

arvato

ESG REPORT 2024

We shape supply chains globally



Environment - Social - Governance

Introduction

At Arvato, we see it as our responsibility to actively shape the future of logistics. As a global 3PL service provider, we are deeply aware of the role we play, not only in making supply chains faster, smarter, and more resilient, but also in making them more sustainable. This responsibility extends across our value chains, our technologies, and above all, to our people.

2024 was a year of positive development and continued growth. We significantly expanded our international logistics footprint and welcomed new colleagues across our global network, strengthening our ability to deliver scalable, high-quality solutions for our clients. At the same time, we refined our long-term strategic direction and anchored ESG more explicitly in our strategy pillars. This report outlines how we are turning these commitments into action.

It is also the first comprehensive ESG report we have published as a company, building on our previous voluntary climate disclosures from the past three years. Our ambition: to offer more transparency, more accountability, and a clearer picture of our impact across the three dimensions: environmental, social, and governance.

In the environment chapter, we share an update on our global decarbonization initiatives and provide insights into how we are raising awareness among our workforce to foster environmentally responsible habits, both at work and beyond.

In the social section, we take a closer look at our learning programs, employee engagement activities, and our internal leadership initiative. We also highlight our company-wide efforts to foster inclusion & belonging, and share key developments around health, safety & well-being.

The governance chapter concludes the report with a focus on compliance, information security, data protection, and supplier risk assessment, which are critical enablers for trust and long-term business resilience.

None of this progress would be possible without the support of our clients and partners. Together, we have the opportunity to lead the change and create positive impact, across our supply chains, our industries, and the communities we operate in. Thank you for being part of that journey and thank you for striving with us for more.

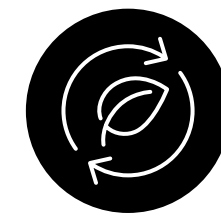


Frank Schirrmeister

Frank Schirrmeister
CEO Arvato

"Together, we have the opportunity to lead the change and create positive impact, across our supply chains, our industries, and the communities we operate in."

Overview



ENVIRONMENT

Introduction	2
Arvato at a Glance	4
#Arvato2030: Our Strategic Framework	5
Corporate ESG Strategy	7
ESG Mission	8
Facts & Figures	10

Key Projects.....	11
Research: Innovation Meets Impact ...	14
Employee Engagement	15
Reporting Scope	18
Climate Targets.....	19
Emission Sources at Arvato.....	20
Carbon Footprint.....	21
Data	22



SOCIAL

Our Workforce in Numbers.....	24
The Arvato Leadership Framework.....	26
Learning Programs	28
Inclusion & Belonging.....	30
Health, Safety & Well-being.....	37
We Care: Together for Good	42



GOVERNANCE

ESG Management.....	48
Governance, Risk & Compliance Functions.....	49
Supplier Management & Risk Assessment.....	50

Arvato at a Glance

Arvato is an innovative and leading global 3PL service provider in the field of supply chain management and e-commerce. By combining deep industry expertise with the right technologies, Arvato develops innovative supply chain management and e-commerce solutions for its clients. Arvato focuses on Consumer Products, Tech, Healthcare, Automotive and Publisher industries and has aligned its organization to meet the needs of its global clients and their industries. More than 18,000 employees work at 100 locations with state-of-the-art cloud technologies. This enables Arvato to provide its clients with the best possible support for their growth objectives.

For more information, please visit arvato.com.

Arvato is a wholly owned subsidiary of Bertelsmann SE & Co. KGaA. With 75,000 employees, Bertelsmann operates as a media, services and education company worldwide.

Brands Trust in Us



Key Figures





#Arvato2030: Our Strategic Framework

Our Purpose

We *shape* supply chains globally

Our Mission

We are our clients' trusted global supply chain partner for growth & transformation with a drive for excellence

Our Plan

Foster a Team of Exceptional People

We promote **our leadership principles and habits** as the means by which we achieve our collective strategic goals.

We **work** in a **global & diverse** workplace.

We enable our colleagues to **be their best professional selves**.

Pioneer Innovative & Scalable Solutions

We ensure cloud-based **security, scalability** and **reliability** across our one IT backbone.

We leverage our **data-driven mindset** to deliver **client-focused** solutions with a strong commitment to **sustainability**.

We excite our clients through innovation in **automation, robotics, AI and digital solutions**.

Accelerate Across Regions & Industries

We focus on our **existing countries** in **Europe, US** and **APAC** for our industries **Consumer Products, Tech** and **Healthcare**.

We explore new opportunities in **Southeast Asia, Middle East** and **North America** as well as in **associated segments** to drive further growth.

We additionally boost our **capabilities and network** through **strategic acquisitions**.





What Are the Key Focus Areas of the New Company Strategy, and What Do They Mean for the Daily Work of Our Teams?

In the **People** pillar, we focus on creating an open and supportive work environment where every colleague can contribute their unique strengths and expertise—because success is only possible when we grow together.

The **Innovation & Solutions** pillar is all about the targeted and client-centric use of IT and technology. Our goal is to develop reliable, secure, scalable, and sustainable solutions that are tailored to our clients' needs, however, are reusable across the globe.

Within the **Markets** pillar, we define our playing field clearly: we first assess the potential in our existing markets, both by industry and geography, before expanding into new areas. At the same time, we consider inorganic growth opportunities where they make strategic sense.

How Do We Make It Happen?

Global Presence, Local Expertise

We operate in key regions worldwide and understand the unique challenges of different markets.

Innovative Technologies

We leverage automation, AI, and digitalization to create smarter, more efficient supply chains.

Sustainable Solutions

We optimize processes to reduce waste, save resources, and drive greener logistics.

Client-Centric Approach

Our solutions are tailor-made and scalable, ensuring they meet the specific needs of our clients.



Corporate ESG Strategy

Arvato is a wholly owned subsidiary of Bertelsmann SE & Co. KGaA, benefiting from the strategic direction and governance provided by our parent company. Bertelsmann plays a pivotal role in shaping our approach to Environmental, Social, and Governance (ESG) matters by defining overarching policies and executive guidelines that align with our commitment to sustainability and responsible business practices.

Policies & Further Documents

- Bertelsmann Code of Conduct
- Bertelsmann Supplier Code of Conduct
- Bertelsmann Human Rights and Fair Working Conditions Policy
- Bertelsmann Combined Group Sustainability Statement 2024
- Bertelsmann Policy Environment
- Bertelsmann Policy Safety
- Bertelsmann Policy Health & Well-being
- Bertelsmann Policy Inclusion (TBA)



Find more information [here](#).

