2030; fixed-interest bond ¹	€750	746	745	702	702
CDI (Certificado de Depósito Interbancário) + 85 bp; 2025; 2030; floating-rate bond ¹	BRL1,000	155	–	155	–
3.700%; 2012; 2032; fixed-interest bond	€100	99	99	104	106
3.375%; 2025; 2033; fixed-interest bond ¹	€750	744	–	730	–
3.500%; 2015; 2075; fixed-interest hybrid bond ¹	€600	145	599	146	597
		4,180	4,692	4,130	4,651

¹ Listed.

² €10 million floating rate (6-month EURIBOR + 100 bp).

³ Of which BRL 250 million maturing in the financial year 2027.

The documentation of the bonds from Bertelsmann SE & Co. KGaA in the years 2012, 2016, 2018, 2020, 2024, and 2025 is within the framework of a base documentation for debt issuance programs. The hybrid bonds and promissory notes as well as the bonds of 2017 and 2022 were issued on the basis of separate documentation. The bonds mainly have a rating of “Baa2” (Moody’s) and “BBB” (Standard & Poor’s). The debt issuance program was last updated in April 2025. Transaction costs and agreed discounts or premiums are taken into account in the interest result over the term, impacting the carrying amount of the bonds and promissory notes. This led to a difference to the nominal volume of €17 million (previous year: €18 million) at the end of the year.

As a rule, the quoted prices at the end of the reporting period are used to determine the fair value of the bonds issued. On December 31, 2025, the cumulative fair value of the listed bonds totaled €3,754 million (previous year: €3,827 million), with a nominal volume of €3,822 million (previous year: €3,888 million) and a carrying amount of €3,806 million (previous year: €3,868 million). The stock market prices are categorized within Level 1 of the fair value hierarchy.

The fair values of private placements and promissory notes are determined using actuarial methods based on yield curves adjusted for the Group’s credit margin. The interest premium considered results from the market price for credit-default swaps at the end of the respective reporting periods. Fair value is measured on the basis of discount rates ranging from 2.04 percent to 3.08 percent. The fair values of the private placements and promissory notes are categorized within Level 2 of the fair value hierarchy.

Credit Facilities

The Bertelsmann Group has access to a syndicated loan agreement entered into with major international banks in the amount of €1,500 million (previous year: €1,500 million) with a term until 2029. Of this amount, €1,400 million was extended in June 2025 for a further year, until 2030. This credit facility can be utilized by Bertelsmann SE & Co. KGaA through floating-rate loans in euros on a revolving basis.

In addition, Bertelsmann has access to further bilateral credit facilities in the amount of €180 million (previous year: €180 million), which can also be drawn down primarily using floating-rate loans on a revolving basis. The credit facilities were not drawn down as of December 31, 2025, or December 31, 2024.

The credit facility of up to BRL 500 million entered by Afya with the International Finance Corporation had been fully utilized by December 31, 2025, and will be repaid in seven equal semi-annual installments starting in April 2027.

23 Lease Liabilities

The maturities of lease liabilities are presented in the table below.

Maturity Analysis for Lease Liabilities

in € millions	Carrying amount	Undiscounted cash flows			Total
		Up to 1 year	1 to 5 years	Over 5 years	
Balance as of 12/31/2025	1,394	315	825	398	1,538
Balance as of 12/31/2024	1,418	308	798	454	1,559

As of December 31, 2025, potential future cash outflows of €404 million (previous year: €536 million) were not included in the lease liabilities, as it could not be assumed with reasonable certainty that the leases would be extended (or would not be terminated). Future payments arising from short-term leases and leases for low-value assets are not recognized as right-of-use assets and lease liabilities. For such leases, the payments are recognized on a straight-line basis as expenses (further explanations are presented in note 5 "Other Operating Expenses"). Expenses from variable lease payments not included in the lease liability were immaterial as in the previous year. The same applies for income from subleasing right-of-use assets and the resulting lease payments expected in the future. Details on the corresponding right-of-use assets are presented in note 10 "Property, Plant, and Equipment and Right-of-Use Assets."

24 Liabilities

in € millions	12/31/2025	12/31/2024
Trade and other payables		
Non-current		
Trade payables	158	179
Derivative financial instruments	23	23
Sundry financial payables	367	376
	548	578
Current		
Trade payables	4,142	4,321
Refund liabilities	438	473
Derivative financial instruments	32	28
Sundry financial payables	575	621
	5,187	5,443
Other non-financial liabilities		
Non-current		
Contract liabilities	47	36
Sundry non-financial payables	384	410
	431	447
Current		
Contract liabilities	746	785
Sundry non-financial payables	1,067	1,058
– personnel-related liabilities	622	610
– tax liabilities	153	135
– social security liabilities	98	95
– deferred items	10	12
– other	184	206
	1,813	1,843

The item “Contract liabilities” includes payments received by Bertelsmann in advance; that is, prior to satisfaction of the contractual obligations in accordance with IFRS 15. They are recognized as revenue as soon as the contractual obligation has been rendered. Accordingly, revenues amounting to €692 million were recognized in the financial year 2025 (previous year: €872 million), which were included in the balance of contract liabilities at the beginning of the financial year. The reported revenues also comprise the amounts included in the balance of contract liabilities at the beginning of the financial year for companies newly included in the scope of consolidation. As in the previous year, the contract liabilities as of December 31, 2025, mainly relate to deferred revenue from productions at RTL Group, deferred licensing revenue at BMG, and services by the Arvato Group and Bertelsmann Education Group divisions, which will be usually rendered in the following period. As of January 1, 2024, contract liabilities amounted to €900 million.

In accordance with IFRS 15, the item “Refund liabilities” mainly comprises liabilities for expected returns of the Penguin Random House division of €266 million (previous year: €292 million). Correspondingly, in the balance sheet position “Other non-financial assets,” an asset for an immaterial amount is recognized for the customers’ right to recover products from customers upon settling the refund liability. Non-current sundry financial payables also include liabilities from put options relating to shareholders with non-controlling interests of €188 million (previous year: €240 million), minority interests in partnerships of €2 million (previous year: €3 million), and liabilities from the acquisition of assets in the amount of €160 million (previous year: €125 million). The put options have a term of between one and five years. Current sundry financial payables also comprise liabilities from the acquisition of assets in the amount of €244 million (previous year: €217 million) and liabilities to participations in the amount of €17 million (previous year: €17 million).

25 Liabilities Relating to Financial Services

The amounts shown in the following table are attributable to the Riverty business unit.

in € millions	12/31/2025	12/31/2024
Current		
Liabilities relating to the receivables management service provided	91	91
Liabilities relating to sold receivables	31	53
Liabilities from transfer of cash and cash equivalents to financial intermediaries and structured entities	6	35
Continuing involvement	319	259
	448	439

26 Off-Balance-Sheet Liabilities

Off-balance-sheet liabilities break down as follows at the end of the financial year:

Contingent Liabilities and Other Commitments

in € millions	12/31/2025	12/31/2024
Commitments from music, film, and program rights, as well as other rights and licenses	1,777	1,679
Commitments from royalty agreements	1,238	1,356
Commitments from assets under construction and lease contracts not recognized on the balance sheet	138	11
Purchase commitments for other inventories	86	52
Commitments for the acquisition of other intangible assets and property, plant, and equipment	20	20
Guarantees	1	1
Other	715	512
	3,975	3,631

Of the commitments from music, film, and program rights, as well as other rights and licenses, €1,777 million (previous year: €1,679 million) pertains to RTL Group. Commitments from royalty agreements relate to Penguin Random House in the amount of €1,156 million (previous year: €1,277 million) and to BMG in the amount of €79 million (previous year: €79 million). Commitments from assets under construction and lease contracts not recognized on the balance sheet comprise leases not yet commenced, but to which the lessee is committed.

The increase in the item "Other" is mainly due to increased future contractual payment obligations in connection with the switch to cloud-based ERP and IT infrastructure solutions. The item "Other" also includes commitments to increase or acquire investments in the amount of €208 million (previous year: €73 million). Of this amount, €150 million relates to RTL Group. The remaining amount primarily relates to fund of fund commitments of the Bertelsmann Investments division. In addition, the item includes obligations arising from agreements with service providers in connection with terrestrial and cable transmission and the distribution of signals from RTL Group's TV and radio stations in the amount of €110 million (previous year: €106 million).

27 Additional Disclosures on Financial Instruments

Both of the following tables show the carrying amounts and measurement categories of financial assets and financial liabilities in accordance with IFRS 9 as of December 31, 2025:

Carrying Amounts and Measurement Categories of Financial Assets

in € millions	Balance sheet position	12/31/2025	12/31/2024
Financial assets measured at amortized cost			
– loans	Minority stakes and other financial assets	21	24
– trade receivables	Trade and other receivables	3,676	3,724
– receivables from participations	Trade and other receivables	13	18
– sundry financial receivables	Trade and other receivables	355	306
– purchased receivables which are not credit-impaired	Receivables relating to financial services	287	324
– receivables which are credit-impaired on purchase	Receivables relating to financial services	556	480
– receivables relating to sold receivables	Receivables relating to financial services	80	82
– bank balances and cash on hand	Cash and cash equivalents	1,110	1,265
– cash equivalents	Cash and cash equivalents	220	175
Financial assets measured at fair value through other comprehensive income			
– other financial assets	Minority stakes and other financial assets	27	21
Primary financial assets measured at fair value through profit or loss			
– loans	Minority stakes and other financial assets	27	34
– minority stakes held by venture capital organizations	Minority stakes and other financial assets	1,121	1,170
– fund of funds investments held by venture capital organizations	Minority stakes and other financial assets	196	164
– receivables relating to financial services for resale	Receivables relating to financial services	382	400
– sundry financial receivables	Trade and other receivables	1	1
– other financial assets	Minority stakes and other financial assets	265	325
– cash equivalents	Cash and cash equivalents	479	802
Derivative financial instruments	Minority stakes and other financial assets	62	50
Continuing involvement	Receivables relating to financial services	319	259
		9,195	9,623

Carrying Amounts and Measurement Categories of Financial Liabilities

in € millions	Balance sheet position	12/31/2025	12/31/2024
Financial liabilities measured at amortized cost			
– profit participation capital	Profit participation capital	413	413
– bonds and promissory notes	Financial debt	4,180	4,692
– liabilities to banks	Financial debt	209	241
– other financial debt	Financial debt	73	193
– trade payables	Trade and other payables	4,299	4,501
– liabilities to participations	Trade and other payables	17	17
– liabilities relating to the receivables management service provided	Liabilities relating to financial services	91	91
– liabilities relating to sold receivables	Liabilities relating to financial services	31	53
– liabilities from transfer of cash and cash equivalents to financial intermediaries and structured entities	Liabilities relating to financial services	6	35
– other	Trade and other payables	1,118	1,291
Primary financial liabilities measured at fair value through profit or loss			
Derivative financial instruments	Trade and other payables	55	51
Continuing involvement	Liabilities relating to financial services	319	259
		11,058	12,000

The fair values of the bonds and promissory notes are presented in note 22 “Financial Debt.” The carrying amounts of the other financial assets and liabilities measured at amortized cost represent a reasonable approximation of fair value.

Financial Assets Measured at Fair Value Categorized Using the Fair Value Measurement Hierarchy

in € millions	Level 1: Quoted prices in active markets	Level 2: Observable market data	Level 3: Unobservable market data	Total as of 12/31/2025
Loans	–	–	27	27
Minority stakes held by venture capital organizations	74	–	1,047	1,121
Fund of funds investments held by venture capital organizations	–	–	196	196
Receivables relating to financial services for resale	–	–	382	382
Sundry financial receivables	–	–	1	1
Other financial assets	177	36	79	292
Cash equivalents	–	479	–	479
Primary and derivative financial assets held for trading	–	12	2	14
Derivatives with hedge relation	–	48	–	48
	250	575	1,734	2,559

in € millions	Level 1: Quoted prices in active markets	Level 2: Observable market data	Level 3: Unobservable market data	Total as of 12/31/2024
Loans	–	–	34	34
Minority stakes held by venture capital organizations	96	–	1,074	1,170
Fund of funds investments held by venture capital organizations	–	–	164	164
Receivables relating to financial services for resale	–	–	400	400
Sundry financial receivables	–	–	1	1
Other financial assets	225	36	85	345
Cash equivalents	–	802	–	802
Primary and derivative financial assets held for trading	–	37	–	37
Derivatives with hedge relation	–	13	–	13
	321	888	1,757	2,966

It is possible to allocate the financial instruments measured at fair value in the balance sheet to the three levels of the fair value hierarchy by category, based on the tables showing carrying amounts and measurement categories for the respective financial year. The financial assets of Level 1 are mainly attributable to the minority stake in Teleperformance in the amount of €142 million (previous year: €192 million), measured at fair value through profit or loss. The financial assets of Level 3 pertain mainly to investments held by the Bertelsmann Investments division, which were recognized at fair value.

Level 2 financial assets primarily comprise investments in diversified money market funds reported as cash equivalents, which are measured at fair value through profit or loss and are subject to only insignificant fluctuations in value.

Financial Assets Measured at Fair Value Categorized within Level 3

in € millions	Loans	Minority stakes held by venture capital organizations	Fund of funds investments held by venture capital organizations	Receivables relating to financial services for resale	Sundry financial receivables	Other financial assets and derivative financial instruments	Total
Balance as of 1/1/2025	34	1,074	164	400	1	85	1,757
Total gain (+) or loss (-)	(8)	(76)	(18)	(2)	–	(8)	(112)
– in profit or loss	(7)	(75)	(15)	(2)	–	(4)	(103)
– in other comprehensive income	(1)	(1)	(3)	–	–	(4)	(9)
Purchases	21	209	106	384	1	13	734
Transfers out of Level 3	(11)	(25)	–	–	–	(3)	(39)
Sales/settlements	(10)	(134)	(56)	(400)	(1)	(6)	(608)
Balance as of 12/31/2025	27	1,047	196	382	1	81	1,734
Gain (+) or loss (-) for assets still held at the end of the reporting period	(1)	(72)	(15)	(2)	–	(3)	(93)

in € millions	Loans	Minority stakes held by venture capital organizations	Fund of funds investments held by venture capital organizations	Receivables relating to financial services for resale	Sundry financial receivables	Other financial assets and derivative financial instruments	Total
Balance as of 1/1/2024	24	1,007	148	561	1	102	1,843
Total gain (+) or loss (-)	–	33	(5)	(3)	(1)	2	27
– in profit or loss	(1)	33	(6)	(3)	(1)	10	34
– in other comprehensive income	–	–	1	–	–	(8)	(7)
Purchases	18	74	28	402	–	9	532
Transfers into Level 3 (including first-time classification as Level 3)	1	–	–	–	1	–	2
Transfers out of Level 3	–	(23)	–	–	–	(1)	(24)
Sales/settlements	(6)	(21)	(8)	(561)	(1)	(29)	(625)
Reclassifications and other changes	(3)	3	–	–	–	3	3
Balance as of 12/31/2024	34	1,074	164	400	1	85	1,757
Gain (+) or loss (-) for assets still held at the end of the reporting period	(1)	32	(6)	(3)	–	(10)	13

The purchases of minority stakes held by venture capital organizations relate exclusively to various new and follow-up investments by the Bertelsmann Investments division, in particular investments by the Bertelsmann India Investments (BII) and Bertelsmann Asia Investments (BAI) fund, none of which was material on a stand-alone basis. The purchases of fund of funds investments held by venture capital organizations and the sales/settlements of minority stakes and of fund of funds investments held by venture capital organizations were mainly related to the opening of the Bertelsmann Digital Media Investments (BDMI) fund to a broader investor base and the exit of the AI company Phare Health to R1. There were no transfers into level 3 in the financial year 2025.

