

COMBINED NON-FINANCIAL REPORT 2018



ENTERTAIN. INFORM. ENGAGE.

CONTENTS

3	CEO STATEMENT
4	INTRODUCTION
4	CORPORATE PROFILE
5	BUSINESS MODEL
9	MARKET ENVIRONMENT AND TRENDS
10	MANAGEMENT APPROACH AND RELEVANT TOPICS
	13 Intellectual property and copyright
	14 Information security, data protection and privacy
17	DIVERSITY
	18 Diversity of people
	20 Diversity of content
22	HUMAN RIGHTS
	23 Editorial independence
26	EMPLOYEE MATTERS
	26 Learning
	29 Fair working conditions
	31 Health
32	ANTI-CORRUPTION AND ANTI-BRIBERY
34	SOCIAL MATTERS
	34 Content responsibility
	36 Community investment
38	ENVIRONMENTAL MATTERS
	39 Energy and emissions
42	INDEX
43	IMPRINT AND CREDITS

CEO STATEMENT

**“RTL GROUP
WILL ALWAYS BE
COMMITTED
TO MAINTAINING
THE HIGHEST
EDITORIAL
STANDARDS.”**



CORPORATE RESPONSIBILITY – THE RTL WAY

**Thomas Rabe, CEO of RTL Group,
outlines what Corporate Responsibility means for RTL Group today**

To operate successfully in a rapidly changing market environment, driven by new technologies and the emergence of global platforms, we have defined three priorities centered around creativity, talent and video-on-demand. Corporate responsibility is vital to our success in all three areas.

CREATIVITY

Creativity starts with our culture. A culture where our managers and employees have the freedom to create. Which encourages us to take risks, experiment, challenge convention and learn from our mistakes. We are committed to freedom of expression and thought, ensuring journalistic and editorial independence and maintaining the highest editorial standards.

TALENT

Talent and talent development are the foundation of our businesses. We aim to be an employer and partner of choice for journalists, actors, writers and producers, data scientists, tech engineers, digital sales experts and general managers. We recruit people from a wide variety of backgrounds – we empower them, invest in their capabilities and enable them to fulfill their potential.

VIDEO-ON-DEMAND

The global video-on-demand market is crowded. Our approach is not to imitate the global players, but to become the local number one in our main television markets. We are local experts in linear television and have been for many years – we will build on this expertise and strength as we continue to grow our video-on-demand offers. We already have over one million subscribers paying for our streaming services in Germany and the Netherlands.

One common theme of these three priorities is our responsibility as an information provider. We know that millions of people rely on us for accurate, impartial news and reporting as well as quality entertainment. Responsibility is part of the way we do business every day: CR – the RTL way.

As you'll see, this theme recurs throughout this report, which also presents our CR performance indicators and a wide range of other data from 2018.

A blue ink signature of Thomas Rabe, CEO of RTL Group.

THOMAS RABE
CEO of RTL Group

INTRODUCTION

On 23 July 2016, [Directive 2014/95/EU](#) regarding the disclosure of non-financial and diversity information by certain large undertakings and groups was transposed into Luxembourg law as [Article No 156: publication d'informations non financières et d'informations relatives à la diversité](#).

This Combined Non-financial Report (CNFR) fulfils RTL Group's reporting obligations under this law, and the information it contains applies equally to RTL Group's fully consolidated business units. Publicly listed Groupe M6 – a fully consolidated RTL Group

business unit – publishes a separate [Sustainable Development and Corporate Responsibility Report](#).

This report covers the 2018 financial year.

The law requires us to report on five aspects: environmental matters, employee matters, social matters, human rights, and anti-corruption/anti-bribery. This report includes information that is necessary to understand RTL Group's business performance, results and situation, and if the Group's business operations impact one of these five aspects.

CORPORATE PROFILE

With interests in 60 television channels, eight video-on-demand (VOD) platforms, 30 radio stations, a global business for content production and distribution, and rapidly growing digital video businesses, RTL Group entertains, informs and engages audiences around the world.

The Luxembourg-based company owns stakes in TV channels and radio stations in Germany, France, Belgium, the Netherlands, Luxembourg, Spain, Hungary and Croatia. With Fremantle, it is one of the world's leading producers of television content: from talent and game shows to drama, daily soaps and telenovelas, including *Idols*, *Got Talent*, *Good Times*, *Bad Times* and *Family Feud*.

Combining the on-demand services of its broadcasters, the multiplatform networks BroadbandTV, Divimove, United Screens and Fremantle's more than 300 YouTube channels, RTL Group has become the leading European media company in online video. In 2018, the Group combined the video ad-tech platform SpotX with the European platform Smartclip.

Bertelsmann has been the majority shareholder of RTL Group since July 2001. RTL Group's shares (ISIN: LU0061462528) are publicly traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange and on the Luxembourg Stock Exchange. Since September 2013, RTL Group has been listed in the prestigious MDAX stock index. RTL Group publishes its consolidated accounts in accordance with IFRS.

RTL Group's business comprises the following six segments: Mediengruppe RTL Deutschland, Groupe M6 (including the French RTL family of radio stations), Fremantle, RTL Nederland, RTL Belgium and Others (which includes RTL Hungary, RTL Croatia, RTL Group's Luxembourgish activities, the German radio business and the investment accounted for using the equity method, Atresmedia in Spain). The Others segment also includes RTL Group's ad-tech platform, SpotX, and the multiplatform networks (MPNs) BroadbandTV, Divimove and United Screens. Groupe M6 and Atresmedia are themselves listed companies, with the shares being traded on the stock exchanges of Paris and Madrid respectively.

BUSINESS MODEL

RTL Group operates different business models in its three main areas: broadcast, content (production and licensing) and digital, each of which is outlined below. RTL Group believes that creativity in programming is

the essence of success. In summary, RTL Group's business model is to produce, aggregate, distribute and monetise the most attractive content, across all formats and platforms.

BROADCAST

Broadcasters buy, produce and commission mostly local content. They also buy or license broadcasting rights for movies, TV series and sporting events. TV channels and radio stations create and schedule programming that helps them shape their channel brands. Rather than focusing on a single genre, RTL Group's flagship channels create a general interest programming mix across all genres, including drama, factual entertainment, news, talk, soaps, reality and sport. In today's fragmented marketplace, it's crucial for broadcasters to offer content that makes them stand out from the crowd.

RTL Group channels broadcast their content terrestrially and distribute it through other platforms, such as cable, satellite and internet TV. In exchange for the broadcasting signal in high definition (HDTV) or additional services, such as pay-TV channels or VOD, they receive money from the platform operators. RTL Group reports this figure separately as platform revenue.

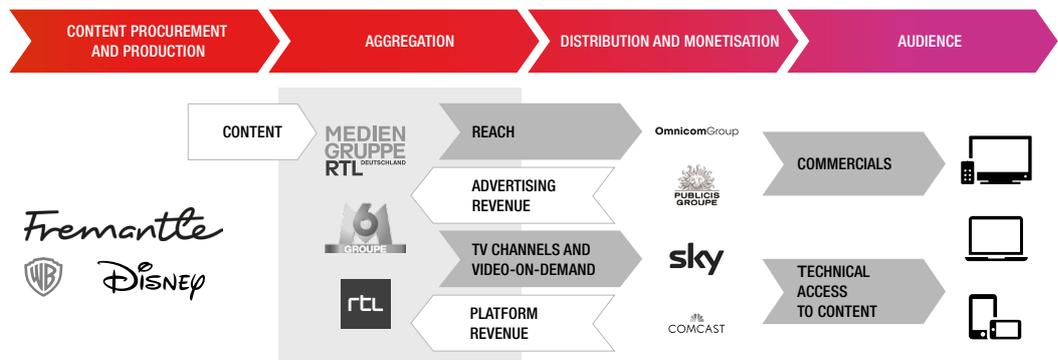
In addition, RTL Group's broadcasters have established their own digital on-demand platforms that make their content available on all devices: computers, smartphones, tablets, and internet-connected TVs.

Advertising is the primary source of revenue for RTL Group's broadcasters, and their advertising clients are offered a range of ad formats, from the traditional 30-second commercial to tailored packages of TV and digital ads. RTL Group's advertising sales houses sell spots in the channel's linear and non-linear programming. The price they pay generally depends on the reach and demographic structure of the audience they target. Higher audience shares and more sought-after target groups lead to higher spot prices, which are generally priced at CPM (cost per mille).

STRATEGIC PRIORITIES:

- Build and extend families of TV channels
- Build local Total Video champions
- Significantly grow non-advertising revenue
- Invest in its international sales house, RTL AdConnect
- Offer advertisers pan-European digital advertising campaigns

GENERIC BROADCAST VALUE CHAIN



VIDEO-ON-DEMAND

RTL Group is the European leader and a top global player in online video. Its broadcasters have established their own on-demand platforms that make their programmes available on all devices at all times – predominantly financed by advertising. They have also branched out into new business models, such as subscription video-on-demand (SVOD) and are increasing their production of original content for their VOD services.

The next step is to combine the different VOD offerings into a so-called hybrid model, consisting of a free, advertising-funded service (replay) and a paid, premium content bundle – offering the programmes of linear TV channels plus premium content, either exclusively produced or licensed from third parties.

CONTENT

RTL Group broadcasters produce and commission a wide variety of local content, while the group's global

production arm, Fremantle, is responsible for around 12,700 hours of TV programming broadcast each year.

CONTENT PRODUCTION VALUE CHAIN



As one of the world's largest creators, producers and distributors of television content, Fremantle operates differently to RTL Group's broadcasters. The company produces, licenses and distributes a vast array of programmes that range from high-end drama, through game shows and daily soaps to entertainment. As a production company, Fremantle provides broadcasters, platforms and online services with content that, in return, is used by those clients to build their business. Fremantle operates in over 30 territories around the world, through its network of local production and distribution companies.

Fremantle's international distribution arm sells finished programmes and formats around the world and acquires, develops, finances and co-produces new titles for the international market. Its catalogue contains a diverse and exciting range of programming that includes drama, comedy, factual, lifestyle and entertainment shows.

The distribution business also plays an important role in providing financing for high-quality drama such as *American Gods*, *Deutschland 86* and *Picnic At Hanging Rock*.

Supported by a brand management team, and a sales network that spans nine international offices and five continents, Fremantle distributes more than 20,000 hours of content in over 200 territories worldwide.

Increased exposure to high-end drama – where the development cycle from concept to on-screen can be anything from two to three years – has a negative impact on Fremantle's cash conversion, where some elements of production may be financed by the production company and the distribution business may invest in return for specific rights.

The fact that both the timing of the delivery of the finished programme and the initial transmission date are often down to the local broadcaster can ultimately impact revenue recognition at a Group level. Phasing effects can swing significantly from one quarter to another as a result, but are often neutralised over the course of the year.

STRATEGIC PRIORITIES:

- Nurture established brands while investing in creating new formats and brands
- Continue Fremantle's push into scripted drama
- Maximise the global Fremantle network by increasing scale in strategic markets

¹ Pre-production only starts once the idea is sold to a commissioning client network

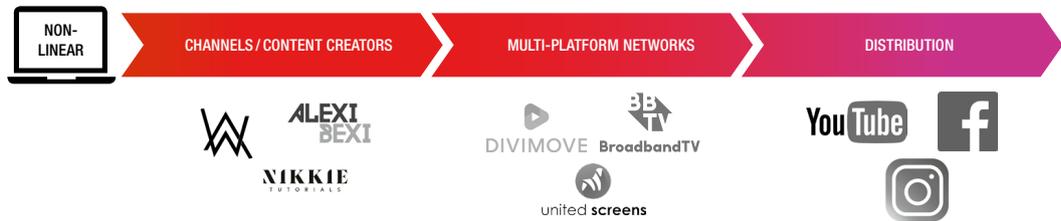
DIGITAL

MULTIPLATFORM NETWORKS (MPNs)

Through key digital investments, RTL Group has become a leader in the YouTube ecosystem. Today, RTL Group fully owns or has stakes in three multiplatform networks (MPNs): BroadbandTV, Divimove and United Screens. Creators and so-called influencers create content for their own channels on an online video platform such as YouTube. As it can be hard for individual creators to sell advertising on their own or to approach and cooperate with bigger brands, MPNs aggregate content to offer advertisers an attractive content package and, most importantly, reach within a defined target group, such as young viewers.

On platforms such as YouTube, revenue is shared between the platform and the MPN. In return for their content, the creators receive a revenue share from the MPN. The more attractive the content – measured by the number of subscribers and video views – the higher the price. Furthermore, branded content, where certain products are featured within video content, offers the opportunity to diversify revenue streams. This revenue is not subject to the revenue share taken by the platform, and thus offers higher margins.

GENERIC MPN VALUE CHAIN



STRATEGIC PRIORITIES:

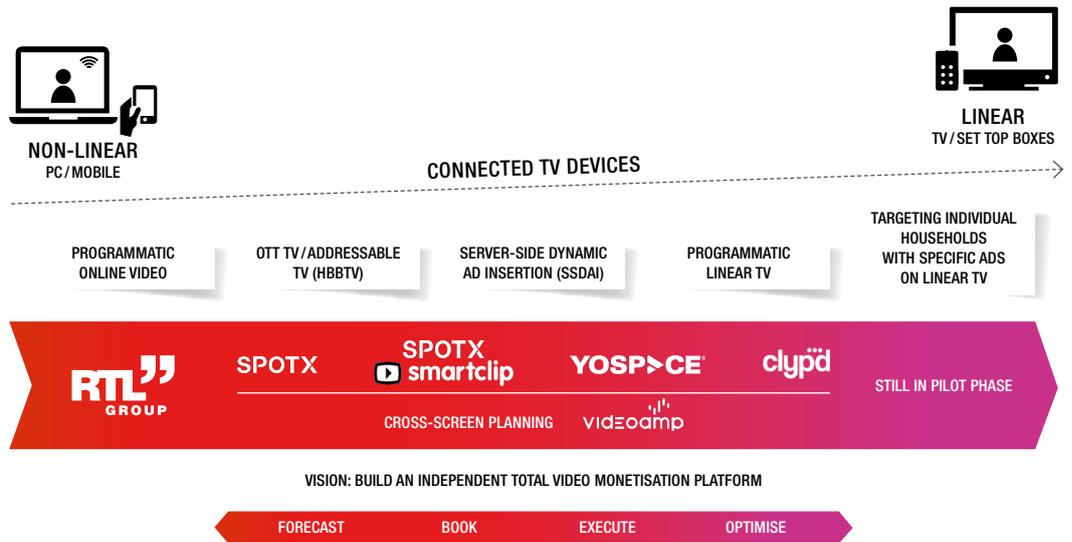
- Bundle the European MPN businesses, Divimove and United Screens
- Build sustainable relationships with the most creative video creators and talent
- Create and own intellectual property (IP)

ADVERTISING TECHNOLOGY

While linear television remains the only medium to reach mass audiences on a daily basis, digital video advertising enables advertisers to bring their message to an engaged audience, which can be enhanced by the use of technology and data. This is done using a sophisticated process that automates the advertising sales process: within milliseconds an ad space on a website can be sold to advertisers looking for this

particular demographic and willing to pay a price within a given range. Advertising technology fulfils two main goals: a) find the perfect match between advertiser and user, and, b) find the perfect price for both advertiser and publisher. The main difference to traditional advertising sales is the targeting of individual users instead of a broad reach. RTL Group aims to transfer this process into the linear TV world.

