GRI Report 2019

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

Excerpt: GRI 300 Environmental Indicators

www.bertelsmann.com/responsibility

About this Report

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

Bertelsmann's GRI reporting also fulfills its obligation, as a UN Global Compact member, to produce an annual Communication on Progress. A separate column in the table highlights the relevant reporting content for each principle. In addition, the environmental data from Bertelsmann's carbon footprint have been fully integrated into its GRI reporting as of 2018. In March 2020, Bertelsmann also published a Combined Non-Financial Statement as part of its Combined Management Report 2019 (pp. 41–46), which complies with the CSR Directive Implementation Act in Germany.

GRI 300

Environmental

GRI 300 Environmental

The efficient use of natural resources is at the heart of Bertelsmann's environmental management. The company strives to minimize environmental impacts resulting from its own production, business, and distribution processes. By conserving natural resources and using them more efficiently, Bertelsmann is thus making an important contribution to environmental and climate protection and to a future worth living in. Resource efficiency is – apart from Bertelsmann's own aspiration – a requirement business customers place on the company, in particular at Arvato and the Bertelsmann Printing Group's service businesses: They expect an environmental management system that ensures compliance with both statutory requirements and their own environmental standards and transparency requirements.

Bertelsmann meets these growing demands through transparency regarding its environmental impact along the value chain. Effective environmental management, i.e. measuring and reducing the resources purchased and used, can save costs and decrease the company's environmental footprint.

The Bertelsmann Environmental Policy, the Bertelsmann Energy & Climate Policy, and the Bertelsmann Paper Policy provide the framework for the Group's environmental management. Besides this, the company has set Group-wide objectives on climate protection (see **GRI 305**) and paper (see **GRI 301**). Operational responsibility for energy and environmental management lies with the managements of the individual Bertelsmann companies which set their own targets for improving their environmental performance on the basis of local management systems.

The internationally staffed Bertelsmann "be green" working group serves as a platform for cross-divisional environmental commitment. It is managed by a representative from Corporate Responsibility & Diversity Management, a central staff function of the Chief HR Officer. Representatives from the Bertelsmann divisions – e.g. paper buyers, energy and environmental managers, logistics experts, and controllers – regularly coordinate on the latest environmental issues and best practices and engage in dialog with external stakeholders. In addition, the experts in the "be green" working group coordinate the Group-wide collection and reporting of environmental data.

Since 2008, Bertelsmann has compiled Group-wide environmental indicators on energy, greenhouse gas emissions, paper, water, effluents, and waste (see **GRI 301, 302, 303, 304, 305, 306**). These indicators illustrate the development of the environmental impacts of Bertelsmann and its divisions. The activities of the divisions BMG, Bertelsmann Education Group, and Bertelsmann Investments as well as Corporate are summarized under "Other" in this report due to their comparatively low environmental impact.

The basis for environmental reporting is the Group-wide IT platform "green.screen". "green.screen" is a platform for the collection, processing and analysis of environmental data at all levels of the organization. At the same time, more and more Bertelsmann companies use "green screen" for digital energy data management. 336 companies at 520 locations across all divisions were included in this latest data collection. All production and logistics sites, the company's own computer centers and most of its own and rented office sites were included in the data collection process. The environmental data for employees at the remaining office locations was calculated based on average consumption values, which was the case for 9 percent of staff calculated in full time equivalents.

GRI Disclosure UNGC

GRI 301 Materials

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

VII-VIII

Paper, still the most important resource for the traditional print media business, continues to be a particular priority at Bertelsmann. Even in an increasingly digitized media landscape, printed books, magazines, brochures, and flyers will continue to have their place. Therefore, resource conservation, climate protection and waste avoidance play a major role for Bertelsmann across the entire paper value chain. Bertelsmann is committed to responsible

paper sourcing, to protect forests which are valuable for climate and biodiversity. In their function as print service providers and buyers, the companies in Bertelsmann's service divisions offer their customers a comprehensive range of sustainably certified and climateneutral print products.