In the financial year 2024, the purchases of minority stakes and fund of funds investments held by venture capital organizations related exclusively to various new and follow-up investments by the Bertelsmann Investments division, in particular investments by the Bertelsmann India Investments (BII) fund, none of which was material on a stand-alone basis. The sales/settlements of these two items also related exclusively to the Bertelsmann Investments division, none of which was material on a stand-alone basis. Transfers out of Level 3 were made in the financial year 2024 mainly at Bertelsmann Investments as a result of expiring lock-up periods. The transfers into Level 3 were immaterial in the financial year 2024.

Financial Liabilities Measured at Fair Value Categorized Using the Fair Value Measurement Hierarchy

in € millions	Level 1: Quoted prices in active markets	Level 2: Observable market data	Level 3: Unobservable market data	Total as of 12/31/2025
Financial liabilities measured at fair value through profit or loss	–	–	245	245
Primary and derivative financial liabilities held for trading	–	13	–	13
Derivatives with hedge relation	–	42	–	42
	–	55	245	300

in € millions	Level 1: Quoted prices in active markets	Level 2: Observable market data	Level 3: Unobservable market data	Total as of 12/31/2024
Financial liabilities measured at fair value through profit or loss	–	–	162	162
Primary and derivative financial liabilities held for trading	–	20	–	20
Derivatives with hedge relation	–	31	–	31
	–	51	162	213

Financial Liabilities Measured at Fair Value Categorized within Level 3

in € millions	Financial liabilities measured at fair value through profit or loss	Total
Balance as of 1/1/2025	162	162
Total gain (-) or loss (+)	1	1
– in profit or loss	18	18
– in other comprehensive income	(17)	(17)
Purchases	104	104
Settlements	(22)	(22)
Balance as of 12/31/2025	245	245
Gain (-) or loss (+) for liabilities still held at the end of the reporting period	18	18

in € millions	Financial liabilities measured at fair value through profit or loss	Total
Balance as of 1/1/2024	271	271
Total gain (-) or loss (+)	33	33
– in profit or loss	24	24
– in other comprehensive income	8	8
Purchases	17	17
Settlements	(114)	(114)
Reclassifications and other changes	(44)	(44)
Balance as of 12/31/2024	162	162
Gain (-) or loss (+) for liabilities still held at the end of the reporting period	23	23

The settlements in the financial year 2025 mainly relate to earn-out liabilities in connection with acquisitions by the Bertelsmann Investments division. The settlements in the financial year 2024 mainly related to liabilities from put options as part of the acquisition of further shares in Sourcebooks LLC and earn-out liabilities in connection with an acquisition by the Bertelsmann Investments division in the 2023 financial year. Reclassifications and other changes were mainly due to the non-exercise of put options in the financial year 2024. There were no transfers into or out of Level 3 in the financial years 2025 and 2024.

Level 1:

The fair value of the listed financial instruments is determined on the basis of stock exchange listings at the end of the reporting period, if there are no contractual lockups.

Level 2:

For measuring the fair value of unlisted derivatives, Bertelsmann uses various financial methods reflecting the prevailing market conditions and risks at the respective balance sheet dates. Irrespective of the type of financial instrument, future cash flows are discounted at the end of the reporting period based on the respective market interest rates and yield curves at the end of the reporting period. The fair value of forward exchange transactions is calculated using the middle spot prices at the end of the reporting period and taking into account forward markdowns and markups for the remaining term of the transactions. The fair value of interest rate derivatives is calculated on the basis of the respective market rates and yield curves at the end of the reporting period. The fair values of the money market funds correspond to the price quotations of funds not directly listed on the stock exchange.

Level 3:

If no observable market data is available, fair value measurement is based primarily on cash flow-based valuation techniques. As a rule, so-called qualified financing rounds are used for minority stakes held by venture capital organizations in the Bertelsmann Investments division. Listed financial instruments with contractual lockups are also categorized within Level 3. Riverty's receivables relating to financial services for resale are measured as part of a revolving calculation based on historical defaults and taking into account the forecast payment behavior.

The measurement of financial assets and financial liabilities according to Level 2 and Level 3 requires management to make certain assumptions about the model inputs, including cash flows, discount rate, and credit risk, as well as the life and development cycle in the case of start-up investments. Transfers between levels of the fair value hierarchy are recognized at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1 and 2 during the financial years 2025 and 2024.

Financial assets and liabilities are offset on the balance sheet if master netting agreements or similar agreements allow the Bertelsmann Group and the counterparty to reach settlement on a net basis. Settlement on a net basis is thus legally valid both as part of ordinary business activities and in the event of payment default by one of the parties. In addition, Bertelsmann enters into transactions in financial derivatives that do not meet the criteria for offsetting on the balance sheet, as future events determine the right to offset. As of December 31, 2025, as in the previous year, no on-balance-sheet offsetting was performed, whereas there was a non-recognized offsetting potential of €29 million (previous year: €23 million) in connection with derivative financial instruments.

Credit Risk

In accordance with IFRS 9, Bertelsmann uses the simplified approach to measure expected credit losses on trade receivables and contract assets. According to this, the loss allowance is measured using lifetime expected credit losses. For this purpose, provision matrices based on historic bad debt losses, maturity bands, and expected credit losses are prepared. The provision matrices are created for division-specific or business unit-specific groups of receivables, each with similar default patterns. In addition, separate risk assessments are performed. Bertelsmann also considers other quantitative and qualitative information and analyses based on the Group's historical experience and reasonable assessments, including forward-looking information such as customer-specific information and forecasts of future economic conditions. Contract assets have substantially the same risk characteristics as trade receivables for the same types of contracts, so that the expected loss rates for trade receivables are also a reasonable approximation of the loss rates for contract assets.

Based on this, the loss allowance as of December 31, 2025, was determined as follows for both trade receivables and contract assets:

Credit Risk for Trade Receivables and Contract Assets

in € millions	Not credit-impaired				Credit-impaired
	Not overdue	Overdue 1 to 30 days	Overdue 31 to 90 days	Overdue more than 90 days	
Expected loss rate (in percent)	0.65	1.43	5.17	12.20	n/a
Trade receivables and contract assets	2,314	350	116	82	989
Loss allowance for expected credit losses	(15)	(5)	(6)	(10)	(105)
Balance as of 12/31/2025	2,298	345	111	72	884

in € millions	Not credit-impaired				Credit-impaired
	Not overdue	Overdue 1 to 30 days	Overdue 31 to 90 days	Overdue more than 90 days	
Expected loss rate (in percent)	0.68	0.93	3.42	7.14	n/a
Trade receivables and contract assets	2,219	432	117	98	1,043
Loss allowance for expected credit losses	(15)	(4)	(4)	(7)	(107)
Balance as of 12/31/2024	2,204	428	112	90	936

The expected loss rates correspond to the average rates for the respective division-specific or business unit-specific groups of receivables. In the financial year 2025, impairment losses and reversals of impairment losses amounting to €-23 million (previous year: €-32 million) were recognized on trade receivables and contract assets.

The following table shows a reconciliation from the opening balance to the closing balance of loss allowances for trade receivables and contract assets in the financial year 2025:

Reconciliation of Loss Allowance for Trade Receivables and Contract Assets

in € millions	2025	2024
Balance as of 1/1	(138)	(123)
Additions	(56)	(58)
Usage	20	19
Reversal	33	26
Change of consolidation scope	(7)	(1)
Exchange rate effects	7	-
Balance as of 12/31	(140)	(138)

Bertelsmann applies the general approach for all other financial assets that are subject to the expected credit loss model. The following table shows a reconciliation from the opening balances to the closing balances of loss allowances for the corresponding financial instruments:

Reconciliation of Loss Allowance for Other Financial Assets

in € millions	Loans	Purchased receivables which are not credit-impaired	Sundry financial receivables	Purchased receivables which are credit-impaired	Total
Balance as of 1/1/2025	(8)	(108)	(15)	(51)	(182)
Additions	(1)	(16)	(24)	(23)	(65)
Usage	1	1	2	1	5
Reversal	–	6	–	25	31
Exchange rate effects	–	–	1	–	–
Balance as of 12/31/2025	(8)	(118)	(36)	(49)	(211)
– thereof 12-month expected credit loss	(2)	(33)	(6)	n/a	(41)
– thereof lifetime expected credit loss but not credit-impaired	(2)	(83)	(20)	n/a	(106)
– thereof lifetime expected credit loss and credit-impaired	(4)	(1)	(9)	n/a	(15)

in € millions	Loans	Purchased receivables which are not credit-impaired	Sundry financial receivables	Purchased receivables which are credit-impaired	Total
Balance as of 1/1/2024	(37)	(99)	(19)	(37)	(191)
Additions	–	(17)	(3)	(61)	(82)
Usage	–	1	–	1	1
Reversal	–	6	–	47	54
Change of consolidation scope	28	–	7	–	34
Exchange rate effects	–	1	–	–	1
Balance as of 12/31/2024	(8)	(108)	(15)	(51)	(182)
– thereof 12-month expected credit loss	(4)	(6)	(4)	n/a	(15)
– thereof lifetime expected credit loss but not credit-impaired	–	(100)	(1)	n/a	(101)
– thereof lifetime expected credit loss and credit-impaired	(4)	(1)	(9)	n/a	(15)

The impairment loss identified for cash and cash equivalents was immaterial in both the financial year 2025 and the previous year.

As in the previous year, the carrying amount of all receivables, loans, and securities constitutes the Bertelsmann Group's maximum default risk as of the end of the reporting period.

The following table presents the contractually fixed undiscounted cash flows of the financial liabilities for settlements. The figures are based on undiscounted cash flows at the earliest date at which the Bertelsmann Group can be held liable for payment.

Maturity Analysis for Non-Derivative Financial Liabilities

in € millions	Carrying amount	Undiscounted cash flows			Total
		Up to 1 year	1 to 5 years	Over 5 years	
Profit participation capital	413	–	3	410	413
Fixed-interest bonds and promissory notes	3,937	508	2,450	995	3,953
Floating-rate bonds and promissory notes	242	10	233	–	243
Liabilities to banks	209	101	106	2	209
Other financial debt	73	67	3	4	73
Trade payables	4,299	4,142	157	3	4,302
Liabilities relating to financial services	448	448	–	–	448
Liabilities to participations	17	17	–	–	17
Other	1,363	996	407	3	1,406
Balance as of 12/31/2025	11,001	6,289	3,359	1,417	11,064
Profit participation capital	413	–	413	–	413
Fixed-interest bonds and promissory notes	4,305	667	2,208	1,450	4,325
Floating-rate bonds and promissory notes	386	–	388	–	388
Liabilities to banks	241	128	104	11	243
Other financial debt	193	59	130	4	193
Trade payables	4,501	4,321	174	6	4,501
Liabilities relating to financial services	439	439	–	–	439
Liabilities to participations	17	17	–	–	17
Other	1,453	1,074	435	1	1,511
Balance as of 12/31/2024	11,948	6,705	3,852	1,472	12,030

Current cash outflows from financial liabilities are offset by planned cash inflows from receivables and other financial assets. To cover current cash flows, Bertelsmann SE & Co. KGaA also has adequate financial reserves in the amount of cash and cash equivalents and unutilized credit facilities existing at the end of the reporting period.

The maturity analysis for lease liabilities as of December 31, 2025, is presented in note 23 “Lease Liabilities.”

Based on the remaining contractual terms of its financial liabilities at the end of the reporting period, the Bertelsmann Group will have to make the following future interest payments:

Future Interest Payments

in € millions	Undiscounted interest payments			Total
	Up to 1 year	1 to 5 years	Over 5 years	
Profit participation capital	45	181	135	361
Bonds and promissory notes	132	388	83	603
Liabilities to banks	17	22	–	39
Other financial debt	4	1	–	5
Balance as of 12/31/2025	198	592	218	1,008
Profit participation capital	45	136	–	181
Bonds and promissory notes	115	294	22	431
Liabilities to banks	23	31	–	54
Other financial debt	12	3	–	15
Balance as of 12/31/2024	195	464	22	681

Financial Services Related to Receivables Acquired and Sold and Further Disclosures to Structured Entities

In certain individual cases, the Riverty business unit sells receivables purchased from third parties to financial intermediaries and structured entities.

The criteria for the revolving acquisition by the structured entities are contractually specified and relate to a purchase up to a maximum financing volume of €700 million (previous year: €250 million). During the one-year contract period, Riverty has no influence on the selection, volume, or quality of the receivables to be purchased by the structured entities. The structured entities are refinanced by financial intermediaries. In the financial year 2025, receivables with a nominal volume of €5,148 million (previous year: €1,699 million) were sold to the structured entities. Riverty provides the financial services for the receivables sold to the structured entities, but can be dismissed at any time. The fee received for this is at arm's length.

The receivables sold to financial intermediaries and the structured entities relate primarily to short-term receivables, some covered by credit insurance, that Riverty acquires from third parties in the course of conducting its financial services, and resells on a partly ongoing basis. With regard to sales to financial intermediaries, this business can be changed at any time during the year. As part of the contractual agreements on the sale of receivables, substantially neither all the rewards nor all risks that are associated with the receivables were transferred or retained. This relates in particular to possible defaults and late payments of receivables sold, so that a receivable was accounted for in the amount of the continuing involvement of €319 million (previous year: €259 million) as of December 31, 2025. Of this amount, €165 million (previous year: €63 million) is attributable to the structured entities and is included in the balance sheet position "Receivables relating to financial services." The carrying amount of the associated liability is €338 million (previous year: €275 million), of which €165 million (previous year: €63 million) is attributable to the structured entities included in the balance sheet position "Liabilities relating to financial services." The underlying volume of outstanding receivables sold amounts to €1,242 million as of the end of the reporting period (previous year: €1,062 million), of which €586 million (previous year: €265 million) is attributable to receivables sold to the structured entities.