RTL GROUP AIMS TO BE PRESENT ALONG ALL PARTS OF THE AD-TECH VALUE CHAIN



STRATEGIC PRIORITIES:

- Total Video – transact all video advertising via one platform
- Customer value – deliver products and services that add value to advertising clients
- Global expansion – continue to serve a global market while exploring further expansion

MARKET ENVIRONMENT AND TRENDS

Digitisation has significantly transformed the TV market, with more channels, platforms, screens and content available than ever before. A massive 93.3 per cent of EU households now receive their TV signal digitally, and, in Germany alone, viewers have access to over 60 linear television channels.

Digitisation has brought new ways of reaching viewers – such as mobile, IPTV and over-the-top streaming services – which complement conventional modes of TV distribution such as terrestrial television, cable and satellite (free to air and pay TV). Broadcasters such as RTL Group have welcomed the opportunity to distribute their programmes on both a linear (scheduled) and non-linear (on demand – anywhere, any time and on any device) basis.

With these extensive changes in the technical infrastructure of content distribution, the rise in viewing consumption through new devices (smartphones, tablets, connected TVs) has led to far-reaching changes in linear TV viewing behaviour. Just as media convergence became a technical reality long ago, now the media industry can see noticeable shifts in audience reach, advertising, distribution and platform business.

To most people, ‘TV’ still refers to the screen in their living room. But the business model of TV, and the wider industry behind it, has moved on – and, with it, the definition of TV. At RTL Group, TV stands for Total Video. The Total Video market comprises:

- linear TV (commercial free-to-air channels, pay-TV channels, public broadcasters, as well as over-the-top delivered linear TV channels)
- on-demand services financed by advertising, pay per view or subscriptions (especially long-form)
- YouTube, Facebook and other online video platforms (especially short-form)

Total Video revenue – as defined by RTL Group in its main markets (Germany, France and the Netherlands) – is expected to grow by around 4 per cent annually until 2022. Online video revenue (SVOD/AVOD) is currently the fastest-growing digital segment, and is expected to grow in Germany, France and the Netherlands by around 15 per cent each year between 2017 and 2022, driven by SVOD.

Against the backdrop of ongoing digitisation, RTL Group’s markets are shaped by four key trends: competition, consolidation, convergence and complexity.

While linear TV is still, by far, the way most viewers consume video content, non-linear viewing is growing fast, and displaying the following trends:

- the younger the target group, the higher the share of non-linear viewing
- the younger the target group, the higher the share of viewing on mobile devices
- watching video content on mobile devices increases the demand for short-form video (short clips that last just a few minutes)
- the higher the share of non-linear viewing, the higher the demand for high-end drama series, often with a niche appeal

2018 showed the dangers inherent in digital media, with calls for action on fraudulent practices from major advertisers such as Procter & Gamble, to questionable content on YouTube, and fraudulent behaviour in ad tech. Brand safety remains a crucial issue for RTL Group’s ad-tech businesses and multi-platform networks. Several industry initiatives are currently under development – including IAB’s ads.txt – while the platforms themselves invest heavily in counter measures.

At the same time, this development also presents opportunities for operators of linear TV channels. The linear TV ecosystem has always provided brand-safe environments, and its effectiveness is well documented. Common measurement systems established by independent third-party bodies provide reliable data on usage, audience shares and demographics. RTL Group believes in the value of TV – it is the medium with the broadest reach, the highest frequency of exposure, and the highest viewing time. In its advertising effectiveness, brand building and brand safety, TV is the most reliable and brand-safe medium for advertisers to reach broad audiences.

While TV devices become more sophisticated thanks to ultra-HD resolution and HDR capabilities, RTL Group has identified virtual reality (VR) as another market trend. The VR market is growing strongly, from 2.1 million head-mounted displays (HMDs) in 2016 to an estimated nearly 83 million in 2021, according to Future Source. This prediction does not yet include the tens of millions of cardboard headsets available. In addition, Microsoft, Oculus and Google are expected to launch new devices in 2019.

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MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

**ANTI-CORRUPTION
 AND ANTI-BRIBERY**

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

MANAGEMENT APPROACH AND RELEVANT TOPICS

RTL Group engages in corporate responsibility (CR) not only to make the societies and communities it serves better places to live but also to add value to the Group and its businesses. By acting responsibly and sustainably, the Group enhances its ability to remain successful.

Overall responsibility for the Group's CR strategy, management and performance lies with the RTL Group Executive Committee and Board of Directors. The business units conduct their own CR activities. However, the Group has established a number of committees to share CR knowledge and experience across organisational boundaries. The two most important of these are the CR Council (CRC) in Luxembourg and the CR Network.

Created in 2012, the CRC meets three times a year to discuss the Group's relevant CR issues and their implications for human resources, investor relations, legal affairs, compliance, risk and communications. It consists of experts in these areas at RTL Group's Corporate Centre in Luxembourg and is currently chaired by the Executive Vice President of Corporate Communications and Marketing.

In March 2014, RTL Group established a broader forum of CR experts called the RTL Group CR Network, which consists of CR representatives from the business units as well as the Corporate Centre. The CR Network meets once a year to share knowledge and best practice.

RTL Group also has a number of Synergy Committees (SyCos) to foster knowledge sharing and the replication of successes across the organisation. The SyCos, which consist of executives and experts from each business unit and the Corporate Centre, meet regularly to discuss topics such as programming, news, radio, advertising sales and new media as well as the CR aspects of such topics. Of particular importance is the News Synergy Committee (News SyCo), which is composed of the business units' Heads of News. Its members meet periodically to share best practices regarding issues like changing viewer habits, which affect the way news is produced, distributed and consumed.

The Operations Management Committee (OMC) consists of the members of RTL Group's Executive Committee, senior executives from the Corporate Centre and the CEOs of the business units. It meets regularly to share information, discuss opportunities and challenges and explore the potential for cooperation. It also discusses training, professional development, sustainability and other CR issues.

The relevance assessment and management approach described in this report apply the standards of the Global Reporting Initiative (GRI). The performance indicators used in the chapters on employee and environmental matters are also based on these standards. In addition to this CNFR, RTL Group publishes a CR report as part of its annual report.

This CNFR has been approved by RTL Group's Executive Committee.

RELEVANT TOPICS

RTL Group periodically conducts a relevance assessment to identify the issues that are important to its stakeholders and to determine the relative priority of these issues. The assessment's findings help guide the CR strategy of the Group as a whole and of its business units. They are also used to define the Group's CR performance indicators.

RTL Group continually strives to improve the accuracy and information value of its relevance assessment, based on GRI standards [102](#) and [103](#). For example,

in 2017 it updated the process for assessing the importance of issues to internal stakeholders. The 2017 relevance assessment was also the first to include interviews with external stakeholders.

In 2018, the Group reaffirmed the relevant issues identified in the 2017 relevance assessment that are specific to RTL Group and, as far as possible, aligned these issues with the five mandatory aspects stipulated by the [Directive 2014/95/EU](#), as shown in the table on the next page.

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MANAGEMENT APPROACH

 DIVERSITY

 HUMAN RIGHTS

 EMPLOYEE MATTERS

 ANTI-CORRUPTION
 AND ANTI-BRIBERY

 SOCIAL MATTERS

 ENVIRONMENTAL MATTERS

ENGAGING WITH THE GROUP'S STAKEHOLDERS

Each day, millions of people access RTL Group's content on television, radio and digital platforms. This audience is a media company's most important stakeholder group. It directly shapes the Group's business and responsibilities: RTL Group's success depends on its ability to cover the events and issues people care about and to provide the entertainment people want. The Group believes the best way to maintain this success is by never straying from its commitment to be 'refreshingly different' and 'always close to the audience.'

In addition to its audiences, RTL Group's stakeholders include current and potential employees, business partners, shareholders, policymakers, creatives, NGOs, communities and charities. The Group engages these stakeholders on an ongoing basis to get their perspectives on the applicability of its relevant issues and to gauge their perceptions of its performance on these issues.

The importance of social media as a forum for engaging with stakeholders continues to grow. RTL Group has over 11,000² followers on [Twitter](#), [Facebook](#) and [Instagram](#) combined, and roughly 12,700 followers on [LinkedIn](#). RTL Group uses social media not only to update stakeholders on news stories, TV series, its CR initiatives and job opportunities but also to gain valuable insights from the comments stakeholders post. Each of RTL Group's business units has its social media presence. For example, Mediengruppe RTL Deutschland's channels and programmes alone have over 0.5 million and 1 million followers on Twitter and Facebook, respectively². These platforms enable the Group to conduct an ongoing dialogue with stakeholders via the digital media that have become integral to their lifestyles.

OVERALL AMBITIONS

RTL Group's main ambition is to align its CR activities with its business objectives. These activities focus on three areas – editorial independence, society and employees – where management believes that the Group can have the greatest positive impact.

All three have a diversity component, which is consistent with the Group's commitment to diversity as articulated in its **Mission Statement**: "We embrace independence and diversity in our people, our content and our businesses."

Based on the findings of the 2017 relevance assessment, the CR Network identified three key objectives for RTL Group's CR efforts going forward: audience proximity, employer branding and attractiveness for business partners.

Identifying relevant CR issues is an ongoing process. In the years ahead, the Group will periodically reassess whether it needs to adjust the set of issues or their prioritisation to reflect changing business priorities, market conditions or global trends.

RTL Group is included in several indices, such as the ECPI index, where it has been included since 2016. ECPI is a pioneer in ethical indices and index-linked sustainability investment. In December 2018, RTL Group was included, for the first time, in the Euronext Vigeo Index: Benelux 20, which recognises the 20 Benelux companies with the most advanced CR performance.

In August 2018, an independent assessment determined that RTL Group met the criteria to remain part of the FTSE4Good Index Series, which is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices.

Since 2010, RTL Group has been a member of Inspiring More Sustainability (IMS) Luxembourg, a network that helps organisations deliver on their commitment to CR. It is also a member of the Diversity Charter Lëtzebuerg, which was co-founded by IMS.

This section of the CNFR also contains a description of two issues – intellectual property and copyright, and data protection and privacy – that were deemed to be relevant in the last relevance assessment.

² Numbers as at 1 March 2019

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- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

ISSUE: INTELLECTUAL PROPERTY AND COPYRIGHT

PROTECTING INTELLECTUAL PROPERTY, PROMOTING CREATIVITY

Viewers consume audio-visual content in various ways. They can pay for cable, satellite, internet TV or video-on-demand (VOD) services directly, through subscription fees. Or they can pay indirectly for free-to-air TV and free VOD services, which are mainly funded by advertising. The cost of advertising is factored into the price of the products that viewers buy. In both cases, a portion of the revenues is paid back to rights holders and creators so they can continue to produce high-quality content.

As a leader across broadcast, content and digital, RTL Group takes a significant financial risk by purchasing content from production companies (either by commissioning productions or by buying licences) or by producing content itself, and it relies on intellectual property rights to recoup these investments.

RTL Group's primary mission is to invest in high-quality entertainment programmes, fiction, drama, news and sports and to attract new creative talent that can help the Group contribute to a vibrant, creative, innovative and diverse media landscape.

Robust intellectual property rights are the foundation of RTL Group's business and that of creators and rights holders. Only robust intellectual property rights ensure that artists and creators receive an appropriate reward for their works. Weak rights protection and cumbersome enforcement would negatively impact the creative industries and marginalise the creative contribution of authors, performers and rights holders.

MANAGEMENT APPROACH

Intellectual property is a creation of the human mind, irrespective of its commercial value. This includes literary works, music, film, television programmes, graphic art and software. Intellectual property is protected by copyright, trademark or patent laws. Protection of all kinds of intellectual property rights is particularly important to a media company like RTL Group.

RTL Group is committed to robust copyright protection worldwide. The modernisation of the copyright framework at the national, international and supranational level is a key challenge in the ongoing transformation of digital works and their consumption.

RTL Group's [Code of Conduct](#) and information security policy set a high bar for the protection of intellectual property. All employees are expected to comply with copyright laws and licensing agreements and to put in place appropriate security practices (password protection, approved technology and licensed software) to protect intellectual property. Sharing, downloading or exchanging copyrighted files without permission is prohibited.

RTL Group's [Business Partner Principles](#) also extend the Group's expectations to its business partners and emphasise the importance of protecting intellectual property.

AMBITIONS

RTL Group will honour its legal obligations under intellectual property law and continue to be diligent in its treatment of intellectual property rights. It is actively committed to raising awareness of the value of intellectual property, to strengthening its protection (especially in the digital world) and to taking action against the illegal distribution of content.

MEASURES IN 2018 TO PROMOTE THE PROTECTION OF INTELLECTUAL PROPERTY AND RIGHTS

RTL Group engages policymakers at the European and national level to support the protection of intellectual property and to close gaps in copyright protection. It does so on its own and through various trade associations, including the Association of Commercial Television in Europe (ACT) and the Association of Television and Radio Sales Houses (egta).

In 2018, RTL Group was involved in discussions about the Directive on Copyright in the Digital Single Market ([Directive \(EU\) 2019/790](#)), and the Satellite and Cable Directive ([Directive \(EU\) 2019/789](#)) on rules related to the clearing of rights for online broadcasting.

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- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

ISSUE: INFORMATION SECURITY, DATA PROTECTION AND PRIVACY

EARN AND RETAIN DIGITAL TRUST

The media industry is becoming more and more complex and the media landscape increasingly fragmented. Digital transformation means information and information systems are vital assets for almost all of RTL Group's business processes. At the same time, threats to data security are growing. Increasingly, viewers access and consume the Group's content on smartphones, tablets, and internet-connected televisions and expect their personal data to be protected. In today's world, it is essential to earn and retain digital trust. This makes IT security and data protection more crucial than ever.