To complement its environmental policy, Bertelsmann has issued a Paper Policy. For 2020, Bertelsmann set the objective to raise the proportion of recycled paper and paper from certified, sustainable forestry in the paper it purchases itself to over 90 percent. This objective was achieved again in 2019. Recycled paper as well as papers of certified origin that meet FSC®, PEFC™, SFI® requirements or comparable standards are regarded as sustainably sourced paper. In this way, the company advocates for responsible forestry. For example, no wood from primary or protected forests may be used in producing the paper. In addition, Bertelsmann ensures that, in addition to certified wood fiber, the paper used has as high a proportion of recycled material as possible. Above and beyond the Group-wide objective, Penguin Random House aims to switch its paper sourcing to 100 percent sustainable paper by 2025.

For information on the general management approach for environment matters: see GRI 300.

301-1 Materials used by weight or volume

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Paper consumption

in tons

	2019	2018
Total paper consumption	1,681,990	1,834,010
Of which self-purchased paper	1,035,070	1,145,740

Paper consumption by corporate division

in tons

	2019	2018
RTL Group	180	190
Penguin Random House	234,500	263,260
Gruner + Jahr	85,510	106,840
Arvato	18,560	16,920
Bertelsmann Printing Group	1,475,240	1,594,980
Other	40	70
Total paper before consolidation	1,814,030	1,982,260
Consolidated	-132,040	-148,250
Total paper after consolidation	1,681,990	1,834,010

In the 2019 financial year, the amount of paper purchased by Bertelsmann decreased by 8 percent to 1.68 million tons (previous year: 1.83 million tons).

The Bertelsmann Printing Group purchased by far the largest amount of paper, 1.48 million tons in 2019. In addition, Penguin Random House (0.23 million tons) and Gruner + Jahr (0.09 million tons) require large quantities of printing paper. All three divisions recorded a decline in paper volumes compared with the previous year. At Gruner + Jahr, the volume of paper purchased declined by 20 percent due to the sale of Motor Presse Stuttgart and the ongoing realignment of the business. The quantities procured by the Bertelsmann Printing Group for

internal and external productions fell by 0.12 million tons (-8 percent), primarily due to declining business in the gravure printing sector in Germany. In contrast, the 11 percent decline at Penguin Random House can be traced back to the exceptional year 2018, when a particularly large amount of paper was needed due to the market success of Michelle Obama's book "Becoming". As opposed to printing papers, Arvato's logistics business recorded a significant increase in packaging papers, so that the total volume of paper rose by 10 percent to 19 thousand tons of paper (previous year: 17 thousand tons).

301-2 Recycled raw materials used

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Paper consumption and share of recycled and certified paper by corporate division in tons

	Total paper consumption	of which recycled	of which certified	of which other
RTL Group	180	70	90	20
Penguin Random House	234,500	7,760	210,910	15,830
Gruner + Jahr	85,510	23,950	58,860	2,700
Arvato	18,560	8,740	1,150	8,670
Bertelsmann Printing Group	1,475,240	251,410	851,480	372,350
Other	40	30	0	10
Consolidated	-132,040	-980	-130,560	-500
Total	1,681,990	290,980	991,930	399,080

In the 2019 financial year, 76 percent of the total amount of paper used was either recycled paper (0.29 metric tons) or certified "virgin" (fresh-fiber) paper (0.99 metric tons). Papers that meet the requirements of FSC®, PEFCTM, SFI® or similar standards are shown under certified quantities. About 95 percent of the paper purchased for Bertelsmann's own products such as books and magazines comes from certified forestry or recycled fibers. The remaining 29 percent (0.4 metric tons) of the total amount of paper procured does not meet the above criteria and is therefore reported as "Other." The majority of the quantities in this category are papers supplied by customers outside the Group, which are then used by Bertelsmann printing plants for the printing of books, magazines, catalogs, and brochures ("provisions").