Risk Management of Financial Instruments

Financial Risk Management

The Bertelsmann Group is exposed to various forms of financial risk through its international business operations. Above all, this includes the effects of changes in foreign exchange rates and interest rates. Bertelsmann's risk management activities are designed to effectively mitigate these risks. The Executive Board establishes basic risk management policies, outlining general procedures for hedging currency and interest rate risks and the utilization of derivative financial instruments. The Central Finance Department advises subsidiaries on operating risks and hedges risks using derivative financial instruments as necessary. However, subsidiaries are not obliged to use the services provided by this department for their operating risks. Some subsidiaries, such as RTL Group in particular, have their own finance department. They report their hedge transactions to the Central Finance Department each quarter. Further information on financial market risks and financial risk management is presented in the Combined Management Report.

Currency Risk

The Bertelsmann Group is exposed to exchange rate risk in various foreign currencies. Its subsidiaries are advised, but not obliged, to hedge themselves against foreign currency risks in the local reporting currency by signing forward agreements with banks that have a high credit rating. Loans within the Bertelsmann Group that are subject to currency risk are hedged using derivative financial instruments. If foreign currency transactions designated as hedging instrument adequately meet effectiveness requirements, hedge accounting as defined by IFRS 9 is applied under the cash flow hedge model. A number of subsidiaries are based outside the eurozone. The resulting translation risks to the leverage factor (ratio of economic debt to operating EBITDA adjusted) is managed over the long term

by aligning the debt in the main foreign currencies with the current leverage factor and the maximum defined leverage cap of 2.5 for the entire Group.

Interest Rate Risk

There are interest rate risks for interest-bearing assets and financial debt. Interest rate risk in the Bertelsmann Group is analyzed centrally and managed on the basis of the Group's planned net financial debt. A key factor in this management is the Group's interest result over time and its sensitivity to interest rate changes. The Group aims for a balanced relationship between floating rates and long-term fixed-interest rates, under consideration of the absolute amount, forecast performance of the interest-bearing liability and interest level. This is implemented using underlying and derivative financial instruments for control.

Liquidity Risk

Liquidity risks may arise through a lack of rollover financing (liquidity risk in a narrow sense), delayed receipt of expected payment and unforeseen expenditure (budgeting risk). Budgeting risk is determined by comparing deviations in actual spending with budget and reserve amounts. In a narrow sense, liquidity risk depends on the volume of debt due within a given period. Liquidity risk is monitored on an ongoing basis with reference to the budget for current and future years. New and unplanned transactions (e.g., acquisitions) are continuously tracked. The maturity profile of financial assets and liabilities is also reconciled on a regular basis. Budget risks are managed through effective cash management and constant monitoring of projected versus actual cash flows. Debt maturities are also diversified over the time to ensure that rising financing costs do not have a short-term impact. Credit facilities with banks are also maintained for unplanned expenditures.

Counterparty Risk

The Bertelsmann Group is exposed to default risks in the amount of the invested cash and cash equivalents and the positive fair value of the derivatives in its portfolio. Transactions involving money market securities and other financial instruments are exclusively conducted with a defined group of banks with a high credit rating ("core banks"). The credit ratings of core banks are constantly monitored and classified on the basis of quantitative and qualitative criteria (rating, CDS spreads, stock price, etc.). Counterparty limits determined on the basis of credit ratings refer to cash holdings and positive fair values of the derivatives in its portfolio. The drawdown of limits is monitored on a regular basis. Funds are invested in very short-term portfolios in some cases to preserve flexibility in the event of credit rating changes. Furthermore, cash and cash equivalents are held in money market funds with high credit ratings for the purpose of risk diversification. Default risks arising from trade receivables and other receivables and receivables relating to financial services are partially mitigated through credit insurance coverage. The Bertelsmann Group has obtained credit collateralization in the amount of €659 million for these receivables (previous year: €697 million).

Capital Management

The financing guidelines adopted by the Bertelsmann Group are designed to ensure a balance between financing security, return on equity, and growth. The Group's indebtedness is based specifically on the requirements for a solid investment-grade credit rating. Bertelsmann is currently rated "Baa2" (stable outlook) by Moody's and "BBB" (stable outlook) by S&P. Financial management at Bertelsmann is conducted using quantified financing objectives that are a central factor in ensuring the Group's independence and capacity to act. These objectives, as elements of the planning process and regular monitoring, are broadly defined performance indicators. The key performance indicator for limiting economic debt within the Bertelsmann Group is a maximum leverage factor of 2.5. As of December 31, 2025, the leverage factor was 2.0 (previous year: 2.0). In addition, the coverage ratio is to remain above four. The coverage ratio amounted to 9.0 on December 31, 2025 (previous year: 11.0). The equity ratio is not to fall below 25 percent of total assets. Management of the equity ratio is based on the definition of equity in IFRS. Although minority interests in partnerships represent equity in financial terms, they are classified as debt for accounting purposes. As of December 31, 2025, the equity ratio was 48.9 percent (previous year: 47.5 percent), meeting the internal requirements.

Interest Rate and Currency Sensitivity

For the analysis of interest rate risk, a distinction is made between cash flow and present value risks. Financial debt, cash and cash equivalents, and interest rate derivatives with variable-interest terms are subject to a greater degree of cash flow risk, as changes in market interest rates impact the Group's interest result almost immediately. In contrast, medium- and long-term interest rate agreements are subject to a greater degree of present value risks. The accounting treatment of present value risks depends on the respective financial instrument or a hedging relationship documented in conjunction with a derivative (micro-hedge). Upon initial recognition, originated financial debt is measured at fair value less transaction costs. Subsequent measurement is based on amortized cost. Changes in fair value are generally limited to opportunity effects, as changes in interest rates have no effect on the balance sheet or the income statement. Where primary financial liabilities and derivative hedging transactions are designated as fair value hedges, changes in the fair value of the hedged item and the hedging instrument due to changes in interest rates almost completely offset each other. Furthermore, the effects of derivative financial instruments from interest rate changes are generally recognized in the income statement. In the case of documented hedging relationships (cash flow hedges), however, these effects are recognized in other comprehensive income.

The cash flow or present value risks existing at the end of the reporting periods are analyzed using a sensitivity calculation as an after-tax observation. A parallel shift in the interest rate curve of plus or minus 1 percent is assumed for all significant currencies. The analysis is performed on the basis of financial debt, cash and cash equivalents, and derivatives at the end of the reporting period. The underlying total risk position amounts to €988 million (previous year: €1,194 million). The results are shown in the following table:

Sensitivity Analysis of Cash Flow and Present Value Risks

in € millions	12/31/2025		12/31/2024	
	Shift +1%	Shift -1%	Shift +1%	Shift -1%
Cash flow risks (income statement)	7	(7)	8	(8)
Present value risks (income statement)	–	–	–	–
Present value risks (equity)	3	(3)	6	(6)

The analysis of foreign currency sensitivity includes the Group's financial debt and operating transactions at the end of the reporting period and the hedging relationships entered into. The calculation is performed for the unsecured net exposure on the basis of an assumed 10 percent appreciation of the euro versus all foreign currencies, and is presented after tax. Based on a total risk position of €105 million (previous year: €62 million), a uniform devaluation of foreign currencies would have resulted in a change in the carrying amount recognized in profit or loss of €-7 million (previous year: €-4 million). Thereof, €-4 million (previous year: €-7 million) relates to fluctuations in the US dollar with a net exposure of US\$75 million (previous year: US\$114 million) and €-2 million (previous year: €-1 million) relates to fluctuations in the Swedish krona with a

net exposure of SEK352 million (previous year: SEK97 million). Shareholders' equity would have changed by €-13 million (previous year: €-10 million) as a result of fluctuations in the fair values of documented cash flow hedges. Thereof, €-13 million (previous year: €-10 million) relates to fluctuations in the US dollar exchange rate on the basis of a documented cash flow hedge volume of US\$226 million (previous year: US\$156 million). If there had been a uniform increase in the value of foreign currencies, this would have led to opposite changes in these amounts for the Bertelsmann Group.

Other Price Risks and Sensitivity

The valuation model for the minority stakes in the Bertelsmann Investments division comprises an extensive portfolio of more than 300 investments in companies and other funds, the vast majority of which are classified in Level 3 of the fair value hierarchy. Due to the numerous inputs, some of which are only relevant for subsets of the portfolio, developing a meaningfully interpretable sensitivity indication for the model addressing the specifics of the valuation objects in the venture capital environment is only possible to a limited extent – in contrast to traditional discounted cash flow or multiplier-based models. This, together with the fragmented size structure and the fact that no meaningful and feasible alternative assumptions can be derived for a variety of inputs – such as the maturity structure underlying the life-cycle model – necessitates a restriction of sensitivity indication in quantitative terms to the fungibility discounts for fund of funds investments held by venture capital organizations and to the effects of contractual lockups for listed instruments: As of December 31, 2025, the valuation of fund of funds investments held by venture capital organizations would have been €62 million (previous year: €65 million) higher excluding fungibility discounts. Excluding fungibility discounts due to contractual lockups, the valuation of listed instruments would have increased by €48 million as of December 31, 2025. There were no contractual lockups for listed instruments as of December 31, 2024.

The main factor influencing the measurement of Riverty's receivables relating to financial services for resale, which are measured at fair value through profit or loss (Level 3), is the credit risk of the respective debtors and the associated discount of the financial intermediaries or structured entities. The fair value of the receivables on the respective measurement date is determined as part of a revolving calculation based on historical defaults and taking into account the forecast payment behavior. As in the previous year, a change in this parameter by +/- 10 percent as of December 31, 2025, leads to an immaterial change in the fair values of the receivables pool, assuming that the receivables pool remains unchanged.

Financial Derivatives

Bertelsmann uses standard market financial derivatives, primarily unlisted (OTC) instruments. These include, in particular, forward agreements, currency swaps, and interest rate swaps. Transactions are entered into solely with banks with a high credit rating. As a rule, the Central Financial Department's transactions are only performed with a group of banks approved by the Executive Board. The nominal volume is the total of all underlying buying and selling amounts of the respective transactions.

Nominal Volume and Fair Values of Financial Derivatives

in € millions	12/31/2025				Fair value
	Nominal volume				
	< 1 year	1 to 5 years	> 5 years	Total	
Currency derivatives					
Forward contracts and currency swaps	3,837	1,970	114	5,921	8
– without hedge relation	3,045	166	5	3,216	(1)
– in connection with cash flow hedges	792	1,804	109	2,705	9
Interest rate derivatives					
Interest rate swaps	351	70	–	421	(2)
– without hedge relation	1	–	–	1	–
– in connection with cash flow hedges	350	70	–	420	(2)
Other derivatives					
Other derivatives	–	750	750	1,500	2
– without hedge relation	–	750	750	1,500	2
	4,188	2,790	864	7,842	7

in € millions	12/31/2024				Fair value
	Nominal volume				
	< 1 year	1 to 5 years	> 5 years	Total	
Currency derivatives					
Forward contracts and currency swaps	4,258	1,210	122	5,591	10
– without hedge relation	3,772	94	–	3,866	17
– in connection with cash flow hedges	486	1,116	122	1,725	(7)
Interest rate derivatives					
Interest rate swaps	475	347	–	822	(11)
– without hedge relation	25	2	–	27	(1)
– in connection with cash flow hedges	150	345	–	495	(4)
– in connection with fair value hedges	300	–	–	300	(6)
	4,733	1,557	122	6,413	(1)

The majority of the financial derivatives at the end of the reporting period with a gross nominal volume of €7,842 million (previous year: €6,413 million) are used to hedge currency rate risks from intercompany financing activities. These financial derivatives account for a total of €3,350 million or 43 percent as of the balance sheet date (previous year: €3,351 million or 52 percent). The average forward price for the main hedges that meet the requirements for hedge accounting is in US dollars 1.16 (previous year: 1.11). A total of €2,571 million or 33 percent (previous year: €2,241 million or 35 percent) is due to financial derivatives used to hedge currency risks from operating business as of the end of the reporting period. The average forward price for the main hedges that meet the requirements for hedge accounting is in US dollars 1.14 (previous year: 1.11) and in Swedish krona 11.59 (previous year: 11.57). Financial derivatives are also used to hedge against interest rate risks from interest-bearing receivables and liabilities. By entering into interest rate derivatives designated as fair value hedges, changes in the fair value of the hedged item and the hedging instrument due to changes in interest rates almost completely offset each other. However, changes in interest rates have an impact on the amount of interest payments and therefore also on the interest result (note 6 “Interest Income and Interest Expenses”). Further hedges of interest rate risks mainly have an impact either on cost of materials, on the interest result (note 6 “Interest Income and Interest Expenses”), or on other financial income or expenses (note 7). Financial derivatives are used exclusively for hedging purposes.

All relationships between hedging instruments and hedged items are documented, in addition to risk management objectives and strategies in connection with the various hedges. This method includes linking all derivatives used for hedging purposes to the underlying assets, liabilities, firm commitments, and forecasted transactions. Furthermore, both at the initiation of the hedges and on an ongoing basis, an assessment and documentation is made as to whether the derivatives used as hedging instruments are highly effective in offsetting changes in the market values or cash flows of the hedged items.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows, particularly in connection with foreign currency risks relating to the purchase and sale of program rights and highly probable forecast transactions for the TV business. Bertelsmann hedges between 80 percent and 100 percent of the short-term (within one year) future cash flows, and between 10 percent and 80 percent of the longer-term (two to five years) future cash flows. As a rule, the derivatives used are recognized as cash flow hedges, taking into account the volume of the cash flows to be hedged. In individual cases, the Group also hedges certain foreign currency risks arising from intercompany monetary items, financial instruments, and forecast transactions. In this case, only the change in the fair value of the spot element is recognized as a hedging instrument in the cash flow hedge. In addition, interest rate swaps concluded to hedge interest rate risks are designated as cash flow hedges.