RTL Group collects, retains, uses and transmits personal data of customers, employees and third parties with great care and has developed a framework of policies and internal controls to adapt to, and comply with, applicable laws and regulations. Neglecting information security (IS) challenges would jeopardise RTL Group's businesses. The risks include data loss, identity theft, unauthorised access or copyright infringement. These, in turn, could put the Group in breach of regulation or contract, harm its reputation, impede its operations or cause financial loss.

MANAGEMENT APPROACH

In 2014, RTL Group established a revised Group-wide framework of structured roles for the organisation and governance of IT and IS.

RTL Group's IT Governance Committee (ITGCo), which meets three times a year, is responsible for ensuring that the Group adopts a thorough and structured approach to IT. Chaired by RTL Group's Deputy CEO and CFO, it is composed, among other individuals, of the IT managers of the Group's largest business units. The ITGCo is required by RTL Group's Executive Committee to take decisions on all IT-related issues, including the design of Group-wide IT strategy, governance, IT and IS policies, and the definition and monitoring of Group-wide IT initiatives and projects.

RTL Group's Senior Vice President Group IT is responsible for implementing the Group's IT strategy across RTL Group.

As stated in the RTL Group IT Guidelines, each business unit has defined IT roles and responsibilities. These include business unit information security officers, who are responsible for ensuring the implementation of IT policies and the continuous monitoring of cyber

security risks, and license compliance managers, who oversee compliance with software licenses.

STRATEGIC APPROACH

RTL Group's IT strategy consists of three-year programmes such as security, IT sourcing, digital working places and cloud connectivity, as well as the delivery of finance and back-office-related applications for RTL Group entities worldwide. The security programme is the IT strategy's most important focus area. It covers governance and policies and aims to increase the maturity of RTL Group's IS in a wide range of areas, including risk assessment, Group-wide tools and services for risk detection and prevention, and the handling of cyber-security incidents.

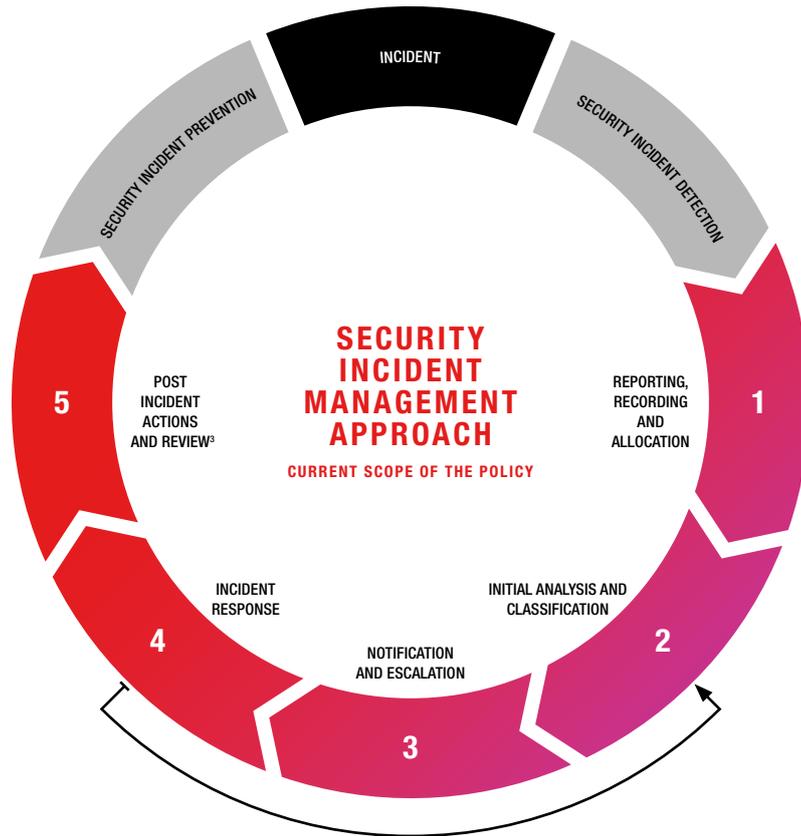
GENERAL DATA PROTECTION REGULATION (GDPR)

In April 2016, the European Union adopted the General Data Protection Regulation, which took effect in all member states in May 2018. Its purpose is to strengthen and unify data protection for individuals in the EU through a range of new or stricter requirements.

Each of RTL Group's business units is responsible for taking measures to ensure it complies with GDPR. This process is coordinated by the RTL Group Legal and Audit & Compliance departments. In 2016, RTL Group established a Privacy Office in Luxembourg to take the steps necessary to ensure compliance with GDPR in Luxembourg. In light of GDPR, RTL Group has invested significantly to rebuild its data collection, storage and analysis for its on-demand services.

In March 2018, RTL Group adopted a privacy and general data protection policy that formulates the principles and organisational framework needed to comply with GDPR. This guidance enables the business units to ensure that their affiliated companies comply with the new regulations.

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- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
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REPORTING CHANNEL FOR CYBER SECURITY INCIDENTS

In 2014, RTL Group and Bertelsmann put in place an information security management system (ISMS) based on ISO/IEC 27001, the recognised international standard for IS. Since then, RTL Group has conducted annual business impact assessments to identify relevant information and supporting assets and to identify gaps in security baseline standards and related IT risks. IT risk treatment strategies are approved by management, and the IT risks are evaluated. The results of the inventory and the outcome of the exercise are included in RTL Group’s enterprise risk management and reported to both RTL Group’s ITGCo and Bertelsmann’s Chief Information Security Officer.

Employees are required to report all data and security incidents – from viruses and system crashes to non-authorised access and malfunctioning applications – to their IT department or Information Security Officer without delay. A reported incident triggers a five-step process in which incidents are analysed, classified and treated (see the graphic above).

POLICIES

The RTL Group [Code of Conduct](#) states the Group’s commitment to data protection and lays out general IS principles. In January 2018, RTL Group issued revised IT Guidelines to reflect its businesses’ digital transformation and the implications of this for the governance and role of IT. In July, the Group adopted a WAN (wide-area network) functional policy to help RTL Group and its business units standardise the design and management of the overall WAN ecosystem.

All significant data or security incidents are subject to a formal post-incident report and are reported to the ITGCo, the RTL Group Audit Committee and Bertelsmann’s Chief Information Security Officer. The actions taken at each step of the process depend on the type of incident. In some cases, company management, data protection officers and/or public authorities must also be informed.

AMBITIONS

RTL Group will continue to strive to protect IT systems against internal and external misuse or threats and to collect, retain, use and transmit personal data and information in compliance with applicable laws and regulations.

3 One input source among other utilised sources

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MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

**ANTI-CORRUPTION
 AND ANTI-BRIBERY**

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

Each business unit is encouraged to define and document its own IT strategy in line with the above-described Group-wide IT strategy, the purpose of which is to give the Group a robust IT framework. The ITGCo and Group IT department provide relevant support by monitoring and running RTL Group's IT strategy programmes.

RTL Group aims to raise the IS maturity level of the Group to a target level set by the ITGCo. RTL Group refers to the Gartner IS maturity matrix, an internationally recognised tool for assessing the maturity of IS.

MEASURES TAKEN IN 2018 TO PROMOTE INFORMATION SECURITY AND DATA PROTECTION

RTL Group's Corporate Centre and business units continued to provide regular IS training to ensure all users are aware of the Group's IS policies, risks and best practices. For example, the Corporate Centre continued to conduct periodic IT security training for new employees so that they understand the Group's policies from the start of their employment. The sessions covered a wide range of issues, including the secure use of email, the internet and mobile devices. In addition, in October 2018 the Corporate Centre held a cyber security week consisting of presentations and the distribution of useful information. A special emphasis was placed on a live hacking demonstration, internet privacy and IS dos and don'ts at work.

In June 2018, the Group held its fifth IT integration days at the Corporate Centre. This two-day immersion into the Group's IT strategy and policies, which is organised by the Group IT department, brought together IT experts and managers from across the Group with a focus on its European operations.

The sixth edition of the IT integration days was held at SpotX US's offices in October 2018. At the two-day event, new staff of the IT and Digital departments of Fremantle North America, BroadbandTV, StyleHaul and SpotX received a comprehensive overview of the Group's IT strategy and policies, plus details of compliance processes.

The Group IT department significantly expanded vulnerability scan services and intends to deploy shared, expert-endorsed detection and prevention IS services (such as web applications scans, and security information and event management services) at business unit level. Group IT also provides services to help smaller or recently acquired entities implement security solutions.

RTL Group hired a number of business unit information security officers (BISOs), each of whom will oversee the IS of several business units. The BISOs, who report directly to business unit executives, are responsible for making sure that the units make use of central services and properly segregate their own security duties from those of the operational IT teams.

To facilitate the ISMS process, RTL Group uses a governance risk and compliance application. This serves as the Group's central repository for the inventory of both information and supporting assets, IS/IT policy compliance checks, and IT risks and remediation action plans.

One way in which RTL Group invests in IS is by training staff. For example, Group IT organised and facilitated certification training for certified information system security professionals (CISSP). The training, led by an outside expert, was provided to the BISOs, Group IT employees and security staff from across RTL Group. Group IT employees were also trained on the vulnerability scanning solution used for Group-wide services.

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION
AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

EMBRACING DIVERSITY IN OUR PEOPLE, OUR CONTENT AND OUR BUSINESSES

RTL Group is committed to diversity. Its family of channels and TV production companies offer audiences the broadest possible spectrum of entertainment and information programmes for people of all ages, genders and cultural and socio-economic backgrounds – and the composition of the Group's workforce should reflect its diverse audience.

The diversity of talent, experience and opinion within the Group's workforce makes the company a better place to work – as well as enabling it to create content and services that are more relevant, inspiring and attractive.

The Executive Vice President Corporate Communications & Marketing and Chairman Corporate Responsibility, and the Executive Vice President Human Resources have overall responsibility for diversity at RTL Group.

RTL Group's commitment to diversity is embedded in its processes and articulated in its corporate principles. The [Diversity Statement](#) affirms a commitment to diversity and equal opportunities throughout the Group and sets guidelines and qualitative ambitions for the diversity of the Group's people, content and business.

Diversity is also addressed in other corporate principles, including:

- The RTL Group [Mission Statement](#), which establishes diversity as a corporate objective and key value
- The RTL Group [Code of Conduct](#), which forbids discrimination and requires all employees to interact with mutual respect, tolerance and trust
- The RTL Group [Business Partner Principles](#), which set minimum diversity standards for the Group's suppliers and other business partners

RTL Group updated its [Code of Conduct](#) in 2014, its [Mission Statement](#) in 2016 and its [Newsroom Guidelines](#) in 2017 and issued a RTL Group [Diversity Statement](#) in 2016. The Group will continue to review and revise its corporate principles and policies on an ongoing basis to reflect changes in society and stakeholders' expectations.

For example, in April 2018, RTL Group introduced Zero Tolerance Towards Sexual Harassment – a new policy with a guiding principle of zero tolerance. The policy provides information about the reporting channels available to employees if they believe they have been victims of, or witnesses to, any inappropriate behaviour. Assuring employees that they can speak up without fear of retribution is a key principle of both the RTL Group [Code of Conduct](#) and the zero tolerance policy.

In 2018, Fremantle instituted a global bullying and harassment policy. The company has its own reporting channels for suspected violations.

Just as RTL Group sets diversity standards for its business partners, it must meet such standards itself. In the UK, for instance, Fremantle complies with industry-imposed requirements for gender, race, and ethnic minorities, both on set and in its content. In this context, diversity is indispensable for the viability of the Group's production business.

Some countries require information about pay to be disclosed. For example, from April 2017 onwards, UK companies with at least 250 full-time equivalent (FTE) employees must publish an annual Gender Pay Gap Report that breaks down pay by gender.

Employees are integral to the Group's diversity effort. If they have questions about diversity or equal opportunity, or suspect a violation of company policies, they can contact RTL Group's compliance channels, which are published in RTL Group's [Diversity Statement](#).

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

ISSUE: DIVERSITY OF PEOPLE

PROMOTING AN INCLUSIVE CORPORATE CULTURE

RTL Group believes that a diverse workforce is more creative, innovative and motivated. The Group therefore aims to foster a diverse, inclusive and supportive work culture in which all employees – regardless of age, gender, disability, religion or belief, sexual orientation, or any other characteristic – feel valued and can achieve their potential. This will make RTL Group an even better place to work and thus enhance its attractiveness as an employer.

Employees say the Group is making good progress: in the last employee survey, carried out in 2016, 85 per cent said RTL Group provides a work environment in which people from different backgrounds and cultures feel included and valued. The next employee survey will take place in June 2019.

RTL Group has been a signatory of the Diversity Charter Lëtzebuerg – a corporate initiative to make companies in Luxembourg more inclusive and diverse – since 2017. Signatories pledge to take steps to promote diversity that go beyond compliance with anti-discrimination laws. Mediengruppe RTL Deutschland has been a member of a similar German alliance, Charta der Vielfalt, since 2007. Beyond its membership in these alliances, RTL Group takes a wide range of steps at the local level to ensure it has a diverse organisation. Several business units have set up diversity working groups, which meet periodically, share best practice and address subjects aimed at fostering a diverse and inclusive workplace.

RTL Group is proud that in 2018, Markus Schroth, Head of Human Resources at Cologne-based UFA Show & Factual, was named one of Germany's Top 100 Out Executives. The list, which is selected by an independent jury, honours outstanding LGBTIQ executives who are actively engaged in diversity issues. There are similar lists in other countries. In addition, RTL Group supports Bertelsmann's be.queer employee network, which was created to promote an open work environment for all employees, regardless of their sexual identity or orientation. It aims to start dialogues to facilitate a broad and diverse exchange of views across the Bertelsmann Group.

MANAGEMENT APPROACH

The foundation of diversity is equal opportunity. RTL Group's HR procedures are designed to ensure

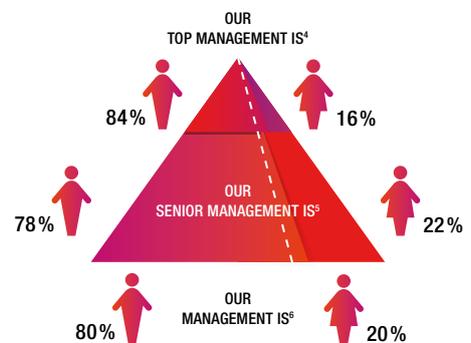
that decisions affecting employees – hiring, promotion and compensation – are based solely on their qualifications, performance and potential.

AMBITIONS

RTL Group is committed to making every level of the organisation more diverse with regard to nationality, gender, age, ethnicity, sexual orientation, disability, religion and socio-economic background. The Group places a special emphasis on gender diversity. Although RTL Group's workforce as a whole is balanced by gender (with 52 per cent men and 48 per cent women at the end of 2018), when it comes to management positions, men outnumber women by a wide margin.