Share of sustainably sourced paper

in percent

	2019	2018
Share of recycled fibers	24	22
Share of certified fresh fibers	72	70
Total	96	92

For quantities of paper purchased by Bertelsmann companies on their own account rather than provided by third parties, special attention is paid to the standards described above. Bertelsmann uses the proportion of recycled paper and certified virgin fiber paper in the total amount of paper it purchases as indicators for a responsible use of natural resources and protection of forests. The proportion of sustainably sourced papers on own account was increased significantly to 96 percent in the 2019 financial year (previous year: 92 percent).

Bertelsmann thus once again achieved its objective of increasing the proportion of sustainably sourced paper to over 90 percent.

GRI 302 Energy

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

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Energy and Emissions (see also **GRI 305**) as an environmental factor is a focus of cross-divisional cooperation on environmental and climate protection. Although increasing digitalization is making Bertelsmann less dependent on finite natural resources, it is also increasing energy consumption caused by data use. The collaboration within the Bertelsmann "be green" network covers topics such as increasing the use of renewables and improving energy efficiency. The increasing transparency of energy consumption thanks to the "green.screen" IT platform supports exchange between sites while also enabling site-by-site energy data management, which in turn facilitates energy and cost savings.

The Bertelsmann Energy and Climate Policy describes the framework for energy-efficient and climate-friendly business practices. By purchasing renewable energies, Bertelsmann wants to directly influence the demand for climate-friendly options and thus contribute to the sustainable transformation of the energy markets. The electricity purchased by Bertelsmann companies should always have lower greenhouse gas emissions than the respective national electricity mix and, if economically feasible, should come entirely from renewable sources. In addition, a local on-site generation of our own electricity and heat using renewable energies and, on a transitional basis, highly efficient natural gas-powered cogeneration plants, will help to transform the local energy markets. Bertelsmann does not use lignite or anthracite in producing its own energy, and expects its energy suppliers to gradually phase out fossil fuels.

Information on general management approach to the environment: see GRI 300.

302-1 Energy consumption within the organization

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Energy consumption

in GWh

	2019	2018
Electricity	779	819
Heat	719	739
Fuel	75	74
Energy consumption total	1,573	1,632

Compared with the previous year, total energy consumption fell by 4 percent from 1,632 gigawatt hours to 1,573 gigawatt hours. Electricity consumption fell by 5 percent to 779 gigawatt hours (previous year: 819 gigawatt hours). In 2019, heat consumption fell by 3 percent to 719 gigawatt hours (previous year: 739 gigawatt hours). In the same period, energy consumption from fuels rose slightly by 1 percent to 75 gigawatt hours (previous year: 74 gigawatt hours).

Energy consumption by corporate division

in GWh

	2019	2018
RTL Group	141	146

Penguin Random House	86	101
Gruner + Jahr	43	56
Arvato	337	345
Bertelsmann Printing Group	929	945
Other	37	40
Energy consumption total	1,573	1,632

Bertelsmann's divisions differed significantly in their energy consumption. The Bertelsmann Printing Group accounts for the largest share of total consumption at just under 60 percent, followed by Arvato with around 20 percent and RTL Group with just under 10 percent. In contrast, Penguin Random House (5 percent), Gruner + Jahr (3 percent) and other divisions (2 percent) had comparatively low energy consumption.

Across all divisions, energy consumption at Bertelsmann fell compared with the previous year.

The Bertelsmann Printing Group reduced energy consumption in 2019 by 2 percent compared with 2018. The decline in electricity and heat consumption is largely attributable to production declines in Prinovis Germany's and Mohn Media's printing business. Energy consumption at the US printing plants and Sonopress also fell.

With a 15 percent reduction, Penguin Random House recorded significantly lower consumption. This was mainly due to the closure of a warehouse in the UK and an office location in New York.

Consumption at Gruner + Jahr also dropped significantly (-23 percent), especially due to the sale of Motorpresse Stuttgart and lower power consumption at the main site in Hamburg.