Corporate governance establishes a framework within which Arvato operates, ensuring that our initiatives and practices are consistent with Bertelsmann's broader ESG objectives. This alignment allows us to leverage shared resources, expertise, and insights across the organization to enhance our sustainability efforts, while giving us the opportunity to shape our ESG strategy according to our needs.

Furthermore, ESG ratings are assessed and made available at the corporate level, providing transparency and accountability regarding our performance in these critical areas.

Corporate Ratings (Selection)

AGENCY	TYPE	DATE	SCORE	SCALE
EcoVadis	CSR Rating	12 2024	68/100 (Silver)	0 to 100
CDP	Climate Change	01 2024	B (Upper Midfield)	D- to A
MSCI	ESG Rating	11 2024	BBB	CCC to AAA
Sustainalytics	ESG Risk Rating	01 2024	9.1	0 to 40+

Find more information [here](#).



ESG Mission

We work to maximize the positive impact of all our business activities on people, the environment and society, to create value for our clients and other stakeholders.



Environment

Addressing environmental issues is a fundamental responsibility for logistics service providers. By working with our stakeholders, including suppliers and clients, we can establish processes that enables us to make informed decisions that go beyond merely reducing CO₂ emissions; we must also consider the overall impact on employees and communities.

In this chapter, we will explore key initiatives that exemplify our commitment to environmental sustainability. We will highlight significant projects aimed at improving energy efficiency and reducing carbon emissions in our operations. Additionally, we will discuss employee engagement initiatives designed to foster a culture of sustainability within our organization, empowering our workforce to contribute to our environmental goals. We will also present relevant environmental data that illustrates our current impact and progress towards our sustainability targets.