The effective portion of changes in the fair value of a cash flow hedge is recognized in accumulated other comprehensive income until the effects of the hedged underlying transaction affect profit or loss, or until a basis adjustment occurs. In the financial year 2025, €7 million from the cash flow hedge reserve was recognized as an increase of the initial costs of non-financial assets (previous year: €5 million as a reduction). Gains in the amount of €55 million were reclassified from accumulated other comprehensive income to the income statement in relation to cash flow hedges (previous year: losses in the amount of €50 million). These are amounts before tax. In the consolidated statement of comprehensive income, the reclassification amount is included in the item "Cash flow hedges: reclassification adjustments to profit or loss." In the financial year 2025, the reclassification to the income statement primarily affected the item "Other financial income" (sub-item "Non-operating foreign exchange gains") of €87 million, the item "Other financial expenses" (sub-item "Non-operating expenses from derivatives") of €-11 million, and the item "Other operating income" (sub-item "Foreign exchange gains") of €-23 million. In the financial year 2024, the reclassification to the income statement primarily affected the item "Other financial expenses" (sub-item "Non-operating foreign exchange losses") of €-45 million, the item "Other financial expenses" (sub-item "Non-operating expenses from derivatives") of €-9 million, and the item "Other operating income" (sub-item "Foreign exchange gains") of €4 million. The portion remaining in accumulated other comprehensive income as of December 31, 2025, will mainly impact the income statement in the years to come. Bertelsmann exercised the option not to designate the forward elements and foreign currency basis spreads as part of the hedging relationship, but to recognize them separately in equity for individual hedges of the time-period related hedged items in the amount of €-1 million as of December 31, 2025 (previous year: €19 million) and for individual hedges of the transaction-related hedged point-in-time items with an immaterial amount as hedging costs for the first time in the financial year. The change in fair value of the hedging instrument, which is used as the basis for recognizing hedge ineffectiveness for the period, amounts to €32 million in relation to currency hedges (previous year: €-10 million).

In the financial year 2025, the effects from fair value hedges for hedging interest rate risks led to an increase of the carrying amount of the hedged financial debt in the amount of €4 million (previous year: increase of €17 million). The carrying amount of the hedged item (including cumulative fair value adjustments) amounted to €512 million as of December 31, 2024. The underlying transaction and fair value hedges expired as scheduled in the second half of 2025.

The following table provides an overview of the carrying amounts of the derivative financial instruments, which correspond to their fair values. A distinction is made between derivatives that are included in an effective hedging relationship in accordance with IFRS 9 and those that are not.

Derivative Financial Instruments

in € millions	Carrying amount 12/31/2025	Carrying amount 12/31/2024
Assets		
Forward contracts and currency swaps		
– without hedge relation	12	37
– in connection with cash flow hedges	48	13
Other derivatives		
– without hedge relation	2	–
Equity and liabilities		
Forward contracts and currency swaps		
– without hedge relation	13	20
– in connection with cash flow hedges	40	21
Interest rate swaps		
– without hedge relation	–	1
– in connection with cash flow hedges	2	4
– in connection with fair value hedges	–	6

The changes in fair values from financial derivatives as of December 31, 2025, compared to December 31, 2024, are mainly attributable to currency derivatives that were concluded to hedge against exchange rate risks from intercompany financing. Reasons are, in particular, changes in market conditions and the devaluation of the US dollar against the euro as well as hedge prolongations and terminations at the respective quoted exchange rates. In addition, there are changes from expired interest rate derivatives used to hedge against interest rate risks from interest-bearing liabilities.

The following table presents the remaining terms of the contractual amounts to be exchanged in a derivative financial instrument for which gross cash flows are exchanged:

Liabilities from Derivatives with Gross Settlement

in € millions	Remaining term of liabilities		
	Up to 1 year	1 to 5 years	Over 5 years
Cash outflow	(2,134)	(787)	(98)
Cash inflow	2,104	755	96
Balance as of 12/31/2025	(30)	(32)	(2)
Cash outflow	(1,417)	(1,001)	–
Cash inflow	1,395	937	–
Balance as of 12/31/2024	(22)	(63)	–

28 Cash Flow Statement

The Bertelsmann consolidated cash flow statement has been prepared in accordance with IAS 7 and is used to evaluate the Group's ability to generate cash and cash equivalents. Cash flows are divided into those relating to operating activities, investing activities, and financing activities. Cash flows from operating activities are presented using the indirect method, whereby EBIT (earnings before interest and taxes) are adjusted for the effects of a non-cash nature, any deferrals or accruals of past or future operating receipts or payments (including provisions), and items of income or expense associated with cash flows from investing activities. In addition, cash flows arising from income taxes and interest received are classified as cash flows from operating activities as well as other cash flows that are neither investing nor financing.

The change in provisions for pensions and similar obligations represents the balance of personnel costs for pensions and similar obligations and company payments for these obligations (further explanations are presented in note 19 "Provisions for Pensions and Similar Obligations"). The net withdrawals from the pension plans in the amount of €100 million (previous year: €108 million) are also recognized in this item. "Other effects" of the cash flow from operating activities mainly include the adjustments of results from investments accounted for using the equity method, taking into account dividends received from these investments, and adjustments in connection with non-cash income and expenses.

The consolidated cash flow statement includes the effects of changes in foreign currencies and changes in the scope of consolidation. Items in the consolidated cash flow statement thus cannot be reconciled with changes in items reported on the consolidated balance sheet. Investing activities include payments for investments in non-current assets and purchase price payments for acquisitions as well as proceeds from the disposal of non-current assets and investments. Further explanations concerning acquisitions made during the financial year are presented in the section “Acquisitions and Disposals.” Disposals made during the financial year are also presented separately in that section. Financial debt of €95 million (previous year: €129 million) was assumed during the financial year 2025.

Cash flow from financing activities includes changes in equity, financial debt, lease liabilities, and dividend distributions affecting cash, and interest paid (including interest paid due to leases). Total cash outflows from leases amounted to €-365 million (previous year: €-361 million) in the financial year 2025. The item “Change in equity” amounts to €-165 million and relates mainly to acquisition of RTL Group's own shares, the increase of the equity interest in the production company Lux Vide, and a further increase of the equity interest in the education company Afya. In the financial year 2024, this item amounted to €-401 million and related mainly to a further increase of shares in the education company Afya and to the share increase in Sourcebooks. In the financial year 2025, as in the previous year 2024, the item “Other effects” in the “Cash flow from financing activities” was mainly attributable to due derivative currency hedging transactions in connection with intercompany loans.

The following tables show the cash changes and non-cash changes of liabilities including accrued interest arising from financing activities:

Changes in Liabilities Arising from Financing Activities

in € millions	1/1/2025	Cash changes		Non-cash changes			12/31/2025
				Additions through business combinations	Reductions through disposal of investments	Exchange rate changes	
Bonds	4,432	(511)	–	–	(3)	143	4,061
Promissory notes	325	(150)	–	–	–	–	175
Liabilities to banks	245	(71)	18	–	(2)	22	212
Lease liabilities	1,418	(365)	99	–	(77)	319	1,394
Profit participation capital	456	(44)	–	–	–	44	456
Other financial debt	198	(211)	77	–	3	7	74
Liabilities arising from financing activities	7,074	(1,351)	194	–	(79)	535	6,372

in € millions	1/1/2024	Cash changes		Non-cash changes			12/31/2024
				Additions through business combinations	Reductions through disposal of investments	Exchange rate changes	
Bonds	4,603	(299)	–	–	(16)	144	4,432
Promissory notes	325	–	–	–	–	–	325
Liabilities to banks	154	23	73	(4)	(19)	18	245
Lease liabilities	1,333	(361)	25	(5)	3	423	1,418
Profit participation capital	456	(44)	–	–	–	44	456
Other financial debt	211	(58)	56	–	(26)	15	198
Liabilities arising from financing activities	7,083	(739)	154	(9)	(58)	644	7,074

In financial years 2025 and 2024, the other non-cash changes mainly relate to newly concluded and extensions of existing lease contracts.

The following table shows the changes in net liabilities arising from financing activities:

Changes in Net Liabilities Arising from Financing Activities

in € millions	2025	2024
Net liabilities arising from financing activities as of 1/1	(4,832)	(4,129)
Cash flow from operating activities	2,059	2,172
Cash flow from investing activities	(586)	(1,287)
Dividends and changes in equity, additional payments	(577)	(825)
Exchange rate changes and other changes in net liabilities arising from financing activities	(627)	(762)
Net liabilities arising from financing activities as of 12/31	(4,563)	(4,832)

Net liabilities arising from financing activities are the balance of the balance sheet positions “Cash and cash equivalents,” “Financial debt,” and “Lease liabilities” plus accrued interest.

29 Segment Reporting

IFRS 8 Operating Segments requires that external segment reporting must be based on the internal organizational and management structure, and on management and reporting indicators used internally. As before, the Bertelsmann Group comprises seven operating reportable segments (RTL Group, Penguin Random House, BMG, Arvato Group, Bertelsmann Marketing Services, Bertelsmann Education Group, and Bertelsmann Investments), differentiated according to the type of products and services offered and which are reported by segment managers to the Executive Board of Bertelsmann Management SE in its role as the chief operating decision-maker in accordance with IFRS 8.

During the financial year 2025, four subsidiaries were transferred from Bertelsmann Investments to Corporate with retroactive effect from January 1, 2025. The prior-year comparatives have been adjusted accordingly.

Corporate is mainly responsible for activities in the areas of taxes, legal, human resources, information technology, internal audit, accounting and reporting, corporate communications, and management, internal control, and strategic development of the Group, securing the required financing, risk management, and optimization of the Group's investment portfolio.

Intersegment eliminations are included in the column “Consolidation.”

As in the past, specific segment information is defined according to the definitions on which Group management is based. As a rule, accounting and measurement in the segment reporting uses the same IFRS principles as in the Consolidated Financial Statements. Invested capital is calculated on the basis of the Group's operating assets less non-interest-bearing operating liabilities. Intercompany revenues are recognized using the same arm's-length conditions applied to transactions with third parties.

Operating EBITDA adjusted serves as a key performance indicator for a sustainable determination of operating result. Assessment of the operating segments' performance is also based on this performance indicator. Operating EBITDA adjusted represents the operating earnings generated by the respective segment management before interest and taxes, as well as amortization/depreciation, impairment, and reversals of impairment losses, and it is adjusted for special items. Elimination of these special items allows the determination of a normalized performance indicator, thus simplifying forecasting and comparability. Segment amortization/depreciation, impairment, and reversals of impairment losses relate to property, plant, and equipment and right-of-use assets, and to intangible assets as set out in notes 9 "Intangible Assets" and 10 "Property, Plant, and Equipment and Right-of-Use Assets." For segment reporting, intercompany leases are generally presented as operating leases with income and expenses recognized using the straight-line method in accordance with IFRS 8, in line with internal management. The business development of the venture capital organizations of Bertelsmann Investments is presented primarily on the basis of EBIT.

Each segment shows the investments accounted for using the equity method and their results, provided these companies can be clearly allocated to the segment concerned. In addition to the segment breakdown, revenues are broken down by customer location and revenue source. Non-current assets are also stated according to the location of the respective company.

Tabular segment information is presented on page 150. The disclosures in the segment information fulfill the reporting requirement pursuant to ESRS 2 SBM-1 40 (b) and are therefore also part of Bertelsmann's Combined Group Sustainability Statement.

The following table shows the reconciliation of segment information to the Consolidated Financial Statements:

Reconciliation of Segment Information to Group Profit or Loss

in € millions	2025	2024
Operating EBITDA adjusted	3,019	3,111
Amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets	(1,261)	(1,151)
Adjustments on amortization/depreciation, impairment, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets included in special items	65	14
Special items	66	(277)
EBIT	1,888	1,697
Financial result	(302)	(255)
Earnings before taxes	1,586	1,442
Income tax expense	(579)	(406)
Group profit or loss	1,007	1,036

30 Related Party Disclosures

For the Bertelsmann Group, related parties as defined in IAS 24 are those persons and entities that control or exercise a significant influence over the Bertelsmann Group, and those persons and entities controlled or jointly controlled by the Bertelsmann Group, or over which it exercises a significant influence. Accordingly, certain members of the Mohn family, the members of the Executive Board of Bertelsmann Management SE as the general partner, and the Supervisory Board of Bertelsmann SE & Co. KGaA, including close members of their families and including the companies that are controlled or jointly managed by them, and the joint ventures and associates forming part of the Bertelsmann Group and their subsidiaries, are defined as related parties. Furthermore, Bertelsmann Pension Trust e.V. is considered a related party (further details on this are presented in note 19 “Provisions for Pensions and Similar Obligations”).

The voting rights of Bertelsmann SE & Co. KGaA are exercised by Bertelsmann Verwaltungsgesellschaft mbH (BVG), Gütersloh, a holding company with no operating activities. The voting rights of BVG are controlled by its highest decision-making body, the steering committee, which is dominated by members of the Mohn family, in particular by the family spokesperson Christoph Mohn. Johannes Mohn GmbH has informed Bertelsmann SE & Co. KGaA that it directly owns more than 50 percent of the shares in Bertelsmann Management SE and of Bertelsmann SE & Co. KGaA. Reinhard Mohn Verwaltungsgesellschaft mbH continues to own more than one quarter of the shares in Bertelsmann Management SE and in Bertelsmann SE & Co. KGaA, respectively.

In the legal form of a KGaA, the business is managed by a general partner. In the case of Bertelsmann SE & Co. KGaA, Bertelsmann Management SE, represented by its Executive Board, is responsible for the management of the business. The statutory bodies consist of the Supervisory Board and the General Meeting at the Bertelsmann SE & Co. KGaA level and the Executive Board, Supervisory Board, and General Meeting at the Bertelsmann Management SE level. The Supervisory Board of the KGaA is elected by the limited partners at the General Meeting. The members of the Bertelsmann Management SE Supervisory Board are appointed at the General Meeting of Bertelsmann Management SE. BVG controls the voting rights at the Bertelsmann SE & Co. KGaA and Bertelsmann Management SE General Meeting.

Remuneration for key management personnel includes the following:

Remuneration for Key Management Personnel

in € millions	2025	2024
Short-term employee and termination benefits	21	19
Post-employment benefits	–	–
Other long-term benefits	12	9

The remuneration shown also includes remuneration for activities by the members of the Supervisory Board of Bertelsmann SE & Co. KGaA on the Supervisory Board of Bertelsmann Management SE. Transactions with subsidiaries included in the scope of consolidation are eliminated and are not further disclosed.

In addition to transactions with consolidated subsidiaries, the following transactions with related parties and entities were conducted:

Transactions with Related Parties

in € millions	Parent and entities with significant influence	Key members of management	Joint ventures	Associates	Other related parties
2025					
Goods delivered and services provided to	–	1	10	42	–
Goods and services received from	–	(2)	(12)	(43)	–
Receivables from	–	–	7	14	–
Amounts owed to	–	48	23	18	43
2024					
Goods delivered and services provided to	–	1	10	37	–
Goods and services received from	–	(2)	(16)	(35)	(3)
Receivables from	–	–	10	17	–
Amounts owed to	–	42	22	17	37

The amounts owed to key members of management include pension obligations, variable remuneration components, and long-term incentives. The item “Other related parties” primarily includes transactions with the general partner Bertelsmann Management SE. The obligations as of the end of the reporting period result from recharged expenses.