The services division Arvato also recorded a 2 percent drop in energy consumption. Despite the expansion of logistics activities in Poland, energy consumption at Arvato Supply Chain Solutions fell significantly due to the closure of a site in France and successful efficiency measures at German sites. The inclusion of the new Saham sites (see **GRI 102-10**) has significantly increased Majorel's electricity consumption. By contrast, heat consumption at Majorel fell due to the closure of smaller sites in Europe. Arvato Systems and Arvato Financial Solutions also both reported a decline in energy consumption due to site-related energy-saving measures.

Despite increased energy consumption at RTL City in Luxembourg, RTL Group was able to reduce consumption by 3 percent year-on-year thanks to energy savings at Mediengruppe RTL Deutschland in Cologne and RTL Nederland.

Energy consumption in the other divisions also fell compared with 2018.

Fossil fuels and propellants used in GWh

	2019	2018
Natural gas	1,117	1,149
Diesel	51	55
Heating oil	11	15
Petrol/gasoline	15	11
Other	11	11

In the 2019 reporting year, a total of 1,117 gigawatt hours of natural gas were used for the company's own power generation. This represents a year-on-year reduction of 32 gigawatt hours (3 percent). Natural gas is used in highly efficient combined heat and power (CHP) plants for the production of electricity and heat, as well as in heating systems for the company's own heat generation. Only a small part of the heat generation is carried out with heating oil. The quantity of heating oil decreased by almost 30 percent compared with the previous year, from 15 gigawatt hours in 2018 to 11 gigawatt hours in 2019. Also, many sites are equipped with diesel-powered emergency power generators, which consumed 1.3 gigawatt hours of diesel during regular test runs. In accordance with the Bertelsmann Energy and Climate Policy, no coal is used for generating energy within the Group. The remaining energy from fossil fuels is used for company vehicles, pool vehicles and forklift trucks.

Renewable energy

in GWh

	2019	2018
Electricity from renewable sources with certificate of origin	91	67
Total electricity consumption	779	819

The proportion of green electricity with certificate of origin increased significantly last year to 12 percent (previous year: 8 percent). This means that in 2019, 91 gigawatt hours of the electricity consumed came from renewable energies, which corresponds to an increase of 36 percent compared with the previous year (67 gigawatt hours).

302-2 Energy consumption outside the organization

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Business travel

in millions of kilometers

	2019	2018
Air	226	239
Rail	39	37
Rental car	15	20
Business travel total	280	296

In the reporting year, the distances covered for business travel across the Group declined significantly by 5 percent from 296 million to 280 million kilometers. At 81 percent and 226 million kilometers, air travel accounted for most of the distance traveled. Compared with the previous year (239 million kilometers), it declined by 5 percent. While rental car mileage also fell by 25 percent, environmentally friendly rail journeys increased from 37 million to 39 million kilometers, representing a 5-percent increase for the second consecutive year. The need to change travel habits is explicitly being communicated to employees at many Bertelsmann companies.

Business travel by corporate division

in millions of kilometers

	2019	2018
RTL Group	87	89

Penguin Random House	49	55
Gruner + Jahr	15	27
Arvato	97	86
Bertelsmann Printing Group	6	7
Other	26	32
Business travel total	280	296

In fiscal year 2019, only Arvato's business travel increased significantly by 13 percent to a total of 97 million kilometers (previous year: 86 million kilometers). Arvato's business trips thus account for the largest share of Group-wide business travel: 35 percent. The increase in air travel at Majorel due to new international locations more than offset the reduced travel activities at Arvato Supply Chain Solutions.

RTL Group recorded a 2-percent decline in travel, to 87 million kilometers (previous year: 89 million kilometers). This corresponds to 31 percent of total kilometers travelled across the Group. The number of kilometers travelled decreased, especially at RTL Hungary, due to significantly less air travel.