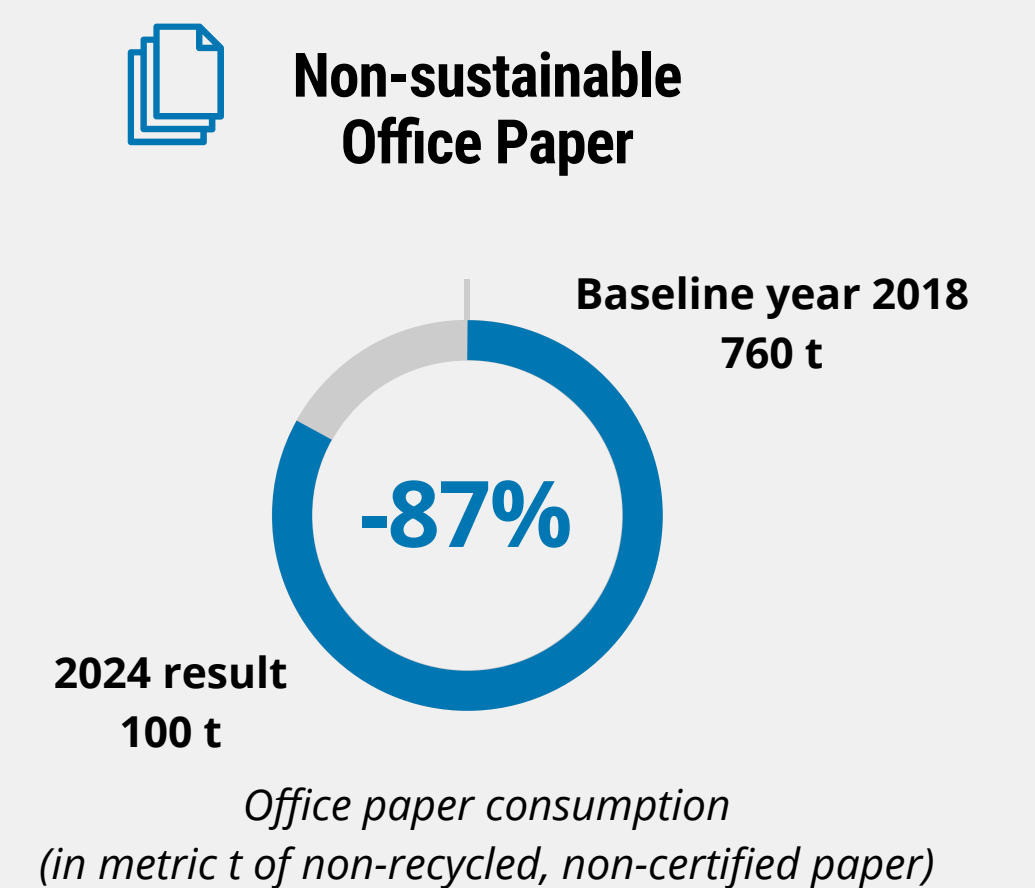
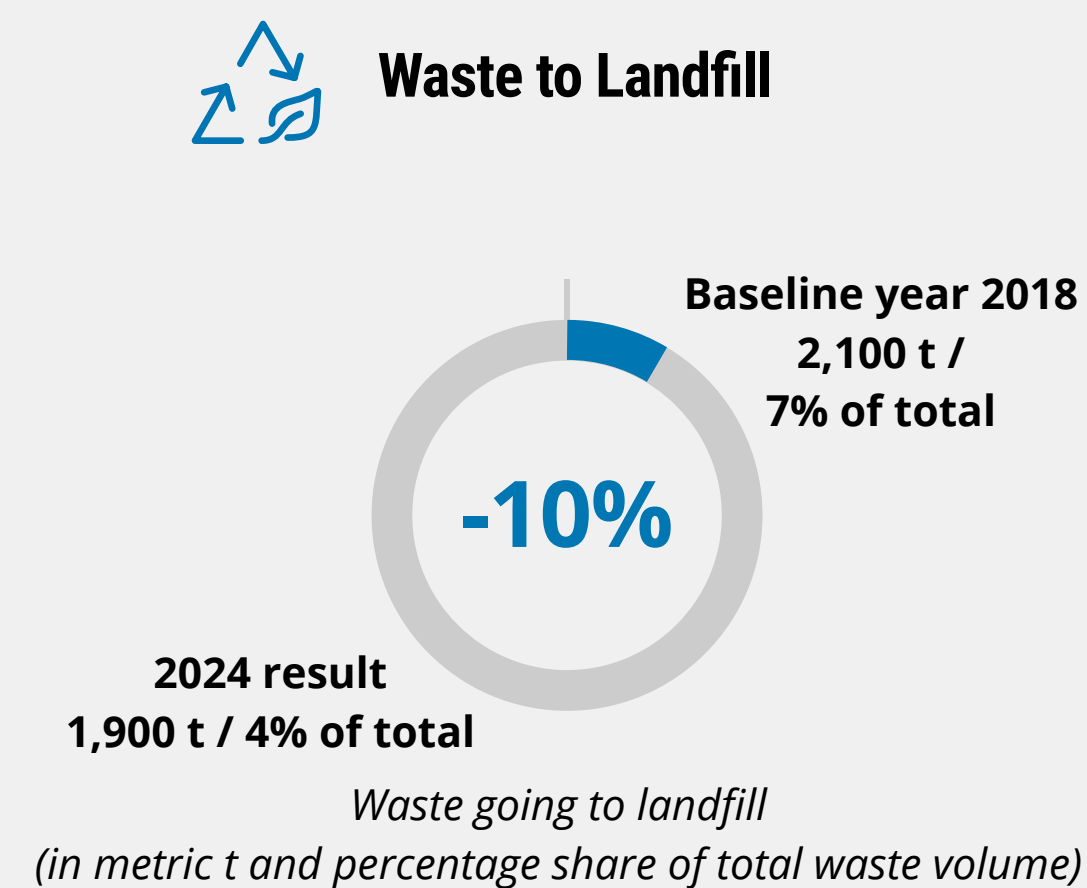
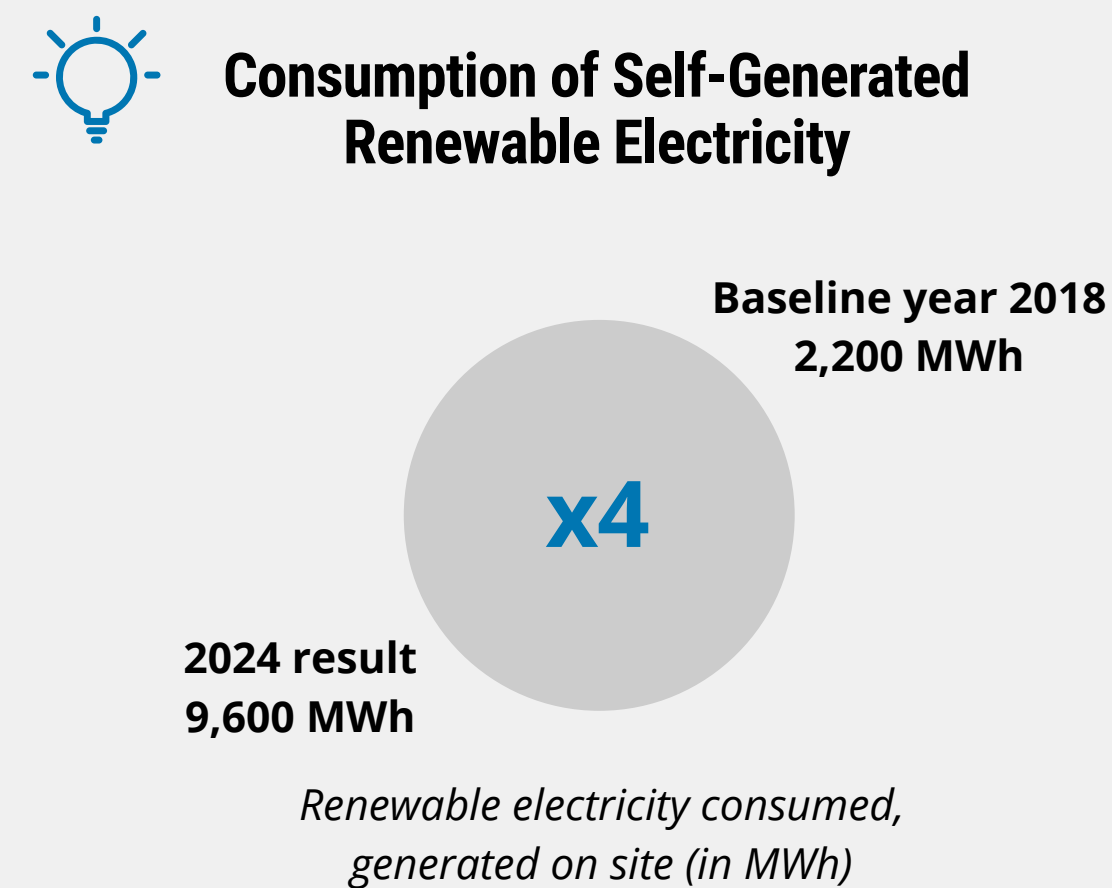
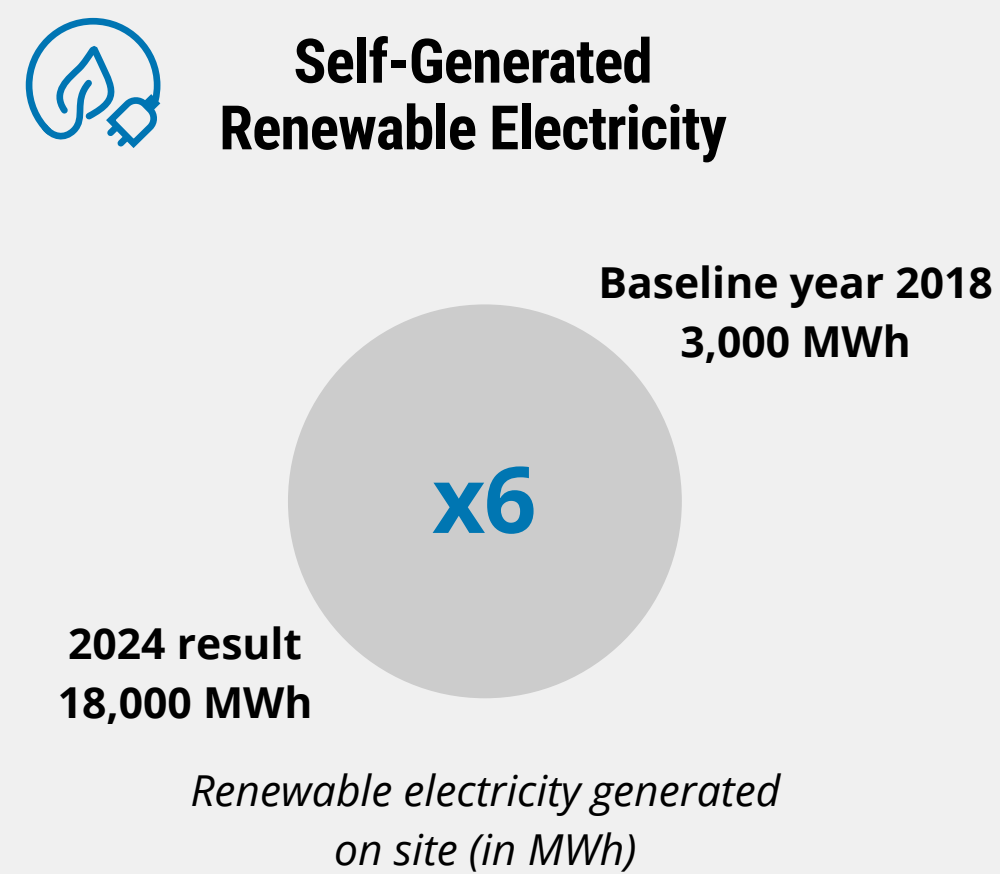