At the end of 2018, women accounted for 16 per cent of top management positions⁴ and 22 per cent of senior management positions⁵. The Group's long-term ambition is for women and men to be represented equally across all management positions. As an intermediate step, in 2017 it set the following targets for 2025: to increase the share of women in top and senior management positions to at least 30 per cent (20 per cent in 2018, compared to 22 per cent in 2017). In 2019, RTL Group's Executive Committee will review these targets with the aim to reach them already by the end of 2021. The Group reports on its progress toward these diversity targets each year.

MANAGEMENT BY GENDER



RTL Group has appointed a Head of Corporate Responsibility & Diversity Coordination who oversees the efforts to promote diversity throughout the company. The Group developed ideas for a diversity action plan

4 Top management generally includes the members of the Executive Committee, the CEOs of the business units and their direct Management Board Members, and the Executive Vice Presidents of RTL Group's Corporate Centre

5 Senior management generally includes the Managing Directors of the businesses inside the business units, the heads of the business units' departments, and the Senior Vice Presidents of RTL Group's Corporate Centre

6 RTL Group's management includes top management and senior management

- MANAGEMENT APPROACH
- DIVERSITY
- HUMAN RIGHTS
- EMPLOYEE MATTERS
- ANTI-CORRUPTION AND ANTI-BRIBERY
- SOCIAL MATTERS
- ENVIRONMENTAL MATTERS

throughout 2018 and completed a first draft at the start of 2019. The plan's objectives are to ensure that RTL Group:

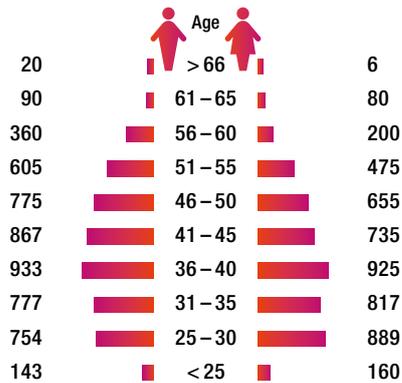
- has a work environment that supports and encourages diversity
- is seen as a socially responsible and, as such, attractive employer
- takes diversity into account when attracting, developing and retaining talent
- has, to the degree possible, a workforce composition that reflects the diverse makeup of the societies in which it operates

Key focus areas include training to prevent unconscious bias (initially for HR staff, then for managers across all functions), flexible working arrangements and introducing steps to increase the proportion of women in management positions.

PERFORMANCE IN 2018

Permanent RTL Group employees had an average age of 40 at the end of 2018. The 36 to 40 age group was the largest. Most RTL Group top managers are aged between 51 and 55, with an average age of 51. Most RTL Group senior managers are aged between 46 and 50, with an average age of 49. Overall, RTL Group managers have an average age of 49.

EMPLOYEE AGE⁷

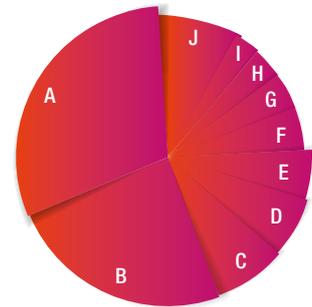


At the end of 2018, RTL Group's Board of Directors had an average age of 56, while its Executive Committee and Operating Management Committee had an average age of 48.

RTL Group is very diverse in terms of nationality. Ten nationalities are represented in top management, 13 in senior management and more than 57 in the workforce as a whole. Most employees are German, French, Dutch, Belgian or American.

NATIONALITIES⁷

- A GERMANY.....31%
- B FRANCE.....23%
- C NETHERLANDS.....7%
- D UNITED STATES.....6%
- E BELGIUM.....5%
- F HUNGARY.....5%
- G UNITED KINGDOM...4%
- H CANADA.....4%
- I AUSTRALIA.....3%
- J OTHERS.....12%



MEASURES IN 2018 TO PROMOTE PEOPLE DIVERSITY

To comply with a new law in the United Kingdom, Fremantle published its [first Gender Pay Gap Report](#) in March 2018, containing the gender-specific pay of its UK subsidiaries. [The 2018 report](#) was published in March 2019.

Fremantle takes a variety of steps to promote gender-blind pay, including flexible working schedules, career coaching, enhanced maternity and adoption pay, and training and development. In 2018, the company launched the Fremantle Equality Network, a new, employee-driven mentoring programme with the aim of connecting individuals and sharing best practice.

Fremantle's Operating Board invited 13 employees from around the business to form an Ignition Board. By bringing together junior employees with diverse views and backgrounds, Fremantle aims to make itself a more agile, creative and entrepreneurial company. Fremantle's gender ratio is already quite balanced: at year-end 2018, 42 per cent of top and senior managers were women.

In addition, Fremantle UK launched an outreach programme, Access All Areas, to encourage diverse creative talent from underprivileged areas of the United Kingdom to consider a career in TV. The company also conducts workshops in several towns to recruit new employees for its operations in London.

To support Bertelsmann's be.queer network, UFA established a UFA be.queer team in Germany to promote an open working environment for all employees, regardless of sexual identity and orientation. On 8 July 2018, UFA took part in the Christopher Street Day (CSD) parade in Cologne in support of equal rights and acceptance for LGBTIQ people.

⁷ Headcount of permanent employees as at 31 December 2018

ISSUE: DIVERSITY OF CONTENT

REFLECTING AUDIENCES'
RICH CULTURAL DIFFERENCE

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

The millions of people who turn to RTL Group each day for the latest local, national and international news need a source they can trust. RTL Group maintains a journalistic balance that reflects the diverse opinions of the societies it serves. The same commitment to diversity applies to the Group's entertainment programming, with formats for a wide range of audiences on offer across all platforms. Content needs to represent the diversity of society so all segments of society can identify with it.

MANAGEMENT APPROACH

Local editors-in-chief and programming directors are solely responsible for selecting their own news and entertainment content.

In addition, some of the countries in which RTL Group operates have set standards for diverse programming. France, for example, empowers the Conseil Supérieur de l'Audiovisuel (CSA) – the country's independent authority to protect audiovisual communication freedom – to monitor the diversity of television programming.

In the United Kingdom, Fremantle complies with industry-imposed requirements for gender, race and ethnic minorities, both on set and in its content. It is also an active member of key industry initiatives, such as the Cultural Diversity Network and Creative Access, which aims to develop diverse talent both on and off screen. The initiative places a particular emphasis on recruitment and runs a large number of work-experience placements and schemes.

AMBITIONS

RTL Group's news organisations strive for truthful, fair and impartial reporting, while protecting individual rights and shielding minors from inappropriate content. On the entertainment side, RTL Group aims to produce high-quality programming that can be enjoyed by its entire audience – regardless of age, gender, ethnicity or sexual orientation – and to make this programming available to people with disabilities as well. Consequently, many RTL Group television programmes have subtitles for the hard of hearing, descriptions for visually impaired people and, occasionally, sign language.

**MEASURES IN 2018 TO PROMOTE
CONTENT DIVERSITY**

An important focus area in 2018 was women's advocacy and empowerment. In October 2017, for example, RTL Nederland partnered with the Dutch Public Broadcasting Agency (NPO), Vice Media Benelux and women's advocacy group, Women Inc, to form a coalition called Image-Forming in the Media. The coalition partners will take additional steps in 2019 to make both their reporting and their organisations more inclusive.

In December 2018, Groupe M6's digital media company Golden Network launched WondHer, its first 100 per cent Instagram media platform devoted to women's empowerment. WondHer's content – which includes videos, opinion polls, stories and live discussions – and focuses on trending topics such as equal pay and eco-feminism and on people who are involved in building a fairer, more balanced world.

During Women's Week (4 to 11 March 2018), two programmes of RTL Radio (France), *Le Grand Jury* (The Big Jury) with Benjamin Sportouch and *Le Rendez-vous politique* (Political Rendezvous) with Elizabeth Martichoux, had female guests only. In addition, RTL Girls on RTL.fr ran a special edition depicting women striving for their rights.

Beyond women's empowerment, RTL Group's programming covers a wide range of issues and aims to be as accessible and inclusive as possible. Its series and online media regularly address timely social issues, such as disabilities, sexual harassment, domestic violence and loneliness in old age.

In 2018, *Gute Zeiten, schlechte Zeiten* (Good Times, Bad Times), which reaches millions of people each week on TV and social media, had a storyline about a woman working at a hospital who is sexually harassed by her PhD adviser. Like the #metoo movement, the purpose was to draw attention to the issue, condemn the behaviour and empower women to resist and speak up. In January 2018, actors participated in the 'Gewalt gegen Frauen' (Violence against Women) helpline in Cologne. RTL II's daily series *Berlin – Tag & Nacht* (Berlin – Day & Night) addresses issues such as sexual violence and explains where people can turn for help.

.....
 MANAGEMENT APPROACH

 DIVERSITY

 HUMAN RIGHTS

 EMPLOYEE MATTERS

 ANTI-CORRUPTION
 AND ANTI-BRIBERY

 SOCIAL MATTERS

 ENVIRONMENTAL MATTERS

Similarly, to promote a safe and inclusive work environment, M6 Web in France supported the battle against harassment for the fourth year in a row, with Rose Carpet – Golden Network’s digital channel – producing a video for the #NonAuHarcèlement (#NoToHarassment) campaign.

In 2018, Vox broadcast a documentary that bridged generations: it portrayed ten four-year-olds who spent six weeks with older adults in Bergisch Gladbach near Cologne. The documentary highlighted the loneliness and depression that many older adults feel – especially if their spouse or partner has passed away – as well as the psychological benefits they gained from spending time with the children.

RTL Group’s programming and online video offerings also devote attention to LGBTIQ issues. For example, *Neighbours*, Fremantle’s internationally acclaimed series in Australia, has aired on OutTV, Canada’s only LGBTIQ television network, since April 2017. The series, which currently has three LGBTIQ characters, aims to accurately reflect society and promote diversity and acceptance. In 2018, *Neighbours* made history in Australia, when it aired the first on-screen gay wedding since same-sex marriage was legalised.

In March 2018, Mediengruppe RTL Deutschland brought exciting and emotional images to millions

of viewers with its broadcast of the 2018 Winter Paralympics, held in Pyeongchang, South Korea. The broadcast marked the 10th anniversary of its coverage of the games and of its project, “People with Disabilities Report on People with Disabilities.”

RTL Group strives for its programming to be accessible to everyone. As well as broadcasting 82,568⁸ hours of subtitled, signed and audio-described programmes in 2018 (2017: 67,432 hours), the Group also creates programming specifically for deaf audiences. For example, in September 2018, Groupe M6 launched *Le 10 Minutes* (Ten Minutes), a weekly current affairs programme created for, and presented in, sign language, with subtitles for viewers with hearing. Supported by the Malakoff Médéric Handicap Foundation, the programme aims to keep deaf or hard of hearing viewers informed, and to raise awareness of deaf culture and sign language among those with hearing.

In December 2018, three Groupe M6 channels (M6, W9 and 6ter) broadcast content related to the European Week for the Employment of People with Disabilities. The purpose was to highlight people with disabilities and foster their employment without stigmatising them or disregarding their difference. The content included four videos featuring singers performing songs in French sign language.

⁸ This figure does not include Atresmedia, a minority shareholding that had 45,129 hours of such programming

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION
AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

RESPECTING HUMAN RIGHTS, ENSURING PRESS FREEDOM

Responsible and ethical behaviour towards audiences, employees, advertisers, business partners, the creative community, government agencies and regulators is integral to RTL Group's values. RTL Group respects the dignity and individual rights of its employees as well as their right to freedom of association and collective bargaining. The Group condemns forced or child labour and any form of exploitation or discrimination and expects its business partners to share this attitude.

MANAGEMENT APPROACH

In line with RTL Group's decentralised set-up, the business units are responsible for ensuring that their organisations respect human rights. The Group's main human rights issue is press freedom.

Respect for human rights is a vital part of RTL Group's [Code of Conduct](#), which includes a decision-making guide that explains how to comply with the company's standards. The Group's commitment to responsible and ethical business practices extends to its business partners and, in 2017, RTL Group established its [Business Partner Principles](#), which set minimum standards for responsible business relationships. To report suspected human rights violations or unethical practices, employees and third parties can contact RTL Group's compliance reporting channels (directly or through a web-based reporting platform) or an independent ombudsperson. In all cases, they may do so anonymously.

RTL Group has procedures in place to continually monitor, assess and analyse its content to ensure that it meets the company's ethical standards. For example, Groupe M6 in France and RTL Luxembourg have established Ethics Councils for this purpose. Mediengruppe RTL Deutschland's Ethics Council, which consists of four employees who meet when sensitive or controversial issues arise, submits recommendations in writing to the respective editor-in-chief.

Together with its majority shareholder, Bertelsmann, RTL Group endorses the [UN Global Compact](#) and the [Charter of Fundamental Rights of the European Union](#), which guarantees freedom of expression and information, while emphasising human dignity and the individual's right to integrity. RTL Group is committed

to the core conventions of the [International Labour Organisation](#) and complies fully with legislation such as the [UK Modern Slavery Act](#).

MEASURES IN 2018 TO PROTECT HUMAN RIGHTS

RTL Group's news organisations conduct investigative journalism to shine a light on human rights violations and other abuse. This type of journalism is an important expression of press freedom, which is itself a human right.

M6's award-winning programme *Enquête Exclusive* investigates stories in some of the world's most dangerous places: from religious radicalism in Yemen to gang culture in Honduras. The show, which has run for more than a decade and visited over 50 countries, reaches around 1.3 million viewers every Sunday evening. Another of M6's news magazines, *Zone Interdite*, celebrated its 25th anniversary in 2018. The show's combination of in-depth reporting to uncover social grievances and compelling stories about real people and the issues they face in daily life have made it one of the most powerful news programmes on French television.

In April 2018, the Society for the German Language (GfdS) awarded the Hans Oelschläger Prize to Antonia Rados, Mediengruppe RTL Deutschland's Chief Foreign Affairs Correspondent. Rados has reported from war zones and crisis regions in Africa, South Asia and the Middle East, using straightforward, everyday language to make complex political situations accessible to a wide audience.

A piece entitled *Libyen – Rettungs-Aktion mit der Küstenwache* (Libyan Coast Guard Rescue Operation) by N-TV presenter and reporter Nadja Kriewald was nominated for a German Human Rights Film Award. Kriewald's eye-witness report recounted a July 2018 operation in which the Libyan Coast Guard rescued 165 people who had survived without water for three days in an overcrowded raft.