Penguin Random House and Gruner + Jahr also significantly reduced the distances traveled. At Penguin Random House, business travel fell by 11 percent, mainly due to the increasing use of video conferencing.

The 44-percent decline at Gruner + Jahr is due to cost-cutting measures and the sale of Motorpresse Stuttgart.

The Bertelsmann Printing Group has a relatively small share of 2 percent of the total number of kilometers traveled. The division recorded a 14-percent reduction from 7 million to 6 million kilometers, mainly due to lower sales activity and increased use of online meetings at Mohn Media and Sonopress.

302-3 Energy intensity

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The energy intensity, the ratio of the sum of the reported energy-consumption values in megawatt-hours to the total revenues reported in the consolidated financial statements (in millions of euros), remained 5 percent below the previous year's figure at 87.2 (previous year: 92.3).

302-4 Reduction of energy consumption

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See GRI 302-1.

GRI 303 Water

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

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Information on the general management approach for environmental matters: see **GRI 300**. Information on the management approach for water: see **GRI 306**.

303-1 Water withdrawal by source

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Water withdrawal by source

in millions of m³

	2019	2018
from public utilities	1.41	1.47
from groundwater	2.97	3.02
from rainwater storage tanks	0.00	0.01
Total	4.38	4.50

In the 2019 financial year, water withdrawal fell by 3 percent to a total of 4.38 million cubic meters of water (previous year: 4.50 million cubic meters). The most significant decrease is in water withdrawal from public utilities. This figure fell by 4 percent to a total of 1.41 million cubic meters. The use of groundwater from wells fell by 2 percent from 3.02 million cubic meters in the previous year to 2.97 million cubic meters of water withdrawal in 2019.

Water withdrawal by corporate division

in millions of m3

	2019	2018
RTL Group	2.38	2.34
Penguin Random House	0.12	0.14
Gruner + Jahr	0.09	0.15
Arvato	0.57	0.55
Bertelsmann Printing Group	1.07	1.12
Other	0.15	0.20
Total water withdrawal	4.38	4.50

Water is used to varying degrees in the individual divisions. RTL Group (54 percent) accounted for more than half of the water withdrawal at 2.38 million cubic meters. The Bertelsmann Printing Group accounted for 1.07 million cubic meters, or 24 percent of water withdrawal. The remaining 21 percent were withdrawn by Arvato (13 percent), Penguin Random House (3 percent), Gruner + Jahr (2 percent), and the other divisions (about 3 percent in total).

RTL Group's water withdrawal rose by 2 percent from 2.34 million to 2.38 million cubic meters. This is mainly due to the energy-saving cooling of buildings using wells operated by Mediengruppe RTL Germany in Cologne, a method used more intensively again in the 2019 financial year due to high temperatures. At Arvato, fresh water withdrawal rose 4 percent year-on-year to 0.57 million cubic meters (previous year: 0.55 million cubic meters). The main reason for this is the restructuring at Majorel because of the additional locations of the Saham Group (see **GRI 102-10**) and the acquisition of a location in Mexico.

The remaining divisions each recorded a decline in water withdrawal. At the Bertelsmann Printing Group, it fell by 4 percent from 1.12 million to 1.07 million cubic meters. This is attributable to production declines in Prinovis Germany's and Mohn Media's printing business. Gruner + Jahr reduced its withdrawal by 40 percent, which is primarily related to an improvement in well technology at DDV Druck. At Penguin Random House, the closure of an office location in New York led to a 14-percent reduction in water consumption to 0.14 million cubic meters (previous year: 0.12 million cubic meters).

GRI 305 Emissions

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

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Bertelsmann supports the international community's goal of limiting global warming to below two degrees Celsius. By 2025, the Group aims to reduce its portfolio-adjusted greenhouse gas (GHG) emissions by 20 percent compared with the base year 2014. This objective relates to emissions from the consumption of fuels for our own electricity and heat production (Scope 1) as well as to the consumption of purchased electricity and heat (Scope 2).