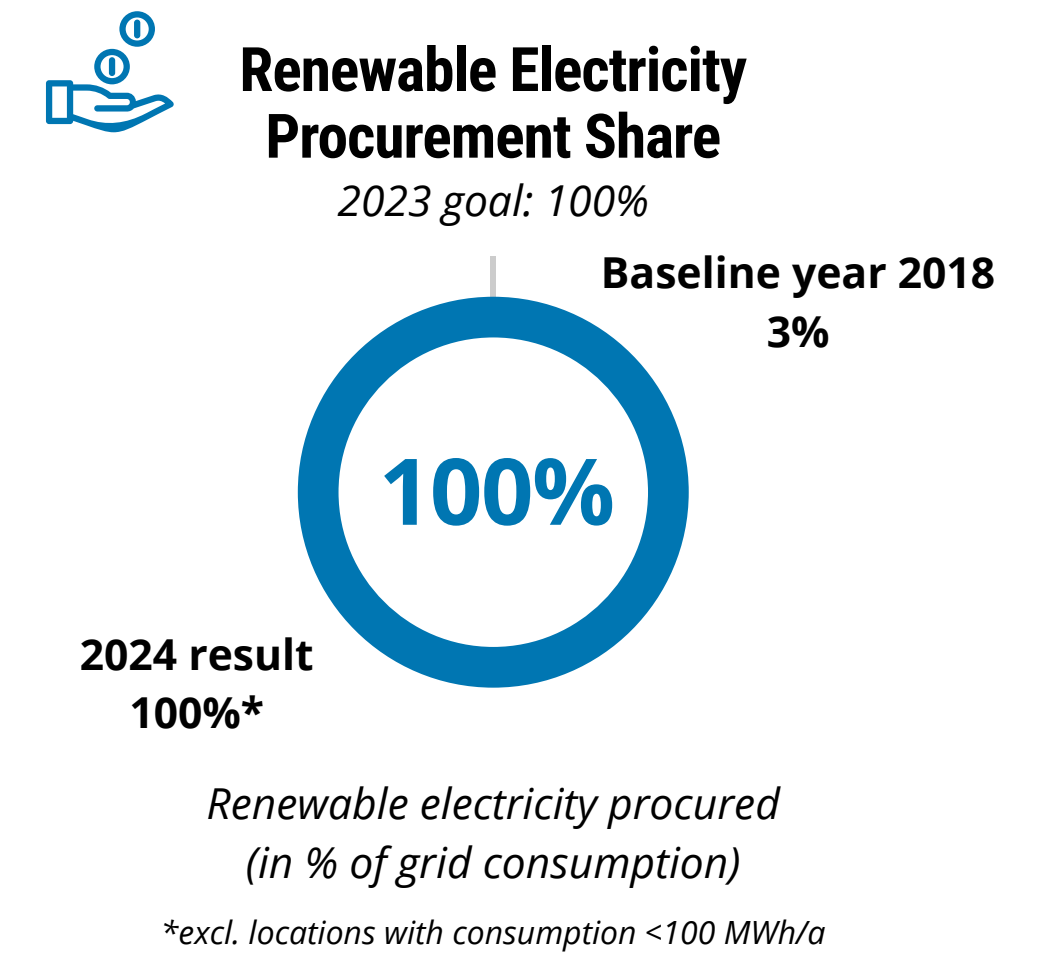
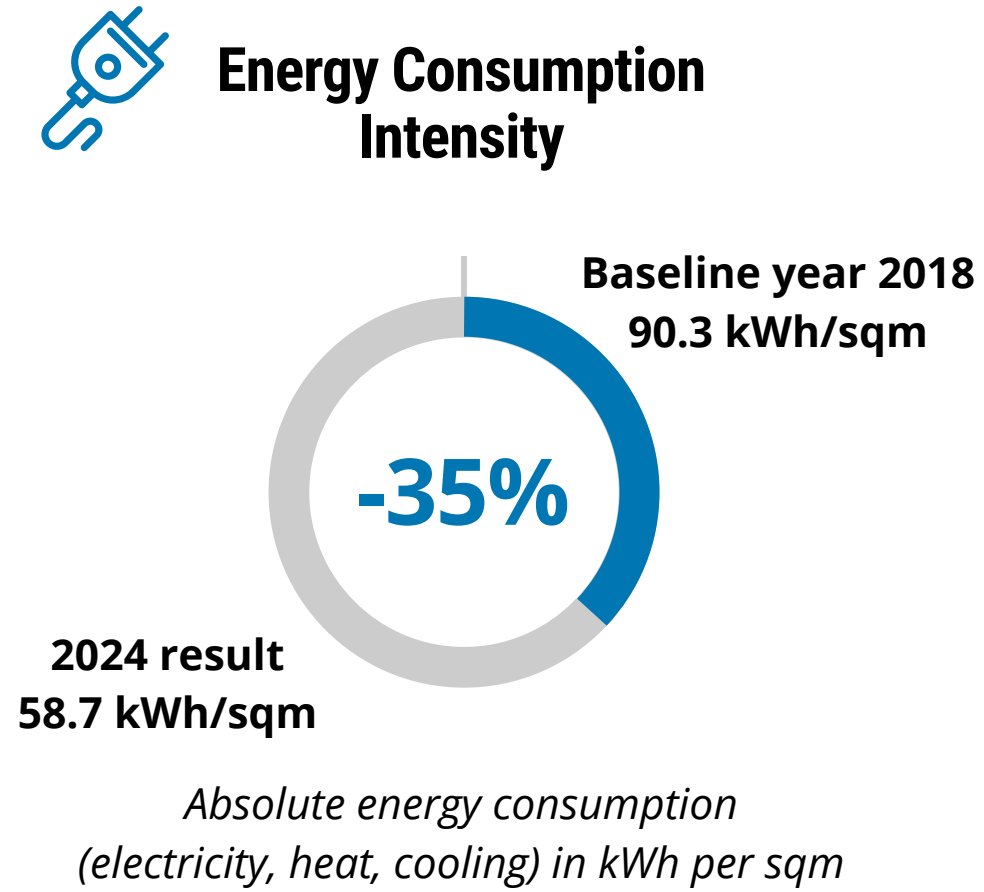
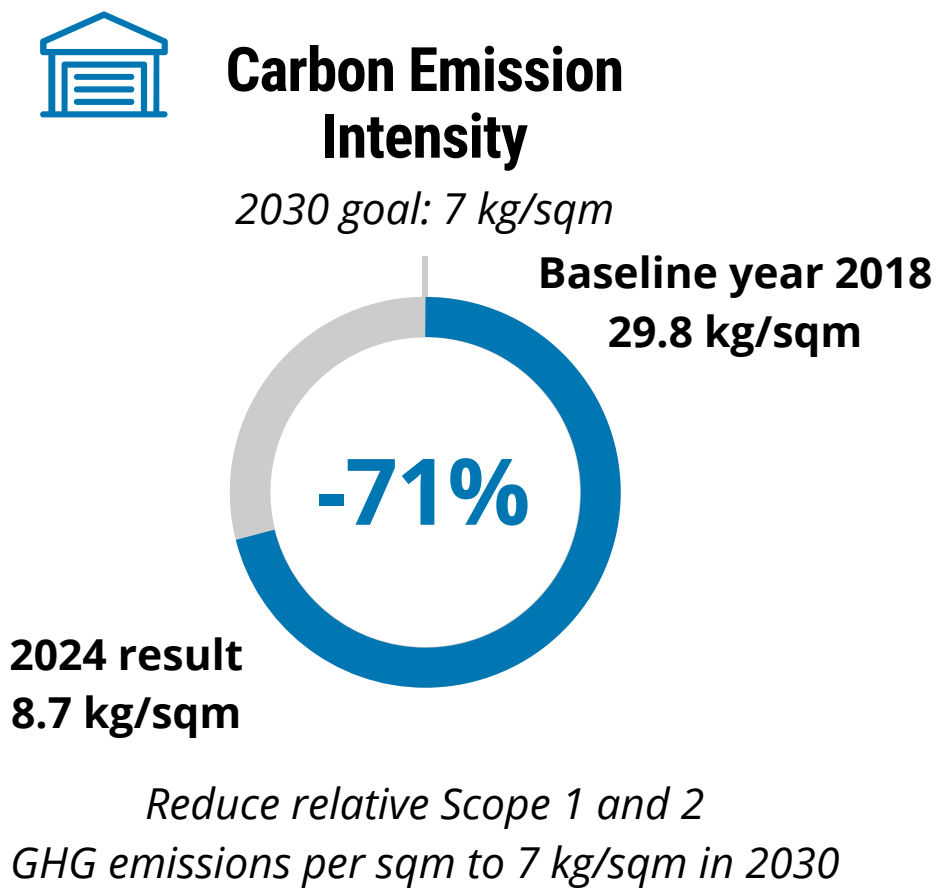
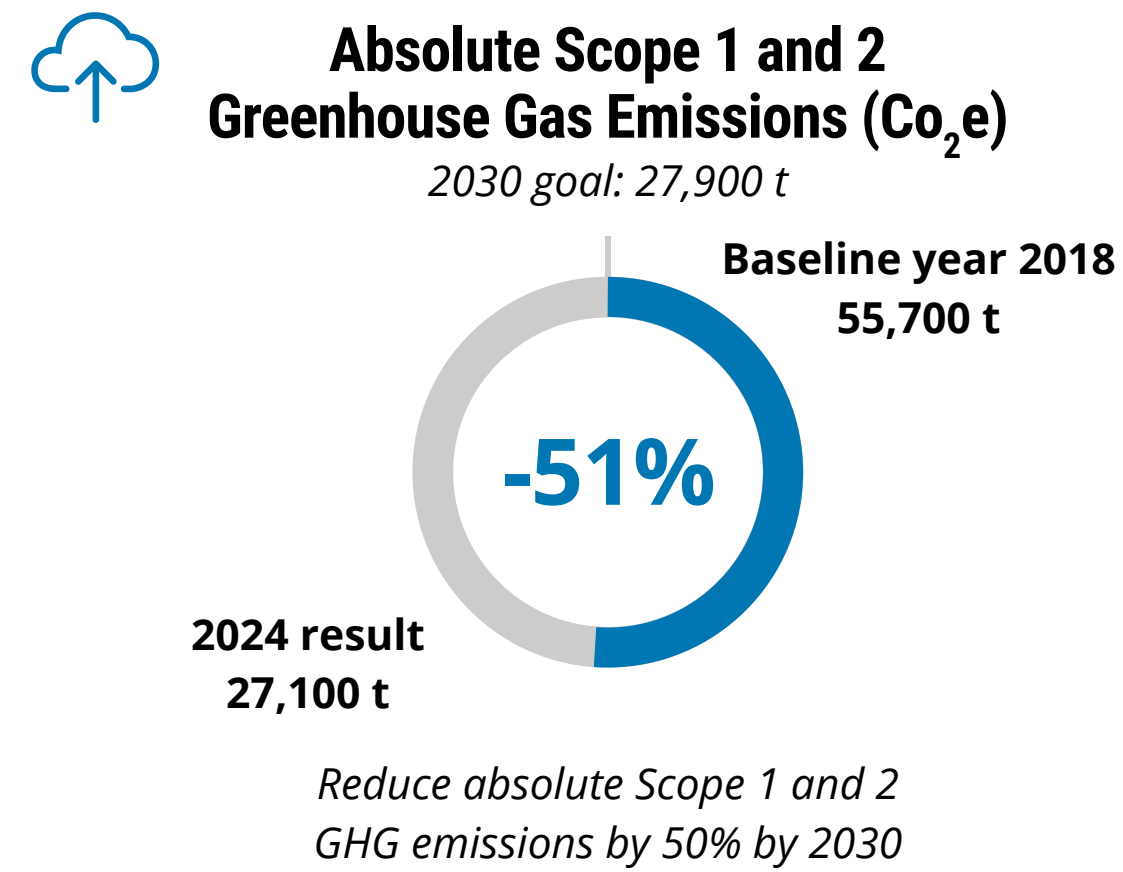
"Sustainable growth demands environmental responsibility. Together with our clients, we're building solutions that reduce carbon emissions, conserve resources, and create shared value."