Other Transactions with Joint Ventures and Associates

in € millions	2025	2024
Outstanding contingent liabilities against		
– joint ventures	–	1
– associates	31	27
Outstanding contingent liabilities from		
– associates	12	16
Contribution obligations to		
– associates	5	7
Capital contributions to		
– joint ventures	–	1
– associates	1	4
Loans received from		
– joint ventures	1	5
Dividends received from		
– joint ventures	11	9
– associates	52	51

As in the previous year, in the financial year 2025, the contribution obligations to associates are fully attributable to the University Ventures Funds.

31 Events after the Reporting Period

In January 2026, Bertelsmann placed a publicly listed bond in the amount of €750 million with a term of eight years and six months and a fixed coupon of 3.75 percent.

In February 2026, BMG signed an agreement to acquire 100 percent of the shares in the Swedish company PHM OPCo AB for a consideration in the high double-digit million range. The acquisition does not meet the definition of a business in accordance with IFRS 3, as no significant processes are being transferred and the fair value is primarily concentrated on the music catalogs held. The transaction is therefore accounted for as an assets deal.

32 Exemption for Subsidiaries in Accordance with Sections 264 (3) and 264b of the German Commercial Code (HGB)

The following subsidiaries took advantage of the exemption regulations set out in section 264 (3) of the German Commercial Code (HGB) for the financial year ended December 31, 2025. The Bertelsmann Consolidated Financial Statements are the exempting Consolidated Financial Statements for these subsidiaries.

Name of the entity	Place	Name of the entity	Place
99 pro media GmbH	Leipzig	DeutschlandCard GmbH	Munich
adality GmbH	Gütersloh	Digital Media Hub GmbH	Cologne
Ad Alliance GmbH	Cologne	Direct Analytics GmbH	Gütersloh
adjoe GmbH	Hamburg	direct services Gütersloh GmbH	Gütersloh
AppLike Group GmbH	Hamburg	Dorling Kindersley Verlag GmbH	Munich
arvato distribution GmbH	Harsewinkel	DPV Deutscher Pressevertrieb GmbH	Hamburg
Arvato SE	Gütersloh	Eat the World GmbH	Berlin
arvato services Dresden GmbH	Dresden	EMBRACE GmbH	Gütersloh
Arvato Systems Digital GmbH	Leipzig	Erste TD Gütersloh GmbH	Gütersloh
arvato systems GmbH	Gütersloh	Erste WV Gütersloh GmbH	Gütersloh
Ausbildung.de GmbH	Bochum	European SCM Services GmbH	Gütersloh
AVE Gesellschaft für Hörfunkbeteiligungen mbH	Berlin	EXTEDO GmbH	Ottobrunn
AZ Direct Beteiligungs GmbH	Gütersloh	frechverlag GmbH	Stuttgart
AZ Direct GmbH	Gütersloh	FT Studios GmbH	Hamburg
BAG Business Information Beteiligungs GmbH	Gütersloh	FuturePresent Management GmbH	Gütersloh
BAI GmbH	Gütersloh	FuturePresent Verwaltungs GmbH	Gütersloh
BCE Germany GmbH	Cologne	GGP Media GmbH	Pößneck
BDMI GmbH	Gütersloh	G+J Digital Ventures GmbH	Berlin
BePeople GmbH	Gütersloh	G+J LIVING Digital GmbH	Hamburg
Bertelsmann Aviation GmbH	Gütersloh	G+J Medien GmbH	Hamburg
Bertelsmann Capital Holding GmbH	Gütersloh	GameGame GmbH	Hamburg
Bertelsmann China Holding GmbH	Gütersloh	Global Assekuranz Vermittlungsgesellschaft mit beschränkter Haftung	Gütersloh
Bertelsmann Data Services GmbH	Gütersloh	GR Apps GmbH	Hamburg
Bertelsmann Global Business Services GmbH	Gütersloh	Gruner + Jahr Deutschland GmbH	Hamburg
Bertelsmann Global Business Services Schwerin GmbH	Schwerin	Henri-Nannen-Schule Gruner+Jahr/DIE ZEIT GmbH	Hamburg
Bertelsmann Investments Digital Health GmbH	Gütersloh	Immobilien-Gesellschaft Dresden Ostra-Allee 18 GmbH	Dresden
Bertelsmann Transfer GmbH	Gütersloh	infoscore Business Support GmbH	Baden-Baden
Bertelsmann Treuhand- und Anlagegesellschaft mit beschränkter Haftung	Gütersloh	infoscore Finance GmbH	Baden-Baden
BI Capital GmbH	Gütersloh	infoscore Portfolio Management International GmbH	Gütersloh
BMG Production Music (Germany) GmbH	Berlin	inmediaONE] GmbH	Gütersloh
BMG RIGHTS MANAGEMENT (Europe) GmbH	Berlin	justDice GmbH	Hamburg
BMG RIGHTS MANAGEMENT GmbH	Berlin	justtrack GmbH	Hamburg
Campaign Services Neckarsulm GmbH	Neckarsulm	LSO - Landesstudio OST GmbH	Leipzig
Campaign Services Offenbach GmbH	Frankfurt am Main	mbs Nürnberg GmbH	Nuremberg
CLT-UFA Germany GmbH	Cologne	milch & zucker GmbH	Gießen
cormeo GmbH	Gütersloh	Mohn Media Energy GmbH	Gütersloh
COUNTDOWN MEDIA GmbH	Hamburg	Mohn Media Mohndruck GmbH	Gütersloh
Der Audio Verlag GmbH	Berlin	MSP Medien-Service und Promotion GmbH	Hamburg

Name of the entity	Place
Penguin Books Deutschland Gesellschaft mit beschränkter Haftung	Munich
Penguin Random House Verlagsgruppe GmbH	Gütersloh
Prinovis Verwaltungs GmbH	Gütersloh
Probind Mohn media Binding GmbH	Gütersloh
PSC Print Service Center GmbH	Oppurg
Random House Audio GmbH	Cologne
Reinhard Mohn GmbH	Gütersloh
Relias Learning GmbH	Berlin
rewards arvato services GmbH	Munich
Riverty Administration Services GmbH	Münster
Riverty Group GmbH	Baden-Baden
Riverty Services GmbH	Verl
RM Buch und Medien Vertrieb GmbH	Gütersloh
RM Chemnitz GmbH	Chemnitz
RM Elfte Beteiligungsverwaltungs GmbH	Gütersloh
RM Hamburg Holding GmbH	Hamburg
RM Neubrandenburg GmbH	Neubrandenburg
RM Schwerin GmbH	Schwerin
Rote Liste Service GmbH	Frankfurt am Main
RTL AdAlliance GmbH	Cologne
RTL Advertising GmbH	Cologne
RTL Audio Center Berlin GmbH	Berlin
RTL Audio Vermarktung GmbH	Berlin
RTL Deutschland GmbH	Cologne
RTL Group Business Services GmbH	Cologne
RTL Group Business Services Schwerin GmbH	Schwerin
RTL Group GmbH	Cologne
RTL Group Markenverwaltungs GmbH	Cologne
RTL Group Vermögensverwaltung GmbH	Cologne
RTL Hessen GmbH	Frankfurt am Main
RTL interactive GmbH	Cologne
RTL Journalistenschule GmbH	Cologne
RTL MUSIC PUBLISHING GmbH	Cologne
RTL NEWS GmbH	Cologne
RTL Nord GmbH	Hamburg
RTL Radio Berlin GmbH	Berlin
RTL Radio Deutschland GmbH	Berlin

Name of the entity	Place
RTL Radio Luxemburg GmbH	Cologne
RTL Radio-Beteiligungsgesellschaft mbH	Berlin
RTL STUDIOS GmbH	Cologne
RTL Technology GmbH	Cologne
RTL West GmbH	Cologne
rtv media group GmbH	Nuremberg
smartclip Europe GmbH	Hamburg
Social Match GmbH	Münster
Sonopress GmbH	Gütersloh
SSB Software Service und Beratung GmbH	Gütersloh
Studyflix GmbH	Augsburg
SUNDAY GmbH	Hamburg
Telamo Musik & Unterhaltung GmbH	Munich
TERRITORY GmbH	Hamburg
TERRITORY Influence GmbH	Munich
TERRITORY MEDIA GmbH	Munich
TERRITORY Smart Agency GmbH	Hamburg
trndnxt GmbH	Munich
trndsphere blue GmbH	Munich
UFA Distribution GmbH	Potsdam
UFA Documentary GmbH	Potsdam
UFA Fiction GmbH	Potsdam
UFA Fiction Productions GmbH	Potsdam
UFA Film und Fernseh GmbH	Cologne
UFA GmbH	Potsdam
UFA Mitte GmbH	Leipzig
Ufa Radio-Programmgesellschaft in Bayern mbH	Ismaning
UFA Serial Drama GmbH	Potsdam
UFA Show & Factual GmbH	Cologne
Verlag RM GmbH	Gütersloh
Verlegerdienst München GmbH	Gilching
VIVENO Group GmbH	Gütersloh
VOCANTO GmbH	Cologne
Vogel Druck und Medienservice GmbH	Höchberg
VOX Holding GmbH	Cologne
we are era GmbH	Berlin

In addition, the exemption regulations set out in section 264b of the German Commercial Code (HGB) were used by the following companies for the financial year ended December 31, 2025. The Bertelsmann Consolidated Financial Statements are the exempting Consolidated Financial Statements for these subsidiaries.

Name of the entity	Place
Antenne Niedersachsen GmbH & Co. KG	Hannover
AVE II Vermögensverwaltungsgesellschaft mbH & Co. KG	Cologne
AZ fundraising services GmbH & Co. KG	Gütersloh
FuturePresent GmbH & Co. KG	Gütersloh

Name of the entity	Place
infoscore Portfolio Management GmbH & Co. KG	Verl
infoscore Portfolio Management II GmbH & Co. KG	Baden-Baden
Prinovis GmbH & Co. KG	Gütersloh

The consolidated subsidiary Arvato Ireland Limited in Dublin, Ireland, has used the exemption option offered in section 357 of the “Republic of Ireland Companies Act 2014” for publication requirements for its annual financial statements. The consolidated subsidiary Arvato Netherlands B.V. in Heijen, the Netherlands, has elected to make use of the exemption to publish annual accounts in accordance with section 403 (1) of book 2 of the Dutch Civil Code.

33 Additional Information in Accordance with Section 315e of the German Commercial Code (HGB)

The compensation of the Supervisory Board of Bertelsmann SE & Co. KGaA for the financial year 2025 amounted to €2 million plus statutory value-added tax. Members of the Executive Board received total remuneration in the financial year 2025 of €31 million, including €29 million from Bertelsmann Management SE. Former members of the Executive Board of Bertelsmann Management SE and Bertelsmann AG and their surviving dependents received compensation of €7 million, including €5 million from Bertelsmann SE & Co. KGaA. The provisions for both pension obligations and transitional payments to former members of the Executive Board of Bertelsmann AG and Bertelsmann Management SE accrued at Bertelsmann SE & Co. KGaA and Bertelsmann Management SE amount to €67 million. The members of the Supervisory Board and Executive Board are listed in the chapter “Boards/Mandates” of this Annual Report.

The following fees were incurred in the financial year for the services of the auditor of the consolidated financial statements, KPMG AG Wirtschaftsprüfungsgesellschaft:

in € millions	2025
Audit services	5.8
Other audit-related services	1.2
Other services	–
Total	7.0

The audit services include the fees for the audit of the consolidated financial statements, the review of the interim consolidated financial statements and the audit of the statutory financial statements of Bertelsmann SE & Co. KGaA and its subsidiaries. Other audit-related services include audits required by law or contract, assurance services for the Combined Group Sustainability Statement and voluntarily commissioned assurance services in connection with information technology and internal control systems.

The following table shows the number of employees as of December 31, 2025, and on an annual average:

Number of Employees

	Number of employees (closing date)	Number of employees (average)
RTL Group	15,768	18,203
Penguin Random House	13,530	13,500
BMG	917	950
Arvato Group	28,320	26,960
Bertelsmann Marketing Services	4,860	5,006
Bertelsmann Education Group	10,257	10,417
Bertelsmann Investments	1,702	1,260
Corporate	1,611	1,613
Total	76,965	77,909

34 Proposal for the Appropriation of Net Retained Profits

The general partner Bertelsmann Management SE and the Supervisory Board of Bertelsmann SE & Co. KGaA will propose to the General Meeting that the net retained profits of Bertelsmann SE & Co. KGaA of €2,393 million be appropriated as follows: payment of a dividend to shareholders of €220 million (dividend per ordinary share thus amounts to €2,627) and carry forward to the new financial year in the remaining amount of €2,173 million.

The general partner Bertelsmann Management SE approved the Consolidated Financial Statements for submission to the Supervisory Board of Bertelsmann SE & Co. KGaA on March 17, 2026. The Supervisory Board's task is to review the Consolidated Financial Statements and declare whether it approves these.

Gütersloh, March 17, 2026

Bertelsmann SE & Co. KGaA,
Represented by:
Bertelsmann Management SE, the general partner
Executive Board

Thomas Rabe

Carsten Coesfeld

Thomas Coesfeld

Rolf Hellermann

Immanuel Hermreck

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Combined Management Report includes a fair review of the development and performance of the business and the position of the Bertelsmann Group and Bertelsmann SE & Co. KGaA, together with a description of the material opportunities and risks associated with the expected development of the Bertelsmann Group and Bertelsmann SE & Co. KGaA.

Gütersloh, March 17, 2026

Bertelsmann SE & Co. KGaA,
Represented by:
Bertelsmann Management SE, the general partner
Executive Board

Thomas Rabe

Carsten Coesfeld

Thomas Coesfeld

Rolf Hellermann

Immanuel Hermreck

Independent Auditor's Report

To Bertelsmann SE & Co. KGaA, Gütersloh

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of Bertelsmann SE & Co. KGaA, Gütersloh, and its subsidiaries (the Group), which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement and consolidated statement of changes in equity and notes to the consolidated financial statements for the financial year from 1 January to 31 December 2025, including significant information on the accounting policies. In addition, we have audited the management report for the Company and the Group (hereinafter: the "combined management report") of Bertelsmann SE & Co. KGaA for the financial year from 1 January to 31 December 2025.