Beyond its news programming, RTL Group works in other ways to promote respect for human rights. For example, Mediengruppe RTL Deutschland took part in a project called Not Just Deleting: Prosecuting! – Enforcing the Law on the Internet, which was aimed at combating hate speech and abusive online communication.

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MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

**ANTI-CORRUPTION
 AND ANTI-BRIBERY**

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

The project, which ran from 1 February to 31 December 2018, was coordinated by the Media Authority of North Rhine-Westphalia in cooperation with the German Federal Ministry of the Interior, the Cologne Public Prosecutor's Central Contact Point for Cybercrime in North Rhine-Westphalia (NRW ZAC), the Cologne Police Force and media stakeholders.

Its aim was to identify potentially criminal content on the stakeholders' platforms and gather evidence to submit to law enforcement agencies. More than 180 examples of such content were reported to the public prosecutor's office during the project, with a number of cases leading to preliminary court proceedings.

ISSUE: EDITORIAL INDEPENDENCE

**EDITORIAL AND
 JOURNALISTIC INDEPENDENCE**

With the spread of fake news and disinformation, journalistic integrity is under close scrutiny. Audiences want honest, ethical reporting, and need to know they can believe what they see, hear and read. Earning their trust is crucial in today's media market.

Viewers want RTL Group's news organisations to research and investigate carefully, get the facts right and be fair. Rather than telling viewers what to think, RTL Group gives them the information and context they need to come to their own conclusions.

Trust is the basis of all good journalistic communication, and a robust, varied and high-quality broadcasting and internet landscape is essential for a democratic and diverse society. Each day, tens of millions of people watch RTL Group's news programmes and magazine shows to learn about events and information in their community and around the world. This enables the Group to support people's right to freedom of opinion, self-expression and information.

RTL Group's commitment to editorial and journalistic independence extends to all its business units. For example, RTL Hungary fully embraces this concept to provide its viewers with a neutral, balanced and independent news service and high-quality entertainment. In 2018, employees at RTL Hungary worked hard to uphold the Group's journalistic principles, contributing to a prime-time audience share of 28.6 per cent of 18 to 49-year-old viewers across its family of channels. RTL Klub, the Group's flagship channel in Hungary, was the clear market leader, 4.7 percentage points ahead of TV2, its main competitor. *Híradó*, its main news programme, recorded an average audience share in 2018 of 18.6 per cent (2017: 19.5 per cent). In addition, Mérték Médiaelemző Műhely, a media monitoring organisation, rated RTL Hungary's news broadcasts as the most balanced, even during election campaign periods.

Press freedom, which is a vital part of this, starts in the organisation. Consequently, RTL Group's broadcasting and news reporting are founded on editorial and journalistic independence. This not only helps maintain the Group's reputation as an impartial news source, it also improves its ability to attract talented journalists and minimise complaints and legal issues.

For RTL Group, independence means being able to provide news and information without compromising its journalistic principles and balanced position. Local CEOs act as publishers and are not involved in producing content. In each news organisation, editors-in-chief apply rigorous ethical standards and ensure compliance with local guidelines, which gives the Group's journalists the freedom to express a range of opinions, reflecting society's diversity and supporting democracy.

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

MANAGEMENT APPROACH

Good journalism is founded on trust. Policymakers, regulators and, most importantly, the Group's millions of viewers and listeners expect to be able to trust RTL Group to inform them truthfully, credibly, responsibly and impartially. RTL Group's commitment to impartiality, responsibility and other core journalistic principles is articulated in its [Newsroom Guidelines](#). Maintaining audience trust has become even more important in an era when news organisations have been accused of publishing misleading stories and when individuals, radical political movements and even hostile powers post fake news on social networks to sow discord.

wants the lessons it learns in one market to benefit the company around the world, it set up the RTL Group News SyCo – a committee comprising editors-in-chief from all relevant business units and executives from the Corporate Centre, which meets regularly to discuss all news issues (including editorial independence and press freedom), projects, successes and challenges.

In addition, Bertelsmann has had a working group on press freedom since 2015. The group, which meets regularly and is chaired by RTL Group's Executive Vice President for Corporate Communications & Marketing, consists of representatives from other Bertelsmann divisions, with occasional guest speakers, including those from RTL Group. It shares ideas and information about a wide range of issues relating to journalistic and editorial independence. Sonja Schwetje, Editor-in-Chief of N-TV, Mediengruppe RTL Deutschland's news channel, will become chairperson of the working group at its next meeting in 2019.



USER-GENERATED CONTENT (UGC) VERIFICATION TEAM

To ensure fair and impartial reporting in the age of social media and fake and alternative news, the Info Network Content Management team in Germany founded a UGC verification team. It was set up after a major shooting incident in Munich in the summer of 2016, when the Group received 21 UGC videos and photos of the incident, 13 of which turned out to be fake. The news specialists, who prepare around 16 hours of live content a day for RTL Television, N-TV and Mediengruppe RTL Deutschland's other news programmes, expanded their UGC verification team to over 70 journalists by training colleagues at other RTL Group business units and partner companies around Europe. On request, they check content using various tools and methods. In 2018, they checked the authenticity of over 200 UGC items submitted by newsrooms from across RTL Group. Their judgement was correct in every case. To sensitise social media users to the danger of online disinformation, the Head of the UGC verification team holds frequent training seminars and workshops throughout the Group.



RTL GROUP'S JOURNALISTIC PRINCIPLES

RTL Group's [Newsroom Guidelines](#) define the journalistic principles of all its news organisations:

- We are fair and impartial
- We act responsibly with regard to personal rights
- We are cautious in showing violence and victims
- We handle the personal rights of minors with sensitivity
- We report truthfully and don't stage reality
- We are cautious and critical on third party messaging

AMBITIONS

RTL Group strives to maintain its strong tradition of journalistic independence, continuing not to give in to outside influence or to any form of intimidation of its journalists. In addition, it aims to reveal hard-to-uncover facts from corporations, government agencies and people to ensure these stories are told.

RTL Group's decentralised setup promotes journalistic and creative independence: editorial decisions are taken solely by local editors-in-chief, with no interference from top management, the Group's Executive Committee or Board of Directors, or management of the business units. As the Group

.....
 MANAGEMENT APPROACH

 DIVERSITY

 HUMAN RIGHTS

 EMPLOYEE MATTERS

 ANTI-CORRUPTION
 AND ANTI-BRIBERY

 SOCIAL MATTERS

 ENVIRONMENTAL MATTERS

MEASURES IN 2018 TO PROMOTE EDITORIAL INDEPENDENCE

The RTL Group News SyCo updated the Group's Newsroom Guidelines in May 2017, devoting particular attention to strategies for combating fake news and disinformation.

Luxembourg-based Enex is an association of 56 of the world's leading independent commercial TV news broadcasters and digital producers. 2018 marked its 25th year of existence. Enex's members help one another cover breaking news 24 hours a day, by sharing news content, visual material, satellite costs and news production resources. Enex also sources third-party content, which it verifies centrally on behalf of its member organisations to save them both time and money. Its verification services extend RTL Group's collaborative verification network, and the appointment of a new UGC editor will increase the level of verification training at both Enex and at RTL Group.

In January 2018, the European Commission convened a High Level Expert Group (HLEG) to advise it on fake news and online disinformation. Among its 39 experts is RTL Group's Sonja Schwetje, Editor-in-Chief of N-TV Germany. Schwetje was involved in producing the HLEG's 2018 report, *A Multi-Dimensional Approach to Disinformation*, in which the HLEG makes a number of recommendations for an effective pan-European strategy to tackle the problem of disinformation. These recommendations include not leaving the news to the algorithms of the social networks. Although algorithms are a powerful way of maximising user engagement on digital platforms, such engagement can also include promoting conspiracy theories, extreme viewpoints and disinformation.

In December 2018, RTL Group launched a Group-wide initiative called "Factory – Filtering Fakes from Facts." The initiative, which is supported by the News SyCo, focuses on engaging and networking talent from all disciplines across the Group to design and develop ideas in media and digital life. It consists of an online training programme and a hackathon in which participants generate ideas for new products and services in media and digital literacy to help raise consumer awareness of the dangers of online disinformation.

In addition, N-TV produced a six-part documentary series entitled *Echt oder Fake?* (Real or Fake?), which premiered on 5 June 2018.

RTL Group's commitment to press freedom was recognised outside the organisation, too. In June 2018, RTL Girls won an OUT d'Or Award in the 'Inclusive Reporting' category, in Paris. The awards recognise businesses and people who have taken significant steps to promote LGBTIQ visibility. The aim of RTL Girls – part of RTL Radio (France) – is to recount, analyse and decipher the news from the angle of gender and inequality, and to provide a forum for new role models.

In addition, RTL Radio (France) reporter, Anaïs Bouissou, received the Varenne Prize in the 'Radio' category for her report entitled *24 heures en Ehpad, le lourd quotidien des soignants* (24 Hours in a Nursing Home – the Difficult Day-To-Day Tasks of a Caregiver), which was broadcast in March 2018. The Varenne Foundation's mission is to make journalism a more attractive profession by rewarding the efforts, quality and commitment of journalistic work.

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION
AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

PEOPLE MAKE THE DIFFERENCE

RTL Group has a diverse audience and therefore needs to be a diverse and creative business. In 2018, the Group had a total of 10,809 full-time employees (15,975 headcount, including permanent and temporary employees) in more than 30 countries worldwide. They range from producers and finance professionals to journalists and digital technology experts. Both diversity and creativity depend on the Group's ability to attract and retain talented people, and to keep them happy, motivated and productive. RTL Group wants to be the employer of choice by offering outstanding career development opportunities, appropriate recognition and reward, and fair working conditions.

MANAGEMENT APPROACH

RTL Group's Executive Vice President for Human Resources, who has overall Group-wide responsibility for employee matters, reports to the RTL Group Executive Committee. Each business unit has its own HR director and takes HR-related decisions, to reflect its own needs.

To ensure that experience gained in one market benefits the organisation as a whole, the Group shares knowledge and best practice. At RTL Group level, the HR Committee meets three to four times a year to discuss and coordinate common HR topics such as recruitment, training, talent development, internal mobility and diversity. The HR Committee consists

of RTL Group's Executive Vice President for Human Resources, the HR directors of all business units and the heads of compensation and benefits, talent management and HR information systems from the Group's HR department.

The Group-wide employee survey – which previously took place every three years but will take place every two years from 2019 – provides valuable feedback on what employees believe the Group does well and what needs improvement. Based on the findings of the most recent survey, conducted in 2016, RTL Group defined career development as its main focus area for improvement. As a result, it was decided to promote internal mobility and establish Smart Start, an international trainee programme aimed at attracting, retaining and developing talented young people with strong digital skills.

The business units also identified action areas related to employee matters, with training and development being one of the most common. The implementation of measures to address these issues began in 2017 and continued throughout 2018. The main focus of the Group's response to the survey is reflected in this chapter's first relevant issue: training and development. Other relevant issues – fair working conditions, and health and wellbeing – were also addressed in the survey.

ISSUE: LEARNING

HELPING EMPLOYEES TO GROW, BOTH PERSONALLY AND PROFESSIONALLY

RTL Group provides extensive training opportunities to guide the career development of its employees. The foundation of its talent management and succession planning is the annual performance review, which all employees have with their supervisor. Follow-up meetings with the supervisor and local HR team create an ongoing, constructive dialogue to help employees identify their strengths, areas for development, the skills they need to advance their careers and the development opportunities that are right for them.

AMBITIONS

RTL Group strives to be an employer of choice that attracts and retains the best talent. The objective is to equip employees with the skills and attitudes they need to confidently address the company's current and future challenges. The Group does this by offering training programmes and individual coaching in a wide range of subjects, from strategy and leadership to digital skills and health and wellbeing. It reviews and, if necessary, adjusts its training catalogue on an ongoing basis.

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION
AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

RTL Group's main tool for training and development management is Peoplenet, an online platform in use across most of the organisation. It provides employees with access to a large library of online courses and enables the company to plan and track all training. At the end of 2018, 77 per cent of RTL Group employees had access to Peoplenet (61 per cent as at 31 December 2017). The process of extending access to even more employees will continue in 2019.

The Group also fosters its employees' professional and personal growth by facilitating internal mobility throughout the organisation. This gives employees the chance to apply their talents in a new business setting and to acquire new insights and skills in other business units.

In 2018, RTL Group launched Smart Start, an 18-month international trainee programme designed to attract and develop talented people and provide them with end-to-end knowledge of the Group's digital businesses. The programme provides trainees with valuable international work experience at the Group's headquarters in Luxembourg as well as at three to four business units and gives them the chance to help shape RTL Group's digital projects and initiatives. Trainee programmes are also envisaged for other functions, such as advertising sales.

PERFORMANCE

RTL Group employees had 97,200 hours of training and development in 2018 (2017: 100,445) – an average of 6 hours per employee. A total of 6,512 training courses were attended by 4,764 men and 5,550 women. The Group spent a total of €5.14 million on training and development in 2018 (2017: €3.74 million), an average of €322 per employee. At year-end 2018, RTL Group had 241 apprentices, learning a variety of professions.

MEASURES IN 2018 TO PROMOTE LEARNING

RTL Group's majority shareholder, Bertelsmann, operates Bertelsmann University (BU), its flagship in-house learning institution. RTL Group makes extensive use of BU. In 2018, the university continued to offer innovative, state-of-the-art learning solutions and formats that promote and develop the competencies and skills of employees worldwide.

The university is divided into four campuses:

- BU Strategy Campus, which provides advanced training in strategy and transformation to executives and high potentials
- BU Leadership Campus, which offers leadership programmes and instruments designed for managers with supervisory responsibilities at different levels
- BU Function Campus, which promotes the capabilities of employees working in specific business functions, such as HR, IT and finance
- BU Individual Campus, which provides a broad selection of learning programmes and digital training to develop the skills of all employees, with instruction in German, English, French, and Spanish

BU partners with world-class institutions such as Harvard Business School, Stanford University, Institut Européen d'Administration des Affaires (INSEAD), Hautes Études Commerciales (HEC) Paris, and HHL Leipzig Graduate School of Management.

In addition to BU, the business units provide their employees with a wide variety of training and development opportunities. For example, the SpotX Employee Development Portal (EDP) was created in response to the 2016 Employee Survey in which SpotX employees said they wanted better resources for personal and professional development. The EDP empowers them to achieve their long-term goals by evaluating their current skill set, by identifying the skills they need to move their career at SpotX in the direction in which they want it to go, and by designing a strategic plan to get there.

Fremantle offers its employees a range of learning and development opportunities, including its established leadership and management skills programmes. In 2018, it introduced new initiatives ranging from financial awareness for non-finance managers to preventing unconscious bias.

