

PRESS RELEASE

Bertelsmann to Focus On Values Of Creativity And Entrepreneurship

- **Management Meeting in Gütersloh with more than 500 participants from 33 countries**
- **Bertelsmann CEO Thomas Rabe presents strategic priorities for the next few years**
- **Expenditure on creative content at around €6 billion per year**

Gütersloh, May 9, 2019 – Bertelsmann has unveiled a new version of its company values: In the future, they will focus on creativity and entrepreneurship. The Bertelsmann Essentials define what differentiates and sets apart the international media, services, and education group, and therefore constitute the cornerstones of its corporate culture. The newly formulated version of the values were presented at a Management Meeting at its Gütersloh headquarters attended by more than 500 of the Group's top international executives.

Thomas Rabe, Chairman and CEO of Bertelsmann: "Bertelsmann stands for creativity and entrepreneurship; these values are what drive us. The crucial aspect is the high degree of entrepreneurial freedom that we offer our employees. For creativity and entrepreneurship to flourish, an environment that promotes diversity, cooperation, communication, risk-taking and a willingness to make mistakes is required. These are important success factors in the global competition for the best content, products, services, and talent. The new values underscore our aspiration to be a home for creatives and a company of entrepreneurs."

The company values go back to the corporate principles formulated in the 1960s by Bertelsmann's post-war founder Reinhard Mohn. The first version was published in 1998.

Immanuel Hermreck, Bertelsmann Chief Human Resources Officer, noted that the new edition of the company's values was preceded by a process lasting several years and involving all stakeholders. "Creativity and entrepreneurship run like a thread through Bertelsmann's 184-year history. They have made this company strong, allowed it to grow internationally, and empowered it to keep transforming itself," says Hermreck. "Our values show what makes us unique and strong and what we are better at than other companies: giving people responsibility and encouraging them to decide for themselves and to act on their initiatives."

One of the major reasons behind this latest revision of Bertelsmann's company values is the company's transformation in recent years. The new values also reflect the increasing relevance of topics such as diversity in society and companies.

At the Management Meeting, Thomas Rabe presented specific measures to anchor creativity and entrepreneurship even more firmly in the Group. As part of the company's growth strategy, investments in local premium content and services are to be further expanded in the years ahead. Bertelsmann currently spends around €6 billion annually on creative content. Since 2011, Bertelsmann has invested around €5 billion in the entrepreneurial expansion of its growth platforms, which now account for around a third of Group revenues.

Beyond this, Bertelsmann is also increasingly focusing on cross-divisional and cross-sector collaboration and partnerships. For example, the Ad Alliance advertising alliance will be expanded to include new partners, and collaboration within the Group is to be intensified in Germany under the Bertelsmann Content Alliance. A heightened collaboration in the area of data was also addressed at the Management Meeting.

To promote innovation and efficiency, the company will also massively expand its employees' tech skills in the areas of Cloud, Data, and Artificial Intelligence, said Rabe. As part of this, in March the Group initiated a program to award 50,000 scholarships for courses on the Udacity online teaching platform.

Thomas Rabe: "Bertelsmann is now a faster-growing, more digital, more international, and more diversified company than it was just a few years ago. This is due to the various advances in our four strategic priorities – strengthening our core, digital transformation, building growth platforms, and expanding into growth regions. We will continue on this successful course, focusing even more on local premium content and first-class service offerings, on technology and on alliances – both within our Group and with external partners."

The Management Meeting was the third conference of Bertelsmann's top executives at its Gütersloh headquarters since 2012. It was attended by more than 500 participants, a third of them women, from 33 countries on six continents.

For more information on Bertelsmann's company values:

<https://www.bertelsmann.com/news-and-media/specials/bertelsmann-essentials/index-2.jsp>

About Bertelsmann

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 117,000 employees and generated revenues of €17.7 billion in the 2018 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.

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