In accordance with German legal requirements, we have not audited the content of those parts of the combined management report listed in the "Other information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2025, and of its financial performance for the financial year from 1 January to 31 December 2025, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those parts of the combined management report listed in the "Other information" section.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU-APrVO") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU-APrVO, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU-APrVO. We believe that the evidence we have obtained is sufficient and appropriate to

provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to the general principles set out in the notes to the consolidated financial statements for information on the accounting policies applied. Please also refer to Section 9 of the notes to the consolidated financial statements concerning the assumptions used.

The financial statement risk

Goodwill amounted to EUR 8,808 million as at 31 December 2025 and, at 28 % of total assets and 58 % of group equity, has a significant impact on the financial position.

Goodwill is tested for impairment annually at the level of the cash-generating units to which the relevant goodwill is allocated, without this requiring a specific cause. If impairment triggers arise during the financial year, an event-driven impairment test is also carried out during the year. For the impairment test of goodwill, the carrying amount is compared with the recoverable amount of the respective cash-generating unit. If the carrying amount is higher than the recoverable amount, there is a need for an impairment. The recoverable amount is the higher of fair value less costs of disposal and value in use of the cash-generating unit. The effective date for the impairment test is 31 December of a financial year.

For the listed cash-generating units RTL Group, Afya and Groupe M6, the fair value less costs of disposal derived from the market capitalization is compared with the carrying amount of the cash-generating unit in a first step. For these units, the value in use determined on the basis of a discounted cash flow (DCF) method is compared with the carrying amount of the cash-generating unit in a second step. For the impairment tests of the other cash-generating units, the recoverable amount is determined as the fair value less costs of disposal on the basis of the expected future cash inflows using a DCF method and compared with the carrying amount of the cash-generating unit.

No goodwill impairment loss was recognised in the course of the annual goodwill impairment test as at 31 December 2025. However, the company's sensitivity analyses indicated that a reasonably possible change in the discount rate, the long-term growth rate or the EBITDA margin would result in an impairment to the recoverable amount.

The impairment test of goodwill is complex and is based on a number of discretionary assumptions. These include, among other things, the expected business and earnings development of the cash-generating units for the detailed planning period, the assumed long-term growth rates and the discount rate used.

There is a risk for the consolidated financial statements that an existing impairment loss has not been recognized or that the identified impairment has not been recognised in an appropriate amount. In addition, there is a risk that the related disclosures in the notes are inappropriate.

Our audit approach

With the involvement of our valuation specialists, we assessed, among other things, the appropriateness of the key assumptions as well as, on a risk-oriented basis, the appropriateness of the company's valuation methods. To this end, we discussed the expected business and earnings development in the detailed planning period as well as the assumed long-term growth rates with those responsible for planning. We also carried out reconciliation with the 2026 budget prepared by the Executive Board and approved by the Supervisory Board as well as the medium-term business plan (2027 and 2028) and made an assessment of planning updates into the detailed planning period as well as the termination period.

Further, we have convinced ourselves of the company's forecast quality to date by comparing plans for previous financial years with the results actually realised and analysing deviations.

We compared the assumptions and data underlying the discount rates, in particular the risk-free interest rates, the market risk premiums and the beta factors, with our own assumptions and publicly available data.

To ensure the arithmetical correctness of the valuation method used, we have reproduced the company's calculations on the basis of risk-oriented selected elements.

In order to take account of the existing forecast uncertainty, we have examined the effects of possible changes in the discount rate, earnings development or long-term growth rate on the recoverable amount by reconstructing the sensitivity analyses carried out by the company and comparing them with the valuation results.

The risk-oriented focus of our audit was on five cash-generating units, for which we performed detailed analyses.

Finally, we assessed whether the disclosures in the notes regarding impairment of goodwill are appropriate. This also included an assessment of the appropriateness of the disclosures in the notes pursuant to IAS 36.134(f) on sensitivities in the event of a reasonably possible change in key assumptions underlying the evaluation.

Our observations

The calculation methods on which the event-driven and annual goodwill impairment tests are based are appropriate and in line with the applicable accounting policies. The Company's assumptions and data used for measurement are appropriate. The related disclosures in the notes are appropriate.

Other Information

The Executive Board is responsible for the other information. The other information comprises the following non-audited components of the combined management report:

- the sustainability reporting, including the combined non-financial statement of the Company and the Group included in the "Combined Group Sustainability Statement (Sustainability Report)" section of the combined management report and
- the information extraneous to management reports pursuant to Section A.5 of the German Corporate Governance Code 2022 on the effectiveness of the RMS and ICS included in section "Risk management system" of the combined management report.

The other information also includes the Annual Report expected to be made available to us after the date of this auditor's report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Executive Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Executive Board is responsible for such internal controls as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Executive Board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Executive Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU-APrVO and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Executive Board and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "bertelsmann-2025-12-31-1-de.xbri" (SHA256-Hashwert: dc89dcf51ac10e05165b7c0a3c9bf10b76e5d7aacf1d0538e124494e16604430) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibility in accordance therewith is further described in the “Auditor’s Responsibilities for the Assurance Work on the ESEF Documents” section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in Audit Firms (IDW QS 1).

Responsibilities of Management and the Supervisory Board for the ESEF Documents

The Company’s Executive Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company’s Executive Board is responsible for such internal control that it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Responsibilities of the Auditor of the Consolidated Financial Statements for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL), in accordance with the requirements of Articles 4 and 6 of Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information Pursuant to Article 10 of the EU-APrVO

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 5 May 2025. We were engaged by the Supervisory Board on 18 July 2025. We have been the group auditor of Bertelsmann SE & Co. KGaA since financial year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit and Finance Committee pursuant to Article 11 of the EU-APrVO (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the audit is Dr Axel Thümler.

Bielefeld, March 17, 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft

Dr Thümler
Wirtschaftsprüfer
[German Public Auditor]

Göbel
Wirtschaftsprüfer
[German Public Auditor]

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in relation to the Combined Group Sustainability Statement

To the Bertelsmann SE & Co. KGaA, Gütersloh

Assurance Conclusion

We have conducted a limited assurance engagement on the Combined Group Sustainability Statement, included in section “Combined Group Sustainability Statement (Sustainability Report)” of the combined management report of Bertelsmann SE & Co. KGaA, Gütersloh, (hereafter “Bertelsmann SE & Co. KGaA” or “the company”) for the financial year from 1 January to 31 December 2025. The Combined Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a consolidated non-financial statement and Sections 289b to 289e of the HGB for a non-financial statement of the company.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Combined Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, Sections 289b to 289e of the HGB for a non-financial statement of the company and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Combined Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Combined Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section “IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities” of the Combined Group Sustainability Statement, or
- the disclosures in “EU Taxonomy” of the Combined Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Combined Group Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Combined Group Sustainability Statement

The executive directors are responsible for the preparation of the Combined Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Combined Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Combined Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Combined Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Combined Group Sustainability Statement.

Inherent Limitations in Preparing the Combined Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms of the Combined Group Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “Estimates and simplifications” of the Combined Group Sustainability Statement, the quantification of these non-financial performance indicators is also subject to inherent uncertainties due to a high level of measurement uncertainty.

These inherent limitations also affect the assurance engagement on the Combined Group Sustainability Statement.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Combined Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Combined Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company’s executive directors, and to issue an assurance report that includes our assurance conclusion on the Combined Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Combined Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Combined Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Combined Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Combined Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Combined Group Sustainability Statement, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Combined Group Sustainability Statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures and made inquiries in relation to selected information in the Combined Group Sustainability Statement.
- conducted site visits.
- considered the presentation of the information in the Combined Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Group Sustainability Statement.

Restriction of Use / Clause on General Engagement Terms

This assurance report is solely addressed to Bertelsmann SE & Co. KGaA, Gütersloh.

The engagement, in the performance of which we have provided the services described above on behalf of Bertelsmann SE & Co. KGaA, Gütersloh, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Bielefeld, March 17, 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft

Göbel
Wirtschaftsprüfer
[German Public Auditor]

Mund
Wirtschaftsprüferin
[German Public Auditor]

Corporate Governance at Bertelsmann

The pursuit of responsible corporate governance is an indispensable part of the Bertelsmann identity and an important element of its corporate culture.

Bertelsmann SE & Co. KGaA is a capital market-oriented, unlisted company. The corporate governance of Bertelsmann SE & Co. KGaA largely follows the recommendations and suggestions contained in the German Corporate Governance Code (“Code”), the current version of which entered into force on April 28, 2022. Due to Bertelsmann’s closed group of shareholders, the company predominantly deviates from those recommendations and suggestions of the Code that are primarily aimed at publicly traded companies with a larger group of shareholders. Bertelsmann 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 Code.

Statutory Bodies of the Company

Bertelsmann’s legal form is that of a Kommanditgesellschaft auf Aktien (KGaA) (partnership limited by shares). The statutory bodies of the KGaA are the General Meeting, the Supervisory Board and the general partner. The general partner serves as the management and representative body of the KGaA. In the case of Bertelsmann, this is Bertelsmann Management SE, a European stock corporation (Societas Europaea), represented by its Executive Board. Bertelsmann SE & Co. KGaA and Bertelsmann Management SE each have their own Supervisory Boards. The members of the Executive Board of Bertelsmann Management SE are appointed and monitored by the Supervisory Board of Bertelsmann Management SE (dual leadership structure). The Supervisory Board of Bertelsmann SE & Co. KGaA supervises the management of the business by Bertelsmann Management SE. The duties and responsibilities of the individual bodies are clearly defined in each case and are strictly separated from each other. Simultaneous membership in the Executive Board of Bertelsmann Management SE and the Supervisory Board of Bertelsmann Management SE and of Bertelsmann SE & Co. KGaA, respectively, is not permitted. The Bertelsmann boards are obliged to secure the continuity and independence of the Group and to enhance the enterprise value in the long term through responsible and sustainable corporate management.

Closed Group of Shareholders

80.9 percent of the capital shares in Bertelsmann SE & Co. KGaA are held indirectly by foundations (Bertelsmann Stiftung, Reinhard Mohn Stiftung, BVG-Familienstiftung, BVG-Stiftung), and 19.1 percent are held indirectly by the Mohn family. Bertelsmann Verwaltungsgesellschaft (BVG) controls all voting rights at the General Meetings of Bertelsmann SE & Co. KGaA and Bertelsmann Management SE. BVG is responsible for upholding the interests of the foundations invested in Bertelsmann and of the Mohn family as indirect shareholders in Bertelsmann SE & Co. KGaA, as well as ensuring the continuity of the company’s management and Bertelsmann’s corporate culture. BVG is controlled by a steering committee composed of three representatives of the Mohn family and three additional non-family members.

Corporate Management

Transparent structures and clear decision-making processes are characteristic for Bertelsmann’s corporate management. The general partner, Bertelsmann Management SE, represented by its Executive Board, is responsible for independently managing the Group. Its duties consist of determining the corporate objectives, the strategic direction of the Group, Group management, management training as well as corporate planning and financing. Bertelsmann is committed to fulfilling its corporate responsibility and pursues high standards in this regard.

To this end, Bertelsmann defines Group-wide ESG (environmental, social, governance) goals and incorporates them into management and decision-making processes. Corporate responsibility, lawful behavior, and acting with integrity toward employees, customers, business partners and government agencies also form an integral part of the value system at Bertelsmann. Bertelsmann has always been committed to the principle of adhering to laws and internal policies.

The Executive Board provides the respective Supervisory Boards with regular, prompt and comprehensive reports on all matters that are relevant to business development and strategy implementation, planning, financial position and results of operations, and the risk situation and risk management. It ensures compliance with the provisions of law and corporate guidelines within the Group. The members of the Executive Board bear joint responsibility for the overall management. Matters of fundamental or material significance and matters concerning the spheres of responsibility of multiple Executive Board members are addressed by the overall Executive Board. Notwithstanding this overall responsibility, the individual members of the Executive Board manage their departments as part of the duties stipulated by the overall Executive Board. The Executive Board Chairman coordinates the cooperation within the Executive Board and between the Executive Board and the Supervisory Boards, and has regular consultation meetings with the chair of the two Supervisory Boards. In addition, the Executive Board has established the Group Management Committee (GMC), which advises on important corporate strategy and development matters, and other issues that affect the Group as a whole. This committee includes the Executive Board as well as executives representing key businesses, countries, regions, and select Group-wide functions.

The Supervisory Board of Bertelsmann SE & 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 work in close, trusting cooperation and are able to reconcile the demands of effective corporate governance with the need for rapid decision-making processes. The organization and duties of the Supervisory Board of Bertelsmann SE & Co. KGaA are described in greater detail in the Report of the Supervisory Board. The work of the Supervisory Board in the 2025 financial year is also covered in the report. The members of the Executive and Supervisory Boards are obliged to serve the company's best interests in their work.

The Bertelsmann SE & Co. KGaA and Bertelsmann Management SE shareholders exercise their rights and vote at the respective General Meetings. The General Meetings vote on matters such as amendments to the articles of association and the distribution of profit, and elect the members of the respective Supervisory Boards.

Executive Board

Supervisory Board

Report of the Supervisory Board



Christoph Mohn

Chairman of the Supervisory Board of Bertelsmann SE & Co. KGaA

Dear shareholders,

Report on the activities of the Supervisory Board in the 2025 financial year

The global economy continued its moderate growth trajectory in the 2025 financial year. While economic momentum increased in the eurozone, it weakened in the United States; economic output increased slightly overall in both regions. In this macroeconomic environment, Bertelsmann's relevant markets developed unevenly. TV advertising markets in Germany and France recorded significant declines. By contrast, the streaming market in Germany continued to grow. The relevant markets for printed books, e-books, and digital audiobooks declined overall in the United States and remained stable in the United Kingdom. The market for printed books continued to grow in Spanish-speaking regions, but declined in German-speaking areas. Meanwhile, music publishing and label markets, as well as Bertelsmann's relevant service and education markets, continued to grow, while the decline in the German offset printing market continued unabated. The market for mobile advertising also saw growth. In this mixed market environment, and despite the sale of RTL Nederland in July, Bertelsmann generated Group revenue of €19 billion and an operating EBITDA adjusted of €3.0 billion.

This report covers the activities of the Supervisory Board of Bertelsmann SE & Co. KGaA. It does not address the activities of the Supervisory Board of Bertelsmann Management SE. The Supervisory Board of Bertelsmann SE & Co. KGaA supervises the management of the business by the Executive Board of Bertelsmann Management SE and exercises its comprehensive information and control rights for this purpose. In addition, the Supervisory Board advises the Executive Board of Bertelsmann Management SE on strategic matters and key transactions. The Executive and Supervisory Boards work in close, trusting cooperation and are able to reconcile the demands of effective corporate governance with the need for rapid decision-making processes.