.....
MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

**ANTI-CORRUPTION
 AND ANTI-BRIBERY**

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

RTL Radio Academy provides executives and high potentials of RTL Radio Deutschland’s subsidiaries with seminars and workshops that promote their personal and professional development. It teaches leadership behaviour, strategic thinking, organisational techniques and other valuable skills that help participants assume more responsibility and make sound strategic decisions.

RTL Radio Deutschland’s Next Generation PD teaches participants the skills and knowledge they will need to work as programme directors in a rapidly evolving radio market. Key topics include market research, marketing, leadership and the economics of the radio business.

To promote knowledge sharing, in 2018 RTL Luxembourg launched “Lunch and Learn”, a series of five lunchtime talks led by RTL Group and outside experts. Topics included trends in mobile journalism, the dangers of online disinformation and the potential application of blockchain technology in the media sector. The sessions were very popular and will continue throughout 2019.

The RTL School of Journalism for TV and Multimedia in Germany is a respected, accredited training centre that aims to prepare students for the fast-moving, highly competitive world of television journalism. The application process for 2019/20 – the school’s 10th cohort – began in January 2018. In 2018, the RTL School of Journalism adapted its course modules and practical training to the growing importance of video on online and mobile platforms. Similarly, RTL Interactive introduced specialised training for online journalists. To date, 257 RTL School of Journalism graduates have gone on to work for Mediengruppe RTL Deutschland, as well as other broadcasters, TV production companies and media outlets.

In January 2019, UFA’s School for Series began its first 16-week course for budding TV writers. Students will be taught all the theoretical and practical skills needed to join the story team of one of UFA Serial Drama’s daily shows.

Many business units also have mobility programmes that enable employees to work temporarily elsewhere in the unit. In addition, the Bertelsmann Exchange Initiative enables Bertelsmann employees worldwide to work at a different Bertelsmann company anywhere in the world for up to three months. The purpose is to enable employees to gain valuable experience, share knowledge, make contacts, get to know other cultures and perfect their language skills.

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

ISSUE: FAIR WORKING CONDITIONS

ENABLING EMPLOYEES TO REALISE THEIR POTENTIAL

RTL Group has established a work environment where creativity and entrepreneurship can flourish, where employees feel confident and at ease, and where they can realise their full potential. Many factors contribute to the working conditions the Group provides: attractive compensation, training and development opportunities, pleasant work environments and wellbeing programmes. RTL Group also encourages local teams to implement their own employee initiatives to meet their business needs and satisfy local laws. In the most recent employee survey in 2016, 76 per cent of respondents said they were satisfied with their working conditions.

Responsible and ethical conduct toward employees, business partners, the general public and the environment are integral to the Group's values. These values are articulated in the [Code of Conduct](#), which is binding for RTL Group. The Group also upholds the [Eight Fundamental Conventions of the International Labour Organisation](#) and respects employees' rights to freedom of association and collective bargaining.

RTL Group does not allow anyone to hinder employee representatives in their duties or be discriminated against in any way. All managers at RTL Group play their part in these efforts, leading by example and taking action to prevent conduct that doesn't comply with the law or the company's values.

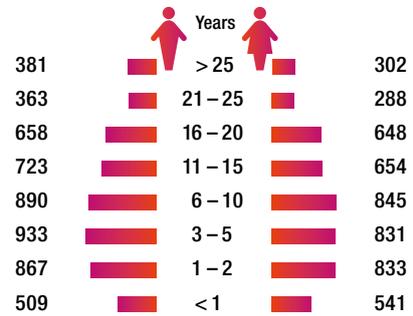
AMBITIONS

RTL Group's corporate culture is founded on fairness, partnership, mutual trust and commitment. The Group strives to ensure that all employees receive fair recognition, treatment and opportunities and is committed to fair and gender-blind pay. The same applies to the remuneration of freelancers and temporary staff, ensuring that such employment relationships do not compromise or circumvent employee rights. The Group also strives to support flexible working arrangements.

WORKFORCE PROFILE

The total employee turnover rate⁹ at RTL Group was 9.4 per cent in 2018 (2017: 8.8 per cent). The voluntary employee turnover rate (resignations) was 4.2 per cent (2017: 4.6 per cent). At year-end 2018, 64 per cent of RTL Group's employees had a permanent employment contract. Of these, 52 per cent were male and 48 per cent were female (2017: 73 per cent, of which 51 per cent were male and 49 per cent were female). The other 36 per cent of the Group's employees were interns or freelancers or had a fixed-term employment contract. Of these, 51 per cent were male and 49 per cent were female (2017: 42 per cent male and 58 per cent were female).

EMPLOYEE LENGTH OF SERVICE¹⁰



⁹ Total turnover includes resignations, dismissals, retirements as well as departures by mutual consent
¹⁰ Headcount of permanent employees as at 31 December 2018

MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

ANTI-CORRUPTION
AND ANTI-BRIBERY

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

MEASURES IN 2018 TO PROMOTE FAIR WORKING CONDITIONS

RTL Group's most important forum for social dialogue is the European Works Council.



EUROPEAN WORKS COUNCIL (EWC)

In 1997, RTL Group concluded a voluntary agreement with employee representatives establishing a European Works Council (EWC). The EWC, which consists of representatives from RTL Group's local works councils in the EU, maintains an open dialogue with RTL Group management on cross-border employment issues, and meets with the senior management team twice a year.

Under the current voluntary agreement, these meetings serve as a forum for discussing social issues and consulting with employees. The EWC's task is to remind management of its responsibilities toward employees, in particular the responsibility to ensure fair working conditions. The fifth addendum to the voluntary agreement extended the agreement for a five-year period, from 2018 to 2022.

In 2018, the EWC and RTL Group's Executive Committee agreed a pilot project at the Corporate Centre in Luxembourg to deepen the EWC's involvement in the analysis of employee surveys and related initiatives, similar to what has been practiced for several years at Mediengruppe RTL Deutschland.

RTL Group also promotes fair working conditions by offering attractive remuneration, based on objective criteria in line with market standards and statutory requirements. Periodic benchmarking ensures that the Group's salaries are competitive.

In 2018, Mediengruppe RTL Deutschland awarded its employees a profit-share of almost €19 million. Half of the amount was paid out; the other half, including accrued interest, will be paid once the employees have left the company after the age of 60. Since 1992, employees have been allocated profit-shares totalling over €250 million. To help employees plan for their

future, Mediengruppe RTL Deutschland has created an interest-bearing value account (Wertkonto). Employees can set aside part of their salary, plus a supplemental amount from the company, and the money saved can be used to finance early retirement, long-term care plans or sabbatical leave. By December 2018, over 1,000 employees had participated, saving more than €14 million, including the supplemental amounts.

Groupe M6 has established several profit-sharing agreements for its companies. In 2018, 2,938 employees benefited from a total of €9.3 million. In addition, Groupe M6 offers its employees a savings plan into which they can deposit part of their salary, bonuses and profit-shares, as well as a Groupe M6 contribution, which in 2018 totalled €15.9 million for Groupe M6 (excluding FCGB). Groupe M6 is also committed to structuring work hours in a way that respects employees' personal lives. For example, meetings are scheduled during work hours, and parents are given greater freedom to schedule their work time to match the school term. The company also extended parental leave: parents can now work part-time for up to 80 per cent of their work hours until their child is six years old.

Millennials' expectations regarding their job and work environment differ from those of older generations. They tend to place a higher priority on balancing work and free time and on having greater freedom in planning their professional future. RTL Group is aware that attracting and retaining talented millennials is essential for its long-term success, and that millennial parents, in particular, need a healthy work-life balance that enables them to spend time with their children. The Group therefore encourages its employees to make the most of the parental leave they are entitled to in their respective countries. It has also installed parent-child locations at some offices to support parents who are unable to arrange childcare at short notice.

RTL Group's commitment to fair working conditions extends beyond the organisation. The Group expects the same commitment from its business partners, as laid out in the RTL Group [Business Partner Principles](#) (BPPs). The BPPs state unequivocally that all companies working with RTL Group should comply with all laws and regulations relating to fair working conditions, such as remuneration, working hours and privacy protection. They should also provide their employees with a safe, healthy and non-discriminatory workplace.

.....
MANAGEMENT APPROACH

.....
DIVERSITY

.....
HUMAN RIGHTS

.....
EMPLOYEE MATTERS

.....
ANTI-CORRUPTION
AND ANTI-BRIBERY

.....
SOCIAL MATTERS

.....
ENVIRONMENTAL MATTERS

ISSUE: HEALTH

STAYING FIT AND HEALTHY IN TODAY'S FAST-PACED WORK ENVIRONMENT

As a responsible employer, RTL Group complies with applicable health laws and regulations. It also conducts numerous initiatives that promote employees' health and wellbeing and reinforces their awareness of the importance of taking responsibility for their own health. In the last employee survey, 66 per cent of respondents said they maintain a healthy work-life balance.

In line with its decentralised business model, RTL Group expects each of its business units to provide an environment in which employees can be both productive and healthy.

AMBITIONS

Providing healthy work environments – one of the ways in which RTL Group demonstrates how much it values its employees – helps foster creativity, performance, job satisfaction and enjoyment. Knowing that motivated employees are essential to its success, RTL Group is committed to providing a healthy work environment, preventing work-related diseases and minimising work-related risk factors.

MEASURES IN 2018 TO PROMOTE EMPLOYEE HEALTH

RTL Group empowers the business units to pursue health and wellbeing programmes that make the most sense for their employees. Below are some of the different measures the units have taken:

- In Germany, RTL Radio Center Berlin organised an annual health day, and RTL Nord conducted a pilot project for integrated health management
- Mediengruppe RTL Deutschland provides free screening for the early detection of skin cancer. So far, 637 employees have participated in the programme
- RTL Group executives based in Luxembourg are offered a free health check-up every two to three years and all employees are offered a free influenza vaccination
- RTL Belgium provides training to enable managers to recognise symptoms of stress in their team and strategies to help prevent excessive stress and burnout
- In France, Groupe M6 offers managers and employee representatives training on psycho-social risks and how to respond
- In 2018, Fremantle introduced a programme to promote mental health awareness and wellbeing across the business. It addressed issues such as digital detoxing, mindfulness, resilience and both mental and physical wellbeing
- Fremantle also launched a health and wellbeing group on its intranet. The group held online workshops, available to all staff, on important topics such as resilience, gratitude, mindset and sleep. The group is developing workshops on other topics for 2019
- Employees in Luxembourg have free access to an in-house fitness centre and fitness training and may be granted free supplementary health insurance. They also enjoy free fresh fruit every morning and subsidised fresh-cooked meals
- In Sweden, United Screens reimburses employees SEK 3,200 per year for a gym membership or other health and wellness activities. It also offers physical and mental health training to all managers to help them understand the psycho-social consequences of organisational change
- Repetitive motion, prolonged sitting, frequent stress and a lack of exercise may lead to health risks. To help address this, Mediengruppe RTL Deutschland introduced the Digital Moving Pause, a 15-minute series of low-intensity exercises designed to relieve tension in shoulder, neck and back muscles and reduce stress. The series, which is led by three fitness trainers, is webcast Monday to Friday between 13:00 and 13:30 on the company's intranet so employees at other locations can participate. Mediengruppe also has an arrangement with Wellnow, a firm that offers employees massages at work

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS
-
- ENVIRONMENTAL MATTERS
-

PREVENTING CORRUPTION AND BUILDING TRUST

RTL Group knows that integrity and trustworthiness are the foundation for lasting business success and has zero tolerance of any form of illegal or unethical conduct. Violating laws and regulations – including those relating to bribery and corruption – is not consistent with the company’s values and could damage the Group. Non-compliance could harm the Group’s reputation, result in significant fines, endanger its business success and expose its people to criminal or civil prosecution.

Even an act that may not be illegal – such as offering or accepting a gift, or a lavish meal – may still be unethical. It can create a conflict of interest or the appearance that a quid pro quo is expected.

MANAGEMENT APPROACH

To foster a compliance culture and prevent corruption and bribery, RTL Group has established a compliance management system (CMS), developed and implemented by the Audit & Compliance department at the Corporate Centre and approved by the RTL Group Audit Committee. The CMS consists of policies and procedures, risk assessment, communications measures to promote a compliance culture, oversight mechanisms such as pathways for reporting potential violations and procedures for conducting compliance investigations. The Audit & Compliance department reviews these components on an ongoing basis and, if necessary, amends them so they remain current.

RESPONSIBILITIES

The Audit & Compliance department provides Group-wide support on anti-corruption, anti-bribery, and other compliance-related matters. In addition to centralised management by the Compliance department, each business unit has a dedicated compliance manager who is in charge of addressing compliance issues, including anti-corruption.

The RTL Group Audit Committee is composed of four non-executive directors, two of whom are independent. The committee, which meets at least four times a year, addresses a range of accounting, tax and legal issues, including anti-corruption. The head of the Audit & Compliance department reports to the chairperson of the committee on any corruption or other compliance matters.

Representatives of RTL Group management sit on the RTL Group Corporate Compliance Committee. The committee, which is chaired by RTL Group’s Chief Financial Officer, is responsible for monitoring compliance activities, promoting ethical conduct and fighting corruption and bribery. It is kept informed about ongoing compliance cases and the measures taken to prevent compliance violations.

RTL Group’s Corporate Responsibility Council, which meets three times a year, also discusses ethics and compliance issues.

.....
 MANAGEMENT APPROACH

 DIVERSITY

 HUMAN RIGHTS

 EMPLOYEE MATTERS

 ANTI-CORRUPTION
 AND ANTI-BRIBERY

 SOCIAL MATTERS

 ENVIRONMENTAL MATTERS

POLICIES

All RTL Group employees are expected to be familiar with the RTL Group [Code of Conduct](#), which sets binding minimum behaviour standards across the organisation. Containing guidance on taking the right decision on compliance-related matters, it's a fundamental policy for compliance and anti-corruption principles, and all employees receive training on the code soon after joining RTL Group.

The Group's commitment to responsible and ethical business conduct extends to its business partners. In 2017, RTL Group articulated this commitment in its new [Business Partner Principles](#), which set minimum standards for responsible relationships with business partners and their employees, as well as for human rights and the responsible use of natural resources. The Group encourages its business partners and their subcontractors to read and comply with these minimum standards.

The RTL Group Anti-Corruption Policy is the Group's principal policy for fighting corruption. It outlines rules and procedures for conducting business in accordance with anti-corruption laws and Group principles. As with the [Code of Conduct](#), RTL Group expects all employees to be familiar with this policy.