The Group-wide objective was achieved ahead of schedule in the 2019 financial year with a reduction of 24 percent compared with the base year 2014. At the end of December 2019, the Bertelsmann Executive Board therefore decided that the company should become carbon-neutral by 2030. The company aims to reduce all greenhouse gas emissions generated by its sites, by the mobility and equipment of its employees and by the manufacture of its own products by 50 percent compared with 2018. Further information on the new climate protection target and the defined fields of action are documented on the company website.

Greenhouse gas emissions reported under the previous emission objective are accounted for in accordance with the "Corporate Accounting and Reporting Standard" and "Scope 2 Guidance," and following the "Corporate Value Chain (Scope 3) Standard" of the Greenhouse Gas Protocol (GHG Protocol). Greenhouse gas emissions are reported in accordance with the GHG Protocol and in CO2 equivalents (CO2e). According to the GHG Protocol, emissions are reported in three different scopes. Scope 1 refers to Bertelsmann's direct emissions, which for instance result from its own (on-site) power generation and the operation of printing machines. Scope 2 covers indirect emissions from the generation of purchased electricity and district heating, or heat provided by landlords. In accordance with the GHG Protocol Scope 2 Guidance, Bertelsmann reports both market-based and location-based emissions in the overview of key indicators.

As part of measuring the achievement of the objective, an adjustment is made to take account of portfolio changes. Effects from the sale and acquisition of Group companies are retroactively neutralized each year, and the basic data adjusted accordingly. The environmental indicators also include other indirect greenhouse gas emissions (Scope 3) that are not part of the objective.

305-1 Direct (Scope 1) GHG emissions

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Greenhouse gas emissions

in tons of CO₂e

	2019	2018
Scope 1 total	246,400	256,500
Electricity	65,600	70,900
Heat	160,300	163,400
Transport	20,500	22,200
Scope 2 total ¹⁾	185,500	210,000
Electricity	155,200	175,100
Heat	30,300	34,900
Scope 3 total	1,298,500	1,430,400
Business travel	63,600	67,800

Staff commutes	74,500	72,100
Paper	1,092,900	1,217,800
Energy-related activities	67,500	72,700
Total	1,730,400	1,896,900

¹⁾ Scope 2 emissions were calculated using the market-based method as indicated in the Scope 2 Guidance of the GHG Protocol. According to the site-based method, Scope 2 emissions amounted to 239,800 metric tons of CO₂e (previous year: 252,000 metric tons).

The sum of direct and indirect greenhouse gas emissions accounted for in 2019 was 1.73 million tons of CO₂ equivalents. This represents a decline of 9 percent compared with the previous year (1.89 million tons). About three-quarters of these emissions were attributable to indirect emissions along the value chain (Scope 3). These emissions fell by 9 percent year-on-year in 2019. The remaining 25 percent of total emissions were attributable to Scope 1 and Scope 2, which show a year-on-year decline of 4 percent and 12 percent respectively.

Scope 1 and 2 emissions

in tons of CO2e

	2019	2018
RTL Group	33,200	35,900
Penguin Random House	14,500	28,700
Gruner + Jahr	10,000	14,500
Arvato	97,500	96,600
Bertelsmann Printing Group	267,600	278,500
Other	9,100	12,300
Total Scope 1 and 2 emissions	431,900	466,500

The Bertelsmann Printing Group (267,600 tons CO₂e) and Arvato (97,500 tons CO₂e) accounted for the largest share of Bertelsmann's Scope 1 and Scope 2 emissions. In particular, the consumption of electricity, natural gas and heat by printing presses as well as other production facilities and the operation of materials handling equipment at the logistics sites are reflected in the carbon footprint of these services divisions.

The reduction in emissions was due in particular to a decline in production at the printing plants. In addition, the volume of renewable electricity with certificate of origin increased by more than 20,000 megawatt hours compared with the previous year, and now accounts for 12 percent of total electricity consumption (previous year: 8 percent).