Julia Börs
President Beauty & Luxury



Facts & Figures



Key Projects

Electricity

Plugged into Progress: Our Global Renewable Electricity Journey

What began as a modest step in 2018 has become a powerful movement: our renewable electricity journey is now electrifying operations worldwide. That year, we started by collecting baseline data, generating just 3,000 MWh of renewable electricity and using 2,200 MWh across our sites. Since then, we've significantly scaled up our efforts, installing more solar panels at our sites and integrating renewable energy into our logistics infrastructure. In 2024, we reached 18,000 MWh of globally generated renewable electricity, with 9,600 MWh consumed on-site. The latest addition was a PV system on the roof of our warehouse location in Dorsten, Germany, which introduced another 15,000 sqm of solar panels.

Since January 2023, we've taken a major leap forward: 100% of the electricity we procure globally now comes from renewable sources (including solar, wind, and hydro power). This excludes only very small sites (under 100 MWh/year). In countries where direct green energy contracts aren't available, we rely on Renewable Energy Certificates (RECs), sourced as locally as possible to ensure regional impact.

As we approach the limits of what our own sites can generate, due to space constraints or infrastructure limitations in rented facilities, we're expanding our strategy. We're exploring wind energy through Power Purchase Agreements (PPAs) and evaluating opportunities for on-site installations. But with growth comes complexity: in some regions, grid congestion is already limiting our ability to feed more electricity into the network. That's why we're exploring battery storage solutions to stabilize supply and maximize the use of our renewable generation.

Looking ahead, the shift to battery-electric trucks will further increase demand for clean electricity. As a logistics provider, we're preparing to support this transition by enabling on-site charging infrastructure powered by renewables.



Driving Change in Ontario: Our First All-Electric Yard Truck

In a bold step toward decarbonizing on-site traffic, our Ontario site became the first Arvato location in the US to deploy a fully electric yard truck, powered by solar panels on the roof. With up to 12 hours of runtime and zero tailpipe emissions, this innovation not only reduces noise and air pollution but also cuts over **11,000 kg of CO₂** from our annual footprint.



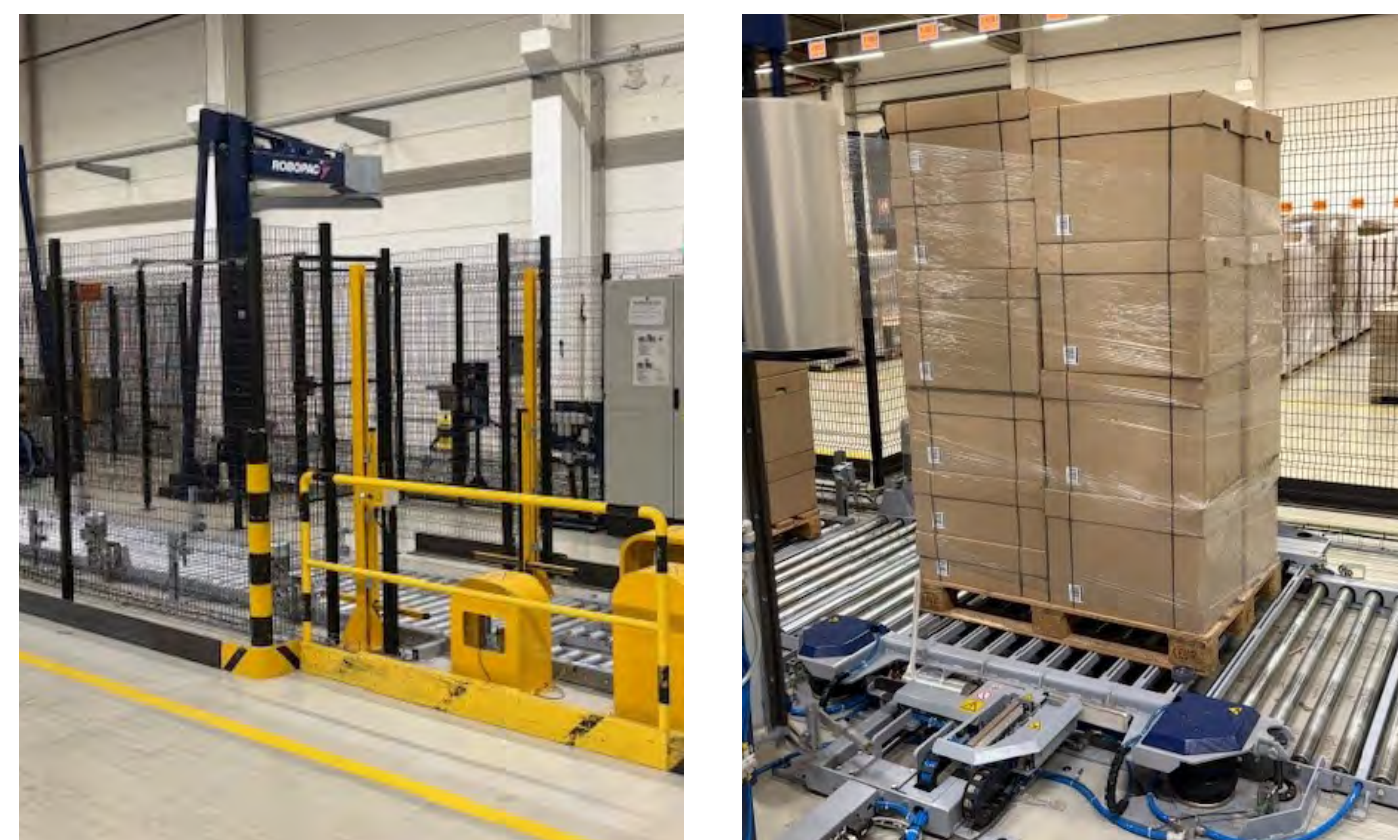
Powering Efficiency: ISO 50001 Across Our German Warehouses

In 2024, we launched an initiative to implement **ISO 50001:2018**, the international standard for energy management systems, across all 17 of our warehouse locations in Germany. With certification targeted for 2025, this ambitious project brings together a dedicated team of around **50 energy and operations experts** to drive meaningful change.