REPORTING CHANNELS

RTL Group promotes open dialogue and encourages any employee who suspects a violation of a law, government regulation or company policy to speak up. The [Code of Conduct](#) outlines options for raising concerns, including speaking to a supervisor, senior manager or RTL Group's Compliance, HR, Legal Affairs or Finance departments. Employees are also encouraged to contact the Compliance department with any compliance-related questions, concerns or suggestions.

Business units are required to report compliance violations to RTL Group without delay. Anyone who has questions about RTL Group's standards or wants to report an alleged compliance violation can contact the Compliance department or an independent ombudsperson directly. If they prefer to remain anonymous, they may do so using a secure, anonymous, web-based system.

If a compliance matter is reported, RTL Group has procedures in place to handle it swiftly, equitably and in accordance with applicable laws and regulations, including safeguarding the rights of the accused.

AMBITIONS

The compliance landscape changes. New risks emerge, and existing risks may become more or less acute. RTL Group continually and rigorously reassesses its compliance risks and, if necessary, revises its policies to address them.

MEASURES IN 2018 TO PROMOTE ANTI-CORRUPTION AND ANTI-BRIBERY

RTL Group strives to foster a compliance culture in which all employees are committed to ethical conduct. In 2018, the Group rolled out an updated version of its online anti-corruption training module as part of ongoing efforts to raise awareness of anti-corruption and anti-bribery. This process will continue throughout 2019.

RTL Group works continually to ensure that its compliance policies and procedures are current. In 2018, it issued new guidelines on sponsoring and donations, enforcement of the four-eye principle and, more generally, the central and local compliance organisation.

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION
- AND ANTI-BRIBERY
-
- SOCIAL MATTERS**
-
- ENVIRONMENTAL MATTERS
-

BEING A GOOD CORPORATE CITIZEN THROUGH PROGRAMMING AND DONATIONS

RTL Group is a leading media organisation and broadcaster and, as such, has social responsibilities to the communities and audiences it serves. These responsibilities are particularly serious when it comes to children and young people. As well as complying fully with all child-protection laws, the Group ensures that its programming is suitable for children, or broadcast

when they are unlikely to be viewing. The Group also gives back to communities by using its high profile to raise awareness of – and funds for – important social issues, particularly those that might otherwise receive less coverage or funding. Consequently, RTL Group emphasises two main social issues: content responsibility and community investment.

ISSUE: CONTENT RESPONSIBILITY

PROTECTING MEDIA USERS AND CUSTOMERS

RTL Group wants the content it produces and distributes to reach as many people as possible. This brings with it an obligation to think carefully about this content's potential impact on media users, particularly the young. RTL Group has a responsibility to be mindful of child development and to select and schedule its programming accordingly. Knowing that children increasingly watch the Group's content on smartphones, tablets and computers, RTL Group works continually to develop and implement effective ways to protect children and young people across all media platforms.

MANAGEMENT APPROACH

RTL Group's [Newsroom Guidelines](#) define its journalistic principles. They include the pledge to respect privacy, to be cautious in showing violence, and to protect the rights of minors. RTL Group expects its business units to ensure their news programming abides by the [Newsroom Guidelines](#), and that their entertainment programming both protects media users and complies with applicable child-protection laws. The steps they take to do this differ by country but typically include a rating to alert parents and educators to programming that is unsuitable for children.

In Germany, Mediengruppe RTL Deutschland has established a Standards and Practices department to ensure its programming is suitable for young viewers, or broadcast at a suitable time. The department advises programming directors, ensures legal compliance and serves as a contact point for viewers and regulatory agencies in issues surrounding

child protection. Programmes that are potentially unsuitable for children are submitted in advance to the Freiwillige Selbstkontrolle Fernsehen (FSF), Germany's organisation for the voluntary self-regulation of television. The FSF reviews the programmes and takes a binding decision on whether, and at what time of day, they may be broadcast.

Mediengruppe RTL Deutschland also has a Media Advisory Council that consists of representatives of political parties, religious groups and cultural organisations, representing the company's diverse audience across all demographic groups. The Media Advisory Council meets with company management twice a year to discuss a range of issues, including the special responsibility that comes with creating and broadcasting media content.

Through its involvement in the Netherlands' Institute for the Classification of Audio-Visual Media (NICAM), RTL Nederland helped to establish Kijkwijzer, its country's age-specific content rating system. All RTL Nederland programming has a Kijkwijzer rating, which is displayed on-screen at the start of a programme and whenever a viewer switches to it. The rating also appears in print and digital TV guides.

Groupe M6 has been a pioneer in content rating in France, having introduced its own rating system in 1989. It still reviews and rates its own programming, but, since 1996, has used the rating categories proposed by France's Conseil Supérieur de l'Audiovisuel.

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS**
-
- ENVIRONMENTAL MATTERS
-

AMBITIONS

RTL Group complies with all applicable national and EU child-protection laws and regulations. Beyond this, the Group ensures that its content is suitable for younger viewers, or broadcast at times when they are unlikely to be watching TV. RTL Group strives for its content to be responsible, particularly with regard to violence, which should not be portrayed as omnipresent or as the solution to conflicts. RTL Group continues to explore a plan to establish a Group-wide network of managers responsible for media protection, with the idea of giving them a forum to share information and best practice. In addition, the Group takes e-safety very seriously and works continually to develop solutions to protect children online.

PERFORMANCE

Every year, RTL Group invests €2 billion in Europe's creative community. With a strong emphasis on local productions, its programming contributes to a healthy, varied and high-quality broadcast and internet landscape in the democratic, diverse and connected societies it serves. The Group's commitment to independence and diversity in its content helps enable these societies to maintain a journalistic balance that reflects their diverse opinions.

RTL Group embraces its duty to educate young viewers in media literacy and to protect them. Some of the Group's programming is designed to encourage kids to make good choices. In addition, Super RTL is a founding member of Media Smart, a non-profit organisation dedicated to improving children's understanding of media and advertising. Super RTL also chairs FragFinn, a non-profit association that runs Germany's most popular search engine for kids. FragFinn, which has automatic filters and numerous other safety features, aims to create a secure place for children to surf the internet without seeing harmful content.

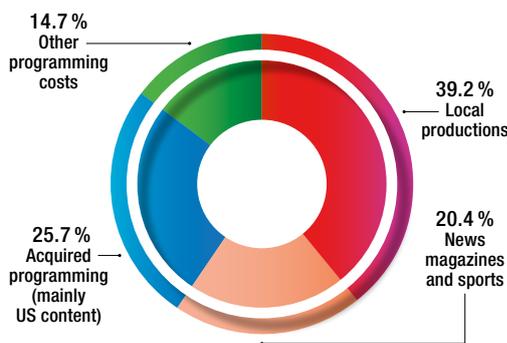
RTL Belgium's news outlets regularly report on the impact of cyberbullying. In 2018, Bel RTL, Radio Contact and Plug RTL partnered with Ciné Télé Revue, a weekly Belgian TV guide magazine and website, to support the #quedesbonnesondes (#goodvibesonly) campaign. Its objective was to spread positivity across the internet. For example, it urged internet users to think carefully about the impact their words could have before posting a comment.

Smartphones and other mobile devices have become integral to children's lives. In February 2018, Super RTL supported Safer Internet Day (SID) by launching an app that provides free, secure mobile access to *Toggolino*, Super RTL's educational, award-winning series for pre-school kids.

Super RTL is committed to making its content kid safe. In 2018, it decided to manually control ad distribution on its advertising-driven digital platforms. This ensures that the ads displayed are absolutely child safe. In addition, none of the platforms uses or collects cookies. Many of Super RTL's platforms feature controls that enable parents to select the content their children can watch, set the maximum viewing time and get an overview of their children's media usage.

Mediengruppe RTL Deutschland and Super RTL are part of the Alliance to Better Protect Minors Online, an EU-wide multi-stakeholder initiative to tackle harmful content. The alliance is the successor organisation to the CEO Coalition to Better Protect Minors Online, of which RTL Group was a founding member. All RTL Group channels in Germany have supported *Sicher Online Gehen* (Go Online Safely), a similar German initiative, since it began in 2012.

RTL GROUP'S BROADCASTERS' PROGRAMME SPEND IN 2018¹¹



MEASURES IN 2018 TO PROMOTE CONTENT RESPONSIBILITY

RTL Group continued to broadcast numerous child-friendly programmes in 2018. Three stations – Super RTL in Germany, RTL Telekids in the Netherlands and RTL Kockica in Croatia – are dedicated mainly to children's programming. Other RTL Group broadcasters, including M6 Kid in France, Kölyök Klub (Kids Club) in Hungary and Kids Club in Belgium, set aside blocks of time for child-friendly programming.

¹¹ Based on fully consolidated businesses

-
- MANAGEMENT APPROACH
-
- DIVERSITY
-
- HUMAN RIGHTS
-
- EMPLOYEE MATTERS
-
- ANTI-CORRUPTION AND ANTI-BRIBERY
-
- SOCIAL MATTERS**
-
- ENVIRONMENTAL MATTERS
-

ISSUE: COMMUNITY INVESTMENT

USING OUR PLATFORMS TO IMPROVE LIVES AND HELP PEOPLE IN NEED

RTL Group believes it has a responsibility to use its position as a leading international media company to support worthy causes and raise money for charities. It has in place Group-wide guidelines that define its criteria for donations, sponsorship and memberships, to ensure such measures reflect the Group's communications strategy and comply with applicable laws. In addition, they provide guidance to the business units and make the Group's approach transparent to the general public and potential sponsorship partners.

MANAGEMENT APPROACH

RTL Group's Corporate Communications & Marketing department oversees donations and sponsorships at Group level. These require approval by the RTL Group Executive Committee if they are above €100,000 for single donations and sponsorships, or €50,000 for ongoing commitments. The business units make their own decisions but must inform RTL Group's Corporate Communications & Marketing department about any significant commitments. They are also required to define and document their donation and sponsorship strategy, record related activities and keep all related documentation for five years.

General guidance for donations and sponsorships is provided by the RTL Group [Code of Conduct](#) and by guidelines on anti-corruption and integrity. Business units, such as Groupe M6 in France, which are prevented by law from adopting certain Group-wide guidelines, have established their own guidelines based upon them.

AMBITIONS

As a good corporate citizen, RTL Group supports worthy causes and organisations through its own foundations as well as donations, sponsorships and memberships. This support focuses on three main areas that reflect the Group's role as a major family-friendly media company: creative and media freedom, help for children in need and education.

Support for these areas is part of the Group's effort to maintain good relationships with local non-governmental organisations, schools and other stakeholders and to foster local engagement with charities. RTL Group strives to keep its donations at least on the level of the past five years.

PERFORMANCE

Free airtime or donating media time to charities or good causes – also called 'social spots' – is airtime which is not sold to advertising clients, but offered to charities or non-profit organisations free of charge. This airtime is therefore not used to increase sales of a brand or product, but to promote certain social issues, such as cancer awareness. In 2018, the estimated net value of free airtime¹² totalled €17,433,048 (2017: €17,311,568). In 2018, RTL Group donated a total of €3,482,662 to numerous charitable initiatives and corporate foundations (2017: €4,727,830). Finally, RTL Group's flagship events broadcast in 2018 raised €23,064,207 for charity (2017: €21,014,005).

COMMUNITY INVESTMENT IN 2018



¹² The gross value of free airtime/donated media time to charities or good causes is calculated in euros from the business units' gross advertisement pricelists. The reported estimated net value of free airtime or donated media time assumes a consistent market-based discount rate across the total reported gross value

.....
MANAGEMENT APPROACH
.....
DIVERSITY
.....
HUMAN RIGHTS
.....
EMPLOYEE MATTERS
.....
ANTI-CORRUPTION AND ANTI-BRIBERY
.....
SOCIAL MATTERS
.....
ENVIRONMENTAL MATTERS
.....

MEASURES IN 2018 TO PROMOTE COMMUNITY INVESTMENT

In 2018, RTL Group's business units continued to raise large amounts of money for worthy causes, support them through free public service advertising and confer awards on outstanding individuals who do exemplary work for their communities.

In 2018, the 30th *Télévie* set yet another record, raising €12,114,560 to help fund cancer research in Belgium and Luxembourg (2017: €11,027,650 raised). The event in Belgium included a variety of awareness and fundraising campaigns on TV, radio and social networks, a gala dinner, the traditional *Télévie* play, a two-day sports challenge and more than 600 activities organised by volunteers around Belgium. RTL Luxembourg hosted and broadcast various events that raised €1,674,429 in donations in the Grand Duchy.

Founded in 1996, Mediengruppe RTL Deutschland's Stiftung RTL – Wir helfen Kindern e.V. (Foundation RTL – We Help Children) has three objectives: improve the prospects for children and young people worldwide, alleviate child poverty in Germany, and provide disaster relief. The 2018 edition of the annual 24-hour telethon, *RTL-Spendenmarathon*, raised €8,604,481.

SpotX won a 2018 Digiday Worklife Award in the 'most committed to the community/social good' category. The award acknowledges employers who show an exemplary degree of commitment to giving back to their community through extracurricular programmes and partnerships.

Also, in response to the growing problem of child poverty in Germany, RTL II worked with Munich-based creative agency, Mehappy, to produce a succinct but sensitive social ad which highlights the fact that one in five children in Germany temporarily or permanently lives in poverty. It also tells viewers about the help provided by the German Child Welfare Association, which collaborated with RTL II on a four-part special and a documentary on child poverty. RTL II aired the ad free of charge, and Mehappy designed and produced it for free.

Similarly, the RTL pomaže djeci (RTL Helps Children) charity fund has supported 250 humanitarian projects since 2006, helping over 600,000 sick, disabled and underprivileged children across Croatia. Working with various non-profit organisations, it helps raise money from private and corporate donors to build vital facilities (such as rehabilitation centres, schools, kindergartens, libraries and playgrounds) and to provide children with toys, sports gear and musical instruments. In December 2018, its campaign 'Budi mi prijatelj' (Be My Friend) raised €250,000 to finance ten projects.

To mark World Refugee Day on 20 June 2018, RTL Belgium supported 'Partager le chemin' (Share the Journey), a Caritas International campaign to bring together Belgians and migrants, for example by sharing a meal in a restaurant. Public service spots showing highlights of the meals were broadcast free on RTL-TVI, on the Caritas International website and on social media.

The theme of the 11th edition of the RTL Commit Award was volunteering in the digital age. The nominees were young people aged 15 to 29 whose volunteer work has had a real impact on digital platforms, or who have been particularly successful at promoting a volunteer project via social media, a blog or an app. The individual award went to 29-year-old Dominique Nardin from Mannheim, who uses social media to encourage more people to volunteer in their community.