At Arvato, emissions rose slightly by 1 percent compared with the previous year. While the logistics division was able to reduce emissions by, among other things, using its own photovoltaic power at sites in the Netherlands for the first time, emissions rose overall at Arvato due to the addition of new Saham Group locations at Majorel (see **GRI 102-10**).

Penguin Random House recorded the largest reduction in Scope 1 and 2 emissions in absolute terms, with a saving of 14,200 tons of CO₂e (49 percent). This is due in particular to the extensive switch to green electricity procurement at the energy-intensive locations in North America, the UK and Spain. In fiscal year 2019, more than 80 percent of the electricity purchased by this division was already sourced from green electricity.

The Bertelsmann Printing Group also recorded a significant absolute reduction in Scope 1 and 2 emissions, with 10,900 tons of CO_2e . This is a decrease of 4 percent. The production declines and process optimizations at Prinovis Germany are the main reasons for this.

RTL Group achieved an 8-percent reduction of its Scope 1 and 2 emissions (2,700 tons CO₂e). This was achieved in part by switching to green electricity with certificate of origin at Fremantle in the United Kingdom and Canada. At Gruner + Jahr, the switch to green electricity led to a reduction in emissions at numerous smaller locations as well.

305-2 Energy indirect (Scope 2) GHG emissions See GRI 305-1.

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305-3 Other indirect (Scope 3) GHG emissions Scope 3 emissions

VII-VIII

in tons of CO2e

	2019	2018
RTL Group	33,500	35,200
Penguin Random House	265,100	305,100
Gruner + Jahr	98,300	125,200
Arvato	106,500	98,300
Bertelsmann Printing Group	784,600	853,000
Other	10,500	13,600
Bertelsmann (total)	1,298,500	1,430,400

Bertelsmann significantly reduced its recorded Scope 3 emissions by 9 percent, from 1.43 million tons of CO₂e in the previous year to 1.30 million tons of CO₂e in fiscal year 2019. Other indirect greenhouse gas emissions from the production of paper that Bertelsmann buys itself, upstream emissions from energy production (outside of Scope 1 and 2), emissions from business travel, and emissions from employee commuting are reported as part of Scope 3 emissions. At more than 60 percent, the Bertelsmann Printing Group was responsible for the largest share of Scope 3 emissions, followed by Penguin Random House (20 percent). Gruner + Jahr and Arvato also generated high shares, at 8 percent each. The volumes of paper used in the print and publishing businesses and, at Arvato, the emissions attributable to employee commutes, had a particular impact. Scope 3 emissions reported by RTL Group and all other divisions accounted for 3 percent and 1 percent of total scope 3 emissions, respectively.

305-4 GHG emissions intensity

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Specific greenhouse gas emissions (Scope 1 and 2) fell from 26.4 metric tons of CO₂e per 1 million euros of Group revenue in 2018 to 24.0 metric tons of CO₂e per 1 million euros of Group revenue in 2019.

305-5 Reduction of GHG emissions

VII-VIII

See GRI 305-1, GRI 305-3.

Bertelsmann uses CO₂ certificates to offset greenhouse gas emissions, e.g. for the sale of climate-neutral print products and for business travel. In this context, emissions of 18,700 tons were offset in 2019, an increase of 25 percent over the previous year. The climate protection projects supported are certified according to internationally recognized standards. Certificates amounting to some 7,000 tons are the first results of a reforestation project in Brazil exclusively supported by Bertelsmann.

Development of GHG emissions

in tons of CO2e

	2019	2014
Scope 1 emissions adjusted	228,700	234,800
Scope 2 emissions adjusted	182,600	304,000
Total	411,300	538,800

In fiscal year 2019, Bertelsmann achieved its own objective of reducing portfolio-adjusted Scope 1 and Scope 2 emissions by more than 20 percent in absolute terms compared with the base year 2014. In absolute terms, this represents a reduction from 538,800 tons in 2014 to 411,300 tons in 2019. Scope 1 emissions have decreased by 3 percent, and Scope 2 emissions have fallen significantly by 40 percent. In sum, this is equivalent to a 24-percent decline. Bertelsmann has thus accomplished its objective – to reduce its portfolio-adjusted GHG emissions by 20 percent by 2025 – well ahead of schedule.