Why ISO 50001? Because smart energy management is key to building a more efficient, resilient, and sustainable logistics network. By standardizing how we monitor, analyze, and optimize energy use, we're not only reducing emissions and operational costs, but we're also strengthening our long-term competitiveness.



Packaging



Wrapping Smarter: Recycled Packaging Film at Verl

At our Verl site, sustainability meets innovation. In 2024, we introduced a new packaging film made with up to **65% post-consumer recycled material**, replacing conventional cast film across wrapping lines. Despite early challenges, continuous optimization led to a seamless transition, boosting efficiency and cutting emissions nearly in half.

The results speak volumes: annual CO₂ emissions dropped from **24,000 kg to 11,400 kg**, and film usage improved from **70 to 80 pallets per roll**. This shift not only reduces our environmental footprint but also lowers procurement costs. With over **50 million toy items** shipped from Verl in 2024, this change makes a meaningful impact, one pallet at a time.

One Way, and Another: Bringing Multi-Use Packaging to Life

At our Hamm site, we **partnered closely with our client the DOUGLAS Group**, who initiated the move toward more sustainable packaging for B2B store deliveries and returns. Their request was the catalyst for **implementing a multi-use packaging solution**, and together, we brought it to life.

What makes this project unique is the seamless integration of **foldable plastic boxes** into an operation that also handles one-way B2C cartons. The B2B boxes need nine cycles to have a better carbon footprint than one-way boxes, and in their lifetime can achieve more than 50 cycles. A **fully integrated machine** automatically unfolds the boxes, making them ready for commissioning and **seamlessly fitting into our existing warehouse operations**. Both packaging types now run on the same conveyors and are filled at the same **automated stations**. This dual setup not only maximizes efficiency but also reduces waste, without disrupting existing workflows.

Thanks to DOUGLAS' vision and our operational agility, we've proven that sustainability and scalability can go hand in hand.

In the healthcare industry, we are also preparing to bring multi-use packaging to our **healthcare clients**, where we are facing the demand to ensure **passive cooling**. We're confident that multi-use packaging is the next step in making healthcare logistics more sustainable.

With strong industry partnerships, completed **pilot projects**, and deep operational know-how, we're ready to help our clients transition to smarter, more sustainable packaging solutions. Let's reduce packaging waste, together.

Road to Zero Waste: Venlo Leads the Way

Our Venlo site in the Netherlands took a major step toward **zero waste** by launching a comprehensive waste reduction initiative. With the support of our new waste partner, we began a structured journey to **minimize residual waste** across the site, starting in the warehouse and expanding to offices and the canteen.

With our partner's help, we analyzed the contents of our residual waste bin: sorting, weighing, and identifying what could be eliminated or redirected. This hands-on approach revealed clear opportunities to reduce waste at the source. We also identified three **degrees of influence** waste we can control directly, waste we can reduce with supplier cooperation, and waste we can only influence indirectly. This framework helps us focus our efforts where they matter most.

Key Actions Included:

- Introducing **waste separation** bins for plastics, organics, and residuals in offices and canteens
- Installing dedicated bins for metal and wood in the warehouse
- **Reducing foil use** on pallets and improving packaging practices
- Promoting **reuse of materials** like corner protectors
- **Collaborating with our clients** to reduce incoming packaging waste

While 2024 was largely a year of preparation and analysis, we've already seen a small but promising reduction in general waste. With new processes in place, like allowing labeled foil in the recycling stream, we expect even greater impact in 2025.



Other Projects

Turning the Page on Paper: Efficiency Meets Sustainability

In 2023, we kicked off **Project Paperless** with a bold goal: to digitize our operational processes and significantly reduce paper usage across our sites in Germany, Poland, the Netherlands, and the USA. At launch, we had already achieved a **59% digitalization rate** in warehouse processes. By the end of 2024, we reached around **74%**, with a clear path toward our **2025 target of 80%** by mid-year. Already, **six sites** are operating fully paperless.

Two Perspectives, One Goal

- **Client View:** In close collaboration with our clients, we're digitizing endcustomer documents such as delivery notes and invoices. Whether fully paperless or hybrid, we tailor solutions that deliver cost savings and productivity gains.
- **Site View:** Internally, we're optimizing and digitizing warehouse processes. From onboarding new clients paperless by default to treating printed documents as value-added services, we're embedding a paperless mindset across the organization.

What's Driving the Change?

- A clear acceleration plan with defined milestones
- A strong paperless culture, especially for new clients
- A focus on value creation through digital transformation

With momentum building and more projects underway, we're confident that Project Paperless will continue to deliver environmental and operational benefits, for our clients, for Arvato, and for our environment.

Heating Technology of the Future

The transition to **electric heat pumps powered by renewable electricity** is a major step toward decarbonization of industrial buildings. A large number of our warehouse and office locations still relies on **fossil-based heating**, a significant source of carbon emissions.

Our first pilot project, which we already set up in 2023, relied on a single large heat pump as state of the art at that time. Since then, other projects have followed, in both owned and rented facilities.

Looking at technology, there are several exciting advancements underway, for which we develop concepts and identify potential cases among our locations:

1. **Integration with on-site energy management:** Heat pumps can be paired with e.g. on-site solar PV systems and battery storage. This allows for zero-emission heating based on self-generation, even during peak demand or grid outages.
2. **Modular Multi-Unit Heat Pump Systems:** Instead of one large unit, using multiple smaller heat pumps offers scalability, redundancy (in case of failure), and potentially higher efficiency. Smaller units often have better part-load performance and can modulate output more precisely.
3. **Containerized & Portable Heat Pump Solutions:** These are plug-and-play systems housed in standard shipping containers. Advantages include easy relocation, and minimal installation requirements. This makes them ideal for temporary buildings, leased warehouses, or construction sites.
4. **Smart & AI-Enabled Heat Pumps:** Modern systems integrate with IoT and AI for predictive maintenance, dynamic load balancing, and remote monitoring and control, which improves uptime, and reduces energy consumption.