On World Alzheimer's Day, 21 September, Groupe M6 and other major French media companies gathered in Paris to support the Foundation for Medical Research (FRM) in its effort to raise funds and advance research on the illness.

.....
MANAGEMENT APPROACH

.....
DIVERSITY

.....
HUMAN RIGHTS

.....
EMPLOYEE MATTERS

.....
ANTI-CORRUPTION
AND ANTI-BRIBERY

.....
SOCIAL MATTERS

.....
ENVIRONMENTAL MATTERS

REDUCING ENERGY CONSUMPTION AND CARBON EMISSIONS

RTL Group is a media company with no industrial operations: it does not consume significant amounts of raw materials or fossil fuel and is not a major polluter. The Group is nevertheless mindful that resource conservation and climate protection are key issues for the 21st century. For this reason – together with employees and in dialogue with various stakeholders – RTL Group is committed to minimising its impact on the environment, in particular by reducing its energy use and its direct and indirect greenhouse gas (GHG) emissions. RTL Group also strives to use water, materials and land responsibly. It expects its suppliers and other business partners to share its commitment to environmental protection, and the RTL Group [Business Partner Principles](#) set minimum standards for environmental performance.

MANAGEMENT APPROACH

RTL Group has a long history of addressing environmental issues. It codified this commitment in February 2018 by issuing its first [Environmental Statement](#), which describes the Group's environmental protection ambitions and explains how it will pursue them in its decentralised organisation. The statement also highlights the importance of involving employees in these efforts and engaging in transparent dialogue with stakeholders. [Bertelsmann's Environmental Policy](#) is also valid for RTL Group. As a general rule, the Group implements relevant aspects of Bertelsmann policies or incorporates them into its own policies.

Every RTL Group business unit has its own environmental specialist. These specialists share information in a Group-wide network, which is coordinated by a manager from the Group's Internal Services & Facility Management department. Supported by the RTL Group corporate responsibility team, this person coordinates the collection of environmental data for analysis and reporting purposes and represents RTL Group in the 'be green' team – a wider Bertelsmann network of environmental experts.



KEEN TO BE GREEN

RTL Group actively supports Bertelsmann's 'be green' strategy and unequivocally endorses the Mission Statement. It also participates in the 'be green' team, an international, cross-divisional working group of environmental experts that develops, oversees and reviews the strategy's implementation.

Members of the group share knowledge and best practice, discuss new developments in national and international environmental policies and work together to find ways to improve the organisation's environmental performance. The group reports to the Bertelsmann CR Council, which is chaired by Bertelsmann's Chief Human Resources Officer.

MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

ANTI-CORRUPTION
AND ANTI-BRIBERY

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

ISSUE: ENERGY AND EMISSIONS

USING LESS ENERGY, SHRINKING THE GROUP'S CARBON FOOTPRINT

RTL Group endorses the international community's goal of limiting global warming to less than 2° Centigrade. But climate protection makes sense for other reasons as well. Reducing energy consumption simultaneously reduces costs, and lower emissions make cities cleaner and healthier places to live. RTL Group consumes electricity primarily to air-condition office buildings, studios and data centres and to power broadcast equipment and data servers. Consequently, these are the areas where the Group seeks to achieve improvements.

RTL Group has measured and published its carbon footprint since 2008. Serving as the key indicator for evaluating and continually improving the Group's climate performance, it includes direct emissions (scope 1) as well as indirect emissions from purchased energy (scope 2, market-based) and business travel (scope 3).

RTL Group's environmental reporting follows the Global Reporting Initiative's sustainability standards, the United Nations Global Compact and the Greenhouse Gas Protocol Corporate Standard (revised edition), including the appendices and guiding documents for scope 1 to 3 emissions.

AMBITIONS

Supported by environmental experts from Bertelsmann's 'be green' team, RTL Group's corporate responsibility team analysed the Group's consumption and emissions data, its forecasts for business growth, and trends in energy and commodity markets. It also commissioned a non-governmental organisation, the World Wildlife Foundation, to conduct a science-based climate-protection study to calculate the Group's contribution to limiting global GHG emissions in light of the reductions necessary in relevant industries by 2050.

Having achieved its previous emissions target for 2020 early, RTL Group set a new climate target in 2018: to reduce its carbon footprint by 20 per cent by 2025 relative to a 2016 baseline, with an intermediate target of a 10 per cent reduction by 2020. The target covers group companies that represent 86 per cent of group employees. The baseline will be regularly adjusted for changes in the organisation structure. The Group reduced its carbon footprint in 2018 by 7 per cent, or 3,500 tonnes, compared to the 2016 baseline of 52,700 tonnes.

Carbon footprint target monitoring	Unit	2016 (Baseline)	2018	Per cent change
Scope 1 + 2 + BT	t CO ₂ e	52,700	49,200	(7)
Scope 1	t CO ₂ e	9,200	8,000	(13)
Scope 2	t CO ₂ e	28,600	22,700	(21)
Scope 3 BT	t CO ₂ e	14,900	18,500	24

The Group intends to continue to reduce its energy use – and thus its carbon emissions – primarily through local investment in energy-saving measures and improvements to the business units' infrastructure, and to increase its use of renewable energy. The active involvement of employees is vital when it comes to achieving these goals. The Group regularly takes steps to raise employee awareness of environmental issues and expects them to behave responsibly towards the environment and their community.

PERFORMANCE IN 2018

RTL Group calculates its carbon footprint and collects, analyses and aggregates environmental data on its use of energy, paper and water, its wastewater discharge and its waste disposal. This information creates transparency about the Group's impact on the environment and climate and helps identify areas for improvement.

.....
 MANAGEMENT APPROACH

 DIVERSITY

 HUMAN RIGHTS

 EMPLOYEE MATTERS

 ANTI-CORRUPTION
 AND ANTI-BRIBERY

 SOCIAL MATTERS

 ENVIRONMENTAL MATTERS

MEASURES IN 2018 TO REDUCE ENERGY USE AND EMISSIONS

RTL Group's commitment to using resources as efficiently as possible begins at RTL City, the company's Luxembourg headquarters. This complex of buildings is both functional and energy-smart. It is powered and heated by a high-efficiency cogeneration unit and cooled by thermo-active concrete and natural ventilation.

Elsewhere, the business units work to conserve resources, reduce their energy use and become more sustainable. Their programming and digital platforms raise awareness of sustainability issues for millions of viewers around the world. Common themes in 2018 were saving energy and reducing waste – particularly plastic waste that pollutes the oceans.

Mediengruppe RTL Deutschland decided to replace its current corridor lighting with LED – a move that will reduce energy consumption and CO₂ emissions by up to 60 per cent. The company has also lowered its paper consumption by 40 per cent since 2011.

In April 2018, 15 Mediengruppe RTL Deutschland employees participated in an annual clean-up campaign organised by the City of Cologne, *Kölner Express* newspaper, Grüner Punkt recycling group and Cologne-based waste management companies, AVG and AWB. Between them, the volunteers picked up more than 10 bags of rubbish in the Rheinpark.

The UFA Green Team – a sustainability initiative started by employees – continued to make UFA productions greener. The team strives to use local catering, eliminate single-use tableware, conserve paper and use ecological office supplies. In June 2018, it held a series of events on green production for the company's employees on UFA Creation Day.

WWF Germany and Mesh Collective – an education initiative run by the Divimove label UFA X – partnered with YouTubers, scientists and environmental activists to launch #EarthOvershootDay, a campaign about living within our planet's limits. Earth Overshoot Day symbolises the calendar date on which humanity's consumption of resources for the year exceeds the earth's capacity to regenerate them. In 2018, it fell on 1 August. For the rest of the year, YouTubers such as Mr Trashpack covered environmental topics and periodically posted videos on issues such as the plastic rubbish in the oceans, meat consumption, sustainable fashion, the circular economy and glacial melting. They also suggested ways in which people can protect the environment.

In late October 2018, the Republic of Indonesia held Our Ocean, Our Legacy, a two-day conference in Bali to raise awareness of the urgent need to reduce plastic rubbish and other waste that washes ashore on coasts worldwide. To coincide with the event, N-TV devoted an entire day of programming to the environment and the protection of oceans, highlighting the connections between industrial production, consumption and the resulting strain on the environment.

In October 2018, the European Parliament voted to ban single-use plastic products by 2021. In response, *Unter uns* (Between Us) stars Lars Steinhöfel and Timothy Boldt started a photo project focusing on the problem of plastics in the world's oceans. The show has already eliminated single-use plastic from its set – all its 200 staff have their own reusable drinking bottles and coffee cups.

MANAGEMENT APPROACH

DIVERSITY

HUMAN RIGHTS

EMPLOYEE MATTERS

ANTI-CORRUPTION AND ANTI-BRIBERY

SOCIAL MATTERS

ENVIRONMENTAL MATTERS

ENVIRONMENTAL INDICATORS ACCORDING TO GRI STANDARDS

Materials	Environmental indicators ¹³	Unit	2017	2018	Per cent change
301-1	Total paper purchased (volume)	t	210	190	(10)
301-2	Paper from sustainable sources	t	180	170	(6)
	Paper from other sources	t	30	20	(33)
	Percentage of sustainable paper	%	86	89	
Energy					
Energy		Unit	2017	2018	Per cent change
302-1	Total energy consumption	MWh	151,400	145,600	(4)
	Total electricity consumption	MWh	101,600	96,600	(5)
	Total heat consumption	MWh	33,200	32,800	(1)
	Energy from fuel for mobility (total)	MWh	16,600	16,200	(2)
302-3	Energy intensity	MWh/€m	23.8	22.4	(6)
Business travel					
Business travel		Unit	2017 ¹⁴	2018	Per cent change
	Total business travel	km	81,966,500	89,451,500	9
	Business travel by airplane	km	71,019,200	76,583,300	8
	Business travel by train	km	9,377,700	10,469,700	12
	Business travel by rental car	km	1,569,600	2,398,500	53
Water					
Water		Unit	2017	2018	Per cent change
303-1	Total water withdrawal	m ³	2,254,100	2,335,100	4
	Water withdrawal from the public supply or third parties	m ³	169,800	156,500	(8)
	Groundwater withdrawal	m ³	2,083,700	2,178,000	5
	Rainwater or surface water withdrawal	m ³	600	600	–
Greenhouse gas (GHG) emissions					
Greenhouse gas (GHG) emissions		Unit	2017 ¹⁴	2018	Per cent change
305-1	Direct GHG emissions (scope 1)	t CO ₂ e	8,900	8,800	(1)
305-2	Indirect GHG emissions (scope 2, market-based)	t CO ₂ e	30,700	27,100	(12)
	Indirect GHG emissions (scope 2, location-based)	t CO ₂ e	34,700	32,000	(8)
305-3	Total other indirect GHG emissions (scope 3)	t CO ₂ e	33,800	35,200	4
	from business travel	t CO ₂ e	18,900	21,000	11
	from employee commuting	t CO ₂ e	7,600	7,100	(7)
	from paper	t CO ₂ e	200	200	–
	Indirect energy-related GHG emissions (scope 3)	t CO ₂ e	7,100	6,900	(3)
305-4	GHG emissions intensity (scope 1 & scope 2)	t CO ₂ e/€m	6.2	5.5	
Effluents and waste					
Effluents and waste		Unit	2017	2018	Per cent change
306-1	Wastewater discharge	m ³	2,252,200	2,327,500	3
306-2	Total waste	t	3,000	2,000	(33)
	Waste recycled	t	2,100	1,000	(52)
	Waste sent for disposal	t	900	1,000	11
	Waste classified as hazardous	t	2	10 ¹⁵	400

13 Environmental data includes all fully consolidated RTL Group companies. Consumption data was broken down by use area at each location for the first time, and consumption figures for non-Group companies were excluded from 2018 data for the first time. The reported information is based on primary data collected by RTL Group companies representing 86 per cent of the Group's employees. The data for the other 14 per cent of employees was estimated using calculated average factors for 2017 and 2018, respectively

14 Corrected data mainly for excluding outsourced activities as well as a corrected heat consumption figure for RTL Hungary. Related data for total heat consumption, total energy consumption, energy intensity, total scope 1 emissions, total scope 2 emissions, total scope 3 emissions was corrected for 2017

15 In 2018, RTL Hungary replaced and renewed its broadcasting studio and IT equipment, which led to an increase in hazardous waste

INDEX

Mandatory aspects and RTL Group-specific issues

References and comments

Diversity

Diversity of people

Diversity of content

- Combined Non-financial Report 2018: p. 17–21

The issue of diversity of people is managed centrally, including the setting of targets and performance indicators.

Human rights

Editorial independence

- Combined Non-financial Report 2018: p. 22–25

- Annual Report 2018: p. 51

Because RTL Group believes it is low risk with regard to human rights, it currently has no targets or performance indicators for this aspect.

Because local editors-in-chief make their own editorial decisions, the issue of editorial independence is managed by the business units based on the Group-wide **Newsroom Guidelines**. Group-wide working groups share knowledge about this issue.

Employee matters

Learning

Fair working conditions

Health

- Combined Non-financial Report 2018: p. 26–31

- Annual Report 2018: p. 38

The aspect of employee matters is managed by the business units. They define their own management approaches, targets and performance indicators for the specific issues. The issue of health is also managed decentrally.

Anti-corruption and anti-bribery

- Combined Non-financial Report 2018: p. 32–33

- **Code of Conduct**

Social matters

Content responsibility

Community investment

- Combined Non-financial Report 2018: p. 34–37

This aspect is managed by the business units. They define their own management approaches, targets and performance indicators for the specific issues.

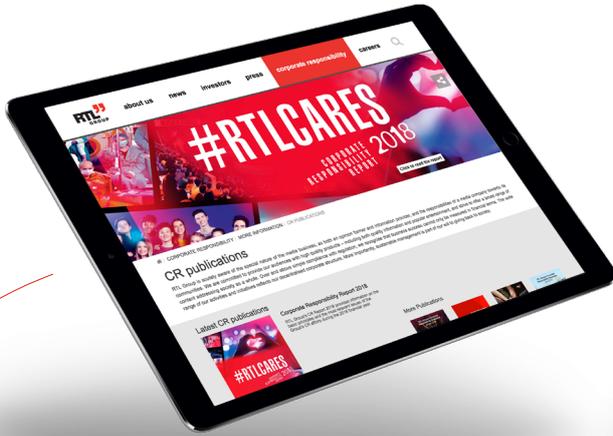
Environmental matters

Energy and emissions

- Combined Non-financial Report 2018: p. 38–40

- Annual Report 2018: p. 93

Non-financial performance indicators disclosed in this report have not been reviewed by an independent external auditor.



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