The delegation of tasks to committees of experts has long been an integral component of the Supervisory Board's work at Bertelsmann. This strengthens the efficiency of monitoring by the Supervisory Board and its advisory expertise. The committees also prepare the topics that are to be dealt with in Supervisory Board plenary meetings. The Chairs of the committees or their deputies regularly report to the Supervisory Board plenary on the work of the committees.

The Supervisory Board 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 & Co. KGaA deals with matters such as financial reporting and the accounting process, the sustainability reporting process, and the effectiveness of the risk management, internal control, and internal auditing systems. Compliance, information security, and data protection are also addressed regularly. A key focus of the Audit and Finance Committee's work is auditing the Annual and Consolidated Financial Statements, as well as monitoring the quality of the audit process. The Audit and Finance Committee is also responsible for reviewing the Sustainability Report.

The responsibilities of the Supervisory Board of Bertelsmann SE & Co. KGaA are complemented by those of the Supervisory Board of Bertelsmann Management SE, which has established a Personnel Committee and a Program Committee. The Personnel Committee of Bertelsmann Management SE also acts as the Nomination Committee and, in this capacity, submits proposals to the plenary for suitable candidates for the Supervisory Board. Acting in place of the Supervisory Board, the Program Committee decides on the approval of program supply contracts, such as for feature films, series, or sports rights.

Advising and Monitoring of the Executive Board of Bertelsmann Management SE by the Supervisory Board in the 2025 Financial Year

In the reporting period, the Supervisory Board of Bertelsmann SE & Co. KGaA once again fulfilled its legal and statutory responsibilities properly and appropriately. It regularly advised and monitored the general partner, Bertelsmann Management SE, represented by its Executive Board, in managing and directing the company's operations. The Supervisory Board of Bertelsmann SE & Co. KGaA was fully involved in all important company decisions and transactions at an early stage, and reviewed and discussed these thoroughly on the basis of reports from the Executive Board.

The general partner provided the Supervisory Board with regular, prompt, and comprehensive written and verbal information on all significant issues of strategy, planning, business performance, and intended business policies, as well as other fundamental management issues of importance for Bertelsmann SE & Co. KGaA. A wide range of topics and projects was discussed at the meetings of the Supervisory Board during the 2025 financial year.

Supervisory Board Plenary Meetings

In the plenary meetings, the Supervisory Board of Bertelsmann SE & Co. KGaA regularly heard reports from the Executive Board on the current business and financial position of the Group and of the individual divisions. The Board also heard reports on Group planning and on material business transactions, particularly major planned investments and divestments. The Chairman of the Supervisory Board, who at the same time is the Chairman of the Supervisory Board of Bertelsmann Management SE, reported regularly and comprehensively to the plenary meetings of the Supervisory Board concerning the topics and the progress of the discussions of the Supervisory Board of Bertelsmann Management SE and in its committees. In its meetings, the Supervisory Board was regularly informed of the status of the implementation of the Group's strategy by the Executive Board. The required decisions were made during the plenary meetings, to the extent this was stipulated by law and the articles of association and bylaws.

In the 2025 financial year, the meetings of the Supervisory Board and its committees were held in person; the first meeting on January 29, 2025, was held as a hybrid meeting with an additional option to participate by video. In the 2025 financial year, the Supervisory Board convened four regular meetings and also met with the Executive Board for a strategy retreat.

The first meeting of the Supervisory Board, on January 29, 2025, focused on discussing the Group budget prepared by the Executive Board for 2025 and on the report of the current business situation and financial position. In addition, the Supervisory Board was updated in detail on the implementation of the Group strategy, including the ongoing investment and divestment measures.

At the next meeting on March 27, 2025, the Executive Board reported in particular on the current business situation and also on the status of strategy implementation. The main focus of the meeting was on addressing the Annual and Consolidated Financial Statements for the 2024 financial year and the Combined Management Report. At the recommendation of the Audit and Finance Committee and after discussion with the auditors KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, the Supervisory Board approved the Annual and Consolidated Financial Statements for the 2024 financial year and the Combined Management Report of Bertelsmann SE & Co. KGaA. The proposal of the general partner for the profit distribution was also approved. The Supervisory Board also reviewed and approved the Combined Group Sustainability Statement ("Sustainability Report") for the 2024 financial year. In addition, the Supervisory Board followed the recommendation of the Audit and Finance Committee for the auditor for the 2025 financial year and also for the auditor of the Interim Report, and approved its corresponding proposal to the Annual General Meeting. The Supervisory Board also resolved on its report for the Annual General Meeting and approved the Corporate Governance Report that it compiled together with the Executive Board for the 2024 financial year. At this meeting, the Supervisory Board also dealt with the Group's current business figures and the material Group risks.

At the meeting on July 9, 2025, the Supervisory Board was again briefed on the current business situation, the development of Group business activities, and the status of strategy implementation. In addition, the Supervisory Board focused on further developing the management development structure as well as the new leadership guidelines.

In the last Supervisory Board meeting of the financial year on November 13, 2025, the Supervisory Board again dealt with the Group's business situation and financial position and with internal Supervisory Board matters. The Executive Board also gave the Supervisory Board a report on the outlook for the overall 2025 financial year. The Supervisory Board also discussed the report on the results of the employee survey 2025. The annual joint strategy dialog between the Executive Board and Supervisory Board was also held during this meeting, beginning on the preceding day, November 12, 2025, and continuing on November 13, 2025. The Supervisory Board was first informed about the status of strategy implementation before the focus turned to strategic planning for the next few years. Bertelsmann made further progress in its portfolio transformation in 2025; the quality of its business portfolio continued to improve and its financial position is very good. The implementation of the Boost strategy continued to progress in the individual divisions. The Group's growth ambitions remain unchanged despite the persistently challenging macroeconomic and geopolitical environment as well as other business-related developments, such as the rapid pace of innovation in AI.

Bertelsmann's strategic focus is to build a profitably growing, digital, international, and diversified Group portfolio. Further regional diversification of the Group portfolio is also a goal. New businesses in which Bertelsmann invests should preferably have strong long-term growth prospects, global reach, sustainable business models, and high market-entry barriers as well as scalability. The strategic priorities include strengthening the core business, expanding global content businesses, growing through global services, expanding the education business, and developing the investment portfolio. The Group aims to grow in existing and new lines of business through organic initiatives and acquisitions. Bertelsmann's corporate strategy and planning also include due consideration of ecological and social goals. Based on the insights gained during the strategy retreat, the Supervisory Board believes that the Group continues to make good progress.

Supervisory Board Audit and Finance Committee

The Supervisory Board of Bertelsmann SE & Co. KGaA formed an Audit and Finance Committee in order to perform its tasks within its sphere of responsibility efficiently. The Audit and Finance Committee consists of four members; the Chairman of the Supervisory Board is not the Chair of the Committee. The Chair of the Audit and Finance Committee is Bodo Uebber. Both the Chair of the Audit and Finance Committee and at least one additional committee member are independent in accordance with the Code requirements and have special knowledge and experience in the areas of financial reporting and auditing. The competence profile also encompasses expertise on sustainability issues that are important to the company. All members

of the Audit and Finance Committee are familiar with the sectors in which Bertelsmann SE & Co. KGaA operates.

In line with its mandate for the reporting year, the Audit and Finance Committee focused in particular on matters of corporate financing, the financial position of the Group, financial planning, fiscal policy, and individual negative deviations in the performance of Group businesses relative to budget. Additionally, the Committee extensively addressed financial reporting and financial reporting processes and monitored the effectiveness and functional capability of the risk management system, the internal control system, and the internal auditing system. The Committee received regular reports from the Head of Corporate Audit and Consulting for these purposes. Furthermore, the Committee addressed issues relating to integrity and compliance, in particular the effectiveness and proper functioning of the compliance management system, and was also informed about individual reportable compliance-related incidents within the Group in this context. The Audit and Finance Committee determined to its satisfaction that, with regard to the scope and risk situation of the company, Bertelsmann has an adequate and effective internal control system and risk management system. In addition, the Audit and Finance Committee reviewed the implementation status of the EU's General Data Protection Regulation (GDPR) at Bertelsmann. In the 2025 reporting year, the Audit and Finance Committee also addressed selected financing topics, including foreign currency management and pension obligations. The Committee was also informed about an introductory project to implement a new IT platform for Group reporting and about the impact of the new IFRS 18 accounting standard. The situation and development of cyber security and the IT security structure within the Group were also regularly discussed at the meetings of the Audit and Finance Committee. A key focus of the Committee in the reporting year was the report on implementing AI governance in the Group.

As required by law, the focus of the Audit and Finance Committee's work was again the audit of the Annual and Consolidated Financial Statements (see the section "Audit of the Annual and Consolidated Financial Statements" below). The Audit and Finance Committee had already discussed the focal points of the 2024 audit with the auditor during the 2024 financial year and then finalized them in a meeting at the end of August 2024. The key audit matters from the auditor's report were likewise discussed in advance with the auditor during the Committee meeting held at the end of January 2025. The Chair of the Audit and Finance Committee regularly discussed with the auditor the provisional findings from the audit of the Annual and Consolidated Financial Statements for the 2024 financial year; all members of the Audit and Finance Committee then also discussed these findings together with the auditor in a video conference that took place on March 7, 2025. The financial review meeting of the Audit and Finance Committee was held on March 27, 2025. The Annual Financial Statements and audit reports were discussed in depth in the presence of the auditor, who was available to answer questions from the Committee members. The findings of the audit were taken into account in an internal audit of the Annual and Consolidated Financial Statements.

The audit also included the Executive Board's sustainability reporting as part of the Combined Group Sustainability Statement, a component of the Group Management Report (hereinafter referred to as the "Sustainability Report"), as well as the Executive Board's declaration at the end of the voluntary report of Bertelsmann SE & Co. KGaA concerning relationships with affiliated companies. The Audit and Finance Committee reported extensively to the plenary meetings on the audit of the Annual and Consolidated Financial Statements and the audit reports, and proposed the corresponding resolutions.

The Audit and Finance Committee monitored the quality of the financial and sustainability audit on the basis of an annual report by the auditor and also using specially developed qualitative and quantitative audit quality indicators. A further element of the quality monitoring was a detailed statement from the Executive Board member responsible for finance. The Committee also thoroughly examined the auditor's independence as well as the additional services provided. No evidence of bias or a risk to independence were found. By closely monitoring the preparation and execution of the audit, as well as engaging continuously and in-depth with the audit process and other accounting-related and sustainability-related matters, the Audit and Finance Committee made a significant contribution to guaranteeing the integrity of both the accounting and sustainability reporting processes at Bertelsmann.

The Audit and Finance Committee of Bertelsmann SE & Co. KGaA convened four regular meetings during the 2025 reporting year, two of which were held in hybrid format. The Chair of the Audit and Finance Committee provided comprehensive information to the Supervisory Board plenary about the Committee's work through regular reports. The relevant heads of the specialist departments attended meetings for specific agenda items. In addition, the Chair of the Audit and Finance Committee also held individual meetings with the responsible auditor.

Audit of the Annual and Consolidated Financial Statements for the 2025 Financial Year

KPMG AG Wirtschaftsprüfungsgesellschaft, based in Berlin, has been the auditor of Bertelsmann SE & Co. KGaA and the Group since the 2020 financial year. KPMG has audited the Annual Financial Statements of Bertelsmann SE & Co. KGaA prepared by the Executive Board of Bertelsmann Management SE as well as the Consolidated Financial Statements and the Combined Group Management Report, which is combined with the management report of the Company, for the financial year from January 1, 2025, to December 31, 2025, and issued an unqualified audit opinion. In this context, and on behalf of the Audit and Finance Committee, KPMG also audited the Combined Group Sustainability Statement – an integral component of the Group Management Report (hereinafter referred to as the “Sustainability Report”) – with regard to the disclosures required by law under sections 315b and 315c in conjunction with sections 289b to 289e of the German Commercial Code (HGB) as a voluntary audit with limited assurance. It was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information. The Auditors Michael Göbel and Axel Thümler were responsible for conducting and signing the audit. Michael Göbel and Dagmar Mund sign as the auditors responsible for the audit of the Sustainability Report.

The Annual Financial Statements were prepared in accordance with the German Commercial Code (HGB); the Consolidated Financial Statements of Bertelsmann SE & Co. KGaA were compiled in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union and the additional requirements of German law pursuant to section 315e (1) HGB. The Supervisory Board's Audit and Finance Committee engaged the auditor to audit the Annual and Consolidated Financial Statements in accordance with the Annual General Meeting resolution. The auditor carried out the audit in observance of German accepted auditing principles established by the German Institute of Independent Auditors (IDW). As part of the expansion of the audit mandate, the auditor also assessed the early risk detection system of Bertelsmann SE & Co. KGaA and found this to be satisfactory for identifying developments that could threaten the Company's continued existence at an early stage, in accordance with section 91 (2) of the German Stock Corporation Act (AktG).

The Sustainability Report was prepared in accordance with the European Sustainability Reporting Standards (ESRS), which were voluntarily applied as a framework pursuant to section 289d of the HGB. Since the aspects described above apply equally to Bertelsmann SE & Co. KGaA and the Group, a framework within the meaning of section 289d of the HGB was not applied separately to the parent company. The voluntary limited assurance review of the Sustainability Report did not reveal any findings indicating that the Sustainability Report for the 2025 financial year had not been prepared, in all material respects, in compliance with the applicable regulations of the HGB, the ESRS, and the corresponding delegated acts.

The Audit and Finance Committee discussed the provisional results on important audit matters with the auditor in a video conference on March 9, 2026. The Annual Financial Statements and audit reports were made available to all members of the Supervisory Board in due time ahead of the financial statement meeting. The auditor participated in the Audit and Finance Committee's financial review meeting on March 24, 2026, and also in the Supervisory Board's plenary financial review meeting the day after. He provided comprehensive reports on the findings of the audit and was available for additional questions and information. He confirmed that, in the course of the audit, no significant weaknesses had been identified in the accounting-related internal control system. The Audit and Finance Committee discussed the Annual Financial Statements and audit reports in detail. The results of the auditor's audit were carefully considered in an internal audit of the Annual and Consolidated Financial Statements. The Audit and Finance Committee reported extensively to the Supervisory Board plenary at its meetings on the audit of the Annual and Consolidated Financial Statements, the Combined Management Report including the Sustainability Report, and the audit reports.

Taking into account the recommendation of the Audit and Finance Committee and the auditor's reports and after further discussion with the auditor, the Supervisory Board's plenary session on March 25, 2026, reviewed and discussed in detail the Annual and Consolidated Financial Statements and the Combined Management Report, including the Sustainability Report. After its own final scrutiny of the Annual and Consolidated Financial Statements and the Combined Management Report (including the Sustainability Report), the Supervisory Board raised no objections. Acting in accordance with the Audit and Finance Committee's recommendation, the Supervisory Board concurred with the audit findings. The financial statements prepared by the Bertelsmann Management SE Executive Board were thus approved.