All of Bertelsmann's divisions have succeeded in lowering their emissions since 2014, the base year for the Group-wide objective. In absolute terms, the Bertelsmann Printing Group made the biggest contribution, by eliminating 68,000 metric tons of CO₂e. Besides decreases in production outputs, steady improvements in energy efficiency contributed to this reduction.

At Penguin Random House, the synergy effects from the merger of Penguin and Random House in 2014, and the strong expansion of green electricity purchases in recent years, played a key role in the 64-percent reduction compared with the base year.

GHG emissions at Gruner + Jahr have changed significantly due to the effects of digitalization and portfolio measures. After adjusting for portfolio changes, the division has contributed to achieving the objective with a significant, more than 40-percent reduction in emissions.

RTL Group contributed to the reduction in emissions mainly through efficiency measures and green electricity procurement at several companies. At Arvato, too, emissions, adjusted for changes in the portfolio, have fallen significantly since 2014. The many steps taken to increase energy efficiency and lower energy-related emissions more than compensated for the effects of the organic growth of the logistics services in particular.

GRI 306 Effluents and waste

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

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

VIII

GRI Disclosure UNGC

306-1 Wastewater discharge by quality and destination Wastewater discharge

in millions of m³

	2019	2018
To public sewers or to third parties	1.41	1.70
To surface water, receiving waters or own wastewater-treatment		-
plants	2.34	2.19
Total wastewater discharged	3.75	3.89

306-2 Waste by type and disposal method Total waste

in tons

	2019	2018
RTL Group	1,900	2,000
Penguin Random House	31,100	28,700
Gruner + Jahr	9,000	10,500
Arvato	38,000	37,800
Bertelsmann Printing Group	215,100	234,000
Other	900	1,400
Total waste	296,000	314,400

In the 2019 financial year, the recorded quantities of waste declined by 6 percent to 296,000 tons across the Group (previous year: 314,400 tons). The Bertelsmann Printing Group's printing plants generated the largest share of total waste at 73 percent. About 93 percent of the waste reported by the printing plants consisted of paper residues, which were forwarded for recycling. Due to drops in production at Prinovis Germany, the Bertelsmann Printing Group's waste volumes were down by 8 percent year-on-year, corresponding to a decline from 234,000 tons to 215,100 tons. At 38,000 tons, Arvato's businesses accounted for approximately 13 percent of the Group's total waste. The volumes reported did not change significantly year-on-year. Penguin Random House accounted for 11 percent of the Group's total waste volumes. Due to increased paper recycling at the warehouses in the United States and Argentina, these volumes rose by 8 percent year-on-year to 31,100 tons (previous year: 28,700 tons). Gruner + Jahr (3 percent) and RTL Group (1 percent) accounted for the remaining waste volumes.

Waste by type of disposal

in tons

	2019	2018
for recycling	284,200	302,900
for disposal	11,800	11,500

VIII

of which hazardous	1,600	1,600
Total waste	296,000	314,400

The volume of recyclable waste fell by 6 percent to a total of 284,200 tons in the fiscal year (previous year: 302,900 tons). This decrease was mainly due to production declines at the printing plants. At 96 percent, waste destined for recycling as a percentage of total waste remained consistently high year-on-year. The recyclable waste was either returned to the resource cycle or recycled in waste-to-energy systems. About 70 percent of the recyclable waste consisted of paper residues from the printing plant's production departments. Waste for disposal accounted for about 4 percent (11,800 tons) of total waste, up by 3 percent compared with the previous year (11,500 tons). In 2019 as in the previous year, hazardous waste totaled 1,600 metric tons.

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