Furthermore, the Supervisory Board approved the Report of the Supervisory Board for the Annual General Meeting and the Corporate Governance Report, as well as its resolution proposals concerning the agenda items for the ordinary Annual General Meeting taking place on May 5, 2026. The Supervisory Board also reviewed the proposal of the Executive Board of Bertelsmann Management SE regarding the net retained profit distribution, and concurred with said proposal. In the opinion of the Supervisory Board, the proposed profit distribution is appropriate given the level of net retained profits and taking into account the economic environment, the Company's economic situation, and the interests of shareholders.

Changes in the Executive Board of Bertelsmann Management SE and in the Supervisory Board, Objectives for the Composition of the Supervisory Board

The business operations of Bertelsmann SE & Co. KGaA are managed by its general partner, Bertelsmann Management SE, represented by its Executive Board. The following changes occurred in the Executive Board of Bertelsmann Management SE in the past financial year: At its meeting on November 12, 2025, the Supervisory Board of Bertelsmann Management SE appointed Thomas Coesfeld as Chair of the Executive Board of Bertelsmann Management SE effective January 1, 2027. At this Supervisory Board meeting, Clément Schwebig was also appointed to the Executive Board of Bertelsmann Management SE effective May 1, 2026.

There were no changes to the Supervisory Board of Bertelsmann SE & Co. KGaA during the financial year and reporting period. Currently, all eleven members of the Supervisory Board of Bertelsmann Management SE also serve on the 16-member Supervisory Board of Bertelsmann SE & Co. KGaA.

The appropriate size of the Supervisory Board committees and their competent and experienced members, who come from different industries and areas of activity, form a solid foundation for effective and independent work of the Supervisory Board. With the exception of Supervisory Board members who are also members of the Mohn family (Dr. Brigitte Mohn, Christoph Mohn, Liz Mohn) and the employee representatives on the Supervisory Board (Günter Göbel, Theonitsa Ghosh-Roy (Kalispera), Jens Maier, Ilka Stricker) or the representative of the Bertelsmann Management Representative Committee (Núria Cabutí), the Supervisory Board considers all other members of the Supervisory Board (Dominik Asam, Prof. Dr. Werner Bauer, Pablo Isla, Bernd Leukert, Gigi Levy-Weiss, Henrik Poulsen, Hans Dieter Pötsch, Bodo Uebber) to be independent as defined in the German Corporate Governance Code. The committee thus has an appropriate number of independent members representing shareholders. All Supervisory Board

members attended at least half of the Supervisory Board meetings convened. No potential conflicts of interest arose on the Supervisory Board.

From a strategic point of view, the Supervisory Board also aims to properly fulfill its monitoring and consulting function by ensuring diversity among its members. Bertelsmann SE & Co. KGaA is an unlisted company and is not subject to parity codetermination. The “Act to Amend the Rules Regarding Equal Participation of Women in Leadership Positions in the Private and Public Sector” does not apply to the Supervisory Board. Nevertheless, Bertelsmann supports the goals of this legislation. Of the 16 members, five are female. Even though the Supervisory Board will not set a target quota for women on the Supervisory Board for the time being, it intends to maintain at least the current level of female representation in future appointments. When proposing new Supervisory Board members to the Annual General Meeting, it is regularly reviewed whether the number of female and/or international members could be increased (see also section GOV-1 “General Information” of the Sustainability Report).

The Supervisory Board acknowledges the intention of the Government Commission on the German Corporate Governance Code regarding the setting of targets for an age limit and also for a standard limit on length of service on the Supervisory Board. However, in light of Bertelsmann’s special shareholder structure and the age limit regulation already enshrined in the Company’s Articles of Association, the Supervisory Board does not consider it appropriate to set further or additional targets regarding the age limit or length of membership of the Supervisory Board.

The members of the Supervisory Board undertake the training measures required for their duties in principle on their own initiative and receive appropriate support from the company in this regard. Bertelsmann supports members of the Supervisory Board, if necessary, in attending suitable external training activities and covers the associated costs. Newly appointed members of the Supervisory Board also have the opportunity, as part of a structured onboarding process, to thoroughly familiarize themselves with specific topics that are relevant to the Bertelsmann Group. In addition, internal information events on selected topics are held as required. Members of the Supervisory Board are also regularly briefed on the regulatory frameworks relevant to their activities and on other legal developments affecting them.

From the Bertelsmann Group’s perspective, the 2025 financial year can be described as solid on the whole, despite the ongoing geopolitical challenges and the difficult macroeconomic environment. This was due to the commitment of employees and the entrepreneurial leadership of the Executive Board and managers. They have all made a significant contribution to the success of the Group with a high level of personal commitment and a sense of responsibility.

The Supervisory Board would like to express its sincere thanks and appreciation for this to all employees, executives, and members of the Executive Board.

Gütersloh, March 25, 2026



Christoph Mohn
Chairman of the Supervisory Board

Supervisory Board

Christoph Mohn

Chairman

Chairman of the Board of Bertelsmann Verwaltungsgesellschaft mbH (BVG)
Chairman of the Reinhard Mohn Stiftung
Managing Director, Christoph Mohn Internet Holding GmbH

- Bertelsmann Management SE (Chairman)

Prof. Dr.-Ing. Werner J. Bauer

Vice Chairman

Former Executive Vice President of Nestlé AG for Innovation, Technology, Research and Development

- Bertelsmann Management SE (Vice Chairman)
- SIG Group AG

Dominik Asam

Member of the Executive Board, Chief Financial Officer, SAP SE

- Bertelsmann Management SE
- SAP America, Inc.
- SAP Japan Co., Ltd.

Núria Cabutí

Chairwoman of Management Representative Committee of Bertelsmann SE & Co. KGaA (BMRC)

- CELESA S.A.

Theonitsa Ghosh-Roy (Kalispera)

Executive Vice President, Global Supply Chain, BMG

Günter Göbel

Chairman of the Corporate Works Council, Bertelsmann SE & Co. KGaA

Pablo Isla

Chair of the Board of Directors Nestlé S.A. (since October 1, 2025)

- Bertelsmann Management SE
- Fonte Films S.L. (Chairman)
- Nestlé S.A. (Vice Chairman) (until September 30, 2025)

Bernd Leukert

Member of the Executive Board for Technology, Data and Innovation of Deutsche Bank AG

- Bertelsmann Management SE

Gigi Levy-Weiss

General Partner NfX, Angel Investor

- Bertelsmann Management SE
- Authorizon, Inc.
- Elmik Touristic Services Ltd.
- Emcie Co. Ltd.
- Enso Technologies Ltd.
- Faddom Ltd.
- Fun Crafters
- GameJam Ltd.
- IMA Ventures Ltd.
- ImagenAI Ltd.
- Inspectio Inc. (since September 18, 2025)
- Karma Ltd.
- Komodor, Inc.
- Moon Active Ltd.
- Mov.AI Ltd.
- Mrkter Technologies L.B.O. Ltd. (Payouts)
- NFX Capital Israel Ltd.
- NFX Capital UK, Ltd.
- Opmed Inc.
- Papaya Gaming Ltd.
- PayEM Card, Ltd.
- Permit, Inc.
- Premium Domains Ltd.
- Propel Ltd.
- PVML Ltd.
- Remepy. Inc.
- Renegade Insurance, Inc.
- Sauce (Say2Eat, Inc.)
- ScaleOps Labs Ltd.
- Super.ai, Inc.
- Triple Whale, Inc.
- TrustMed Ltd.
- Ultra Horse Ltd.
- Unibeam Ltd.
- Utila Inc.
- Veriti Ltd. (until June 9, 2025)
- Walnut Ltd.

- Membership of statutory domestic supervisory boards
- Membership of comparable domestic and foreign supervisory bodies of business enterprises
- Membership in other bodies

Jens Maier

Chairman of Gruner + Jahr Publishing House
Hamburg Works Council
Chairman of RTL Deutschland Corporate
Works Council

Dr. Brigitte Mohn

Member of the Executive Board,
Bertelsmann Stiftung

- Bertelsmann Management SE
- Phineo gAG
- Stiftung RTL – Wir helfen Kindern e.V.
- Clue by Biowink GmbH

Liz Mohn

Founder and Chairwoman of the Executive Board
of the Liz Mohn Stiftung

- Bertelsmann Management SE

Hans Dieter Pötsch

Chairman of the Supervisory Board, Volkswagen AG
Chairman of the Executive Board, Porsche
Automobil Holding SE

- AUDI AG, Ingolstadt
- Bertelsmann Management SE
- Dr. Ing. h.c. F. Porsche AG
- TRATON SE, Munich (Chairman)
- Wolfsburg AG
- Autostadt GmbH, Wolfsburg
- Porsche Austria Gesellschaft m.b.H., Salzburg
(Chairman)
- Porsche Holding Gesellschaft m.b.H., Salzburg
(Chairman)
- Porsche Retail GmbH, Salzburg (Chairman)

Henrik Poulsen

Chairman of the Supervisory Board of Carlsberg A/S
Senior Advisor to A.P. Møller Holding

- Bertelsmann Management SE
- Faerch A/S (Chairman)
- Novo Holdings A/S (until November 14, 2025)
- Novo Nordisk A/S (Vice Chairman)
(until November 14, 2025)

Ilka Stricker

Vice Chairwoman of the General Works Council,
Arvato
Vice Chairwoman of the Corporate Works Council,
Bertelsmann SE & Co. KGaA
Chairwoman of the Works Council, European SCM
Services GmbH

Bodo Uebber

Independent Management Consultant
Former Member of the Executive Board, Daimler AG
Finance & Controlling / Daimler Financial Services

- Adidas AG
- Bertelsmann Management SE
- Flix SE (Chairman)
- Evercore GmbH (Chairman)

- Membership of statutory domestic supervisory boards
- Membership of comparable domestic and foreign supervisory bodies of business enterprises
- Membership in other bodies

Bertelsmann SE & Co. KGaA's Supervisory Board Committees 2025

Audit and Finance Committee

Bodo Uebber (Chairman)
Günter Göbel
Christoph Mohn
Hans Dieter Pötsch

Working Group of Employee Representatives

Liz Mohn (Chairwoman)
Núria Cabutí
Theonitsa Ghosh-Roy (Kalispera)
Günter Göbel
Jens Maier
Ilka Stricker

Bertelsmann Management SE's Supervisory Board Committees 2025

Personnel Committee

Christoph Mohn (Chairman)
Prof. Dr.-Ing. Werner J. Bauer
Liz Mohn
Hans Dieter Pötsch
Bodo Uebber

Program Committee

Christoph Mohn (Chairman)
Prof. Dr.-Ing. Werner J. Bauer
Dr. Brigitte Mohn
Hans Dieter Pötsch

Executive Board

Thomas Rabe

Chairman and Chief Executive Officer
Chief Executive Officer of RTL Group

- Adidas AG¹ (Chairman)

Carsten Coesfeld

Member of the Executive Board
Chief Executive Officer of
Bertelsmann Investments

- RTL Group S.A.

Thomas Coesfeld

Member of the Executive Board
Chief Executive Officer of BMG

- RTL Group S.A. (since March 19, 2025)

Rolf Hellermann

Chief Financial Officer

- Bertelsmann, Inc. (Chairman)
- RTL Group S.A.

Immanuel Hermreck

Chief Human Resources Officer

- RTL Group S.A.

- Membership of statutory domestic supervisory boards
- Membership of comparable domestic and foreign supervisory bodies of business enterprises

¹ External mandates.

Selected Terms at a Glance

Alternative Performance Measures

Additional financial measures that are not directly specified by financial reporting regulations. These are determined by means of a company-specific reconciliation and are based on mandatory (IFRS) measures.

Cash Flow

A company's cash inflows and outflows during a specific period.

Contractual Trust Arrangement (CTA)

The concept of funding and insolvency protection of pension obligations by transferring assets into a structure similar to a trust. Assets are classified as plan assets under IFRS and are netted against the company's pension obligations.

Corporate Governance

The term for responsible corporate management and control in the interest of creating sustainable value.

Coverage Ratio

The (interest) coverage ratio is a financing target. It represents the ratio of operating EBITDA adjusted to financial result. Amounts reported in the Consolidated Financial Statements are modified in calculating the coverage ratio.

CSRD

Abbreviation for Corporate Sustainability Reporting Directive, a European Union directive regarding sustainability reporting.

Enabling Activity

Economic activity that directly enables other activities to make a substantial contribution to one or more of the environmental objectives.

Equity Method

The equity method is a method of accounting to recognize associates and joint ventures, whereby the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets.

ESRS

Abbreviation for European Sustainability Reporting Standards, which regulates the sustainability reporting of companies in the European Union.

Goodwill

Goodwill represents the future economic benefits arising from those assets acquired in a business combination that are not individually identified and separately recognized.

IFRS Accounting Standards

IFRS is the abbreviation of International Financial Reporting Standards. IFRS Accounting Standards are intended to ensure internationally comparable accounting and reporting.

Leverage Factor

The leverage factor is the ratio of economic debt to operating EBITDA adjusted. In order to enable Bertelsmann's actual financial strength to be reflected on an economic level, the figures reported in the Consolidated Financial Statements are modified.

Minimum Safeguards

Procedures that are implemented to ensure the alignment of labor and human rights.

Operating EBITDA Adjusted

Earnings before interest, taxes, amortization, depreciation, impairment and reversals of impairment losses and special items.

Rating

An expression of the creditworthiness of a creditor or financial instrument by an agency specialized in evaluating credit risk.

SE & Co. KGaA

A partnership limited by shares (KGaA) with a European stock corporation (Societas Europaea, or SE) as the general partner. The general partner is responsible for the management and representation of the KGaA.

Significant Harm

Significant and long-term harm to one of the environmental objectives.

Special Items

Income and expense items that are distinguished by their nature, amount or frequency of occurrence, and the disclosure of which is relevant for assessing the earnings power of the company or its segments in the period affected. They include, for example, reorganization expenses, impairment and capital gains or losses. Not included in the special items are disposal effects of strategic real estate transactions.

Syndicated Credit Facility

A credit facility involving a consortium of banks.

Transitional Activity

Economic activity that assists the transition to a climate-neutral economy.

Financial Calendar

May 6, 2026

Payout of dividends on profit participation certificates for the 2025 financial year

May 13, 2026

Announcement of figures for the first three months of 2026

August 28, 2026

Announcement of figures for the first half of 2026

November 17, 2026

Announcement of figures for the first nine months of 2026

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