These developments show that the future of industrial heating is not only green, but also increasingly flexible and intelligent. To truly decarbonize logistics infrastructure, it's essential that companies like Arvato, together with developers and lessors, take an active role in piloting and scaling these technologies. By doing so, we can reduce emissions, increase energy resilience, and help shape the next generation of sustainable industrial buildings.



Research: Innovation Meets Impact

In an era where technology and sustainability intersect, how can we harness cutting-edge innovations to drive meaningful change in logistics? Our latest whitepaper *"The Effect Of Industry 4.0 Technology On Economic, Ecological & Social Sustainability In Logistics"* addresses this pivotal question and aims to illuminate the **multifaceted impacts** of these technologies.

Authored by Karoline Schulz, Business Support Manager and PhD researcher, this comprehensive study examines how digitalization, automation, and AI are not only reshaping logistics but also influencing social, ecological, and economic sustainability. The research highlights the **varying impacts of different technologies, revealing significant opportunities for enhancing social sustainability alongside environmental and economic considerations.**

Through in-depth interviews with external partners and insights from Arvato experts, the paper provides a balanced view of both the **opportunities and challenges posed by the integration of Industry 4.0 technologies into sustainable strategies.** It underscores the importance of raising awareness about these technologies' potential impacts and the need to incorporate these considerations into our decision-making processes.

The findings present a nuanced landscape: while innovations such as AI vision and robotic picking enhance operational efficiency and reduce costs, their broader implications—particularly in terms of social equity and environmental stewardship—demand careful evaluation. The key takeaway? **Technology is a powerful tool, but our approach to its application ultimately defines its impact on sustainability.** By focusing on responsible implementation, we can ensure that our technological advancements contribute positively to all dimensions of sustainability.

You can read the full whitepaper here: [The impact of industry 4.0 technologies on sustainability in logistics](#)



Karoline Schulz
Business Support Manager & PhD Student in the Field of Innovation & Sustainability

"It's time to break free from the limitations of the past. Let's adopt a visionary approach to decision-making that looks beyond our walls and positions us for success in a constantly evolving business landscape."



Employee Engagement



Growing Roots for the Future

Reforestation the Teutoburg Forest

Forests are vital to our planet and we're proud to help them thrive. As part of the local climate action week (**#KlimaWocheBielefeld**), our TECH business unit has once again supported local reforestation by donating **1,000 trees** to the Teutoburg Forest. This brings our **"Arvato Forest"** to a total of **2,500 trees**, reinforcing our long-term commitment to biodiversity and climate protection.

In **November**, a climate-resilient mixed forest including Douglas firs, sweet chestnuts, larches, and oaks was planted in **Bielefeld-Senne**, restoring areas damaged by climate change and bark beetle infestations. With only **1 in 5 trees in Germany's forests currently healthy**, this initiative is more urgent than ever.



Planting Hope in Hanover

Fruit Trees for Malawi

Through a partnership with our local **fruit delivery service** in Hanover, we've turned healthy office habits into global impact. For every fruit basket delivered, **one fruit tree is planted in Malawi**. To date, we've helped donate over **550 trees** to smallholder farmers and families.

This initiative, in collaboration with Fruitful Office and UK-based nonprofit RIPPLE Africa, supports the planting of guava, papaya, and fast-growing firewood trees. These trees provide vital nutrition, sustainable firewood, and even income opportunities for local communities.

The trees are grown in nurseries by schools, households, and farming cooperatives, with training and year-round support to ensure long-term success. Once mature, they're planted in orchards, woodlots, and around homes, creating a more resilient future for hundreds of families.





Rooted in Nature

Partnering to Preserve the Big Prairie in Kentucky

In 2024, we deepened our commitment to biodiversity by becoming a proud partner of **Bernheim Forest and Arboretum** in Kentucky, a 16,000+ acre preserve dedicated to protecting native ecosystems. Building on the success of our 2023 native garden installation, our new focus is the **Big Prairie**, a 36-acre meadow that supports pollinators, wildlife, and is a **retreat for over 300,000 annual visitors**.

This partnership reflects our belief that environmental stewardship starts at the local level. By supporting the Big Prairie, we're helping preserve critical habitats for species like the **monarch butterfly** whose populations are in alarming decline. It's also a way to give back to the community by creating a space where our employees and neighbors can connect with nature.

Turning the Tide

Partnering with 4ocean to Fight Plastic Pollution

The world has produced an estimated 18.3 trillion pounds of plastic since the 1950s; less than 10% of it has been recycled while 79% accumulates in the environment. Global plastic production is expected to triple by 2050, according to the World Economic Forum, which means an increase in the amount of plastic waste polluting the environment.

In 2024, we became a **Certified Cleanup Partner** of **4ocean**, joining a global movement to remove plastic waste from oceans, rivers, and coastlines. Through this partnership, we helped remove more than **12,000 pounds** of plastic and debris from eight different sites across southeast Asia.

This collaboration reflects our belief that sustainability goes beyond operations: It's about **protecting ecosystems, supporting vulnerable communities**, and inspiring collective action.





Earth Day in Spain

Small Changes, Big Impact

At Arvato in Spain, Earth Day 2024 was a call to action. We focused on eliminating single-use plastics across our operations. As a step to reduce plastic waste, **every employee in our Spanish warehouses received a reusable glass bottle.**

This simple yet powerful initiative is a reminder that **every small action counts** and when we act together, we can create lasting change. Together, we're building a culture of care, one refill at a time.

Together for Circularity

Reverse Logistics Event in Türkiye

In Türkiye, we hosted the **"Circularity and Reverse Logistics"** event: an inspiring gathering of industry leaders, partners, and experts in e-commerce and supply chain management. The event fostered dialogue on how circular practices can reshape logistics and reduce environmental impact.

Through engaging talks and a hands-on workshop, participants explored the layers of sustainable practice, from foundational actions to strategic innovation. The event concluded with collaborative discussions on integrating circularity into business models, tackling challenges like packaging waste and energy use, and leveraging technology to drive sustainable transformation across the value chain.



Reporting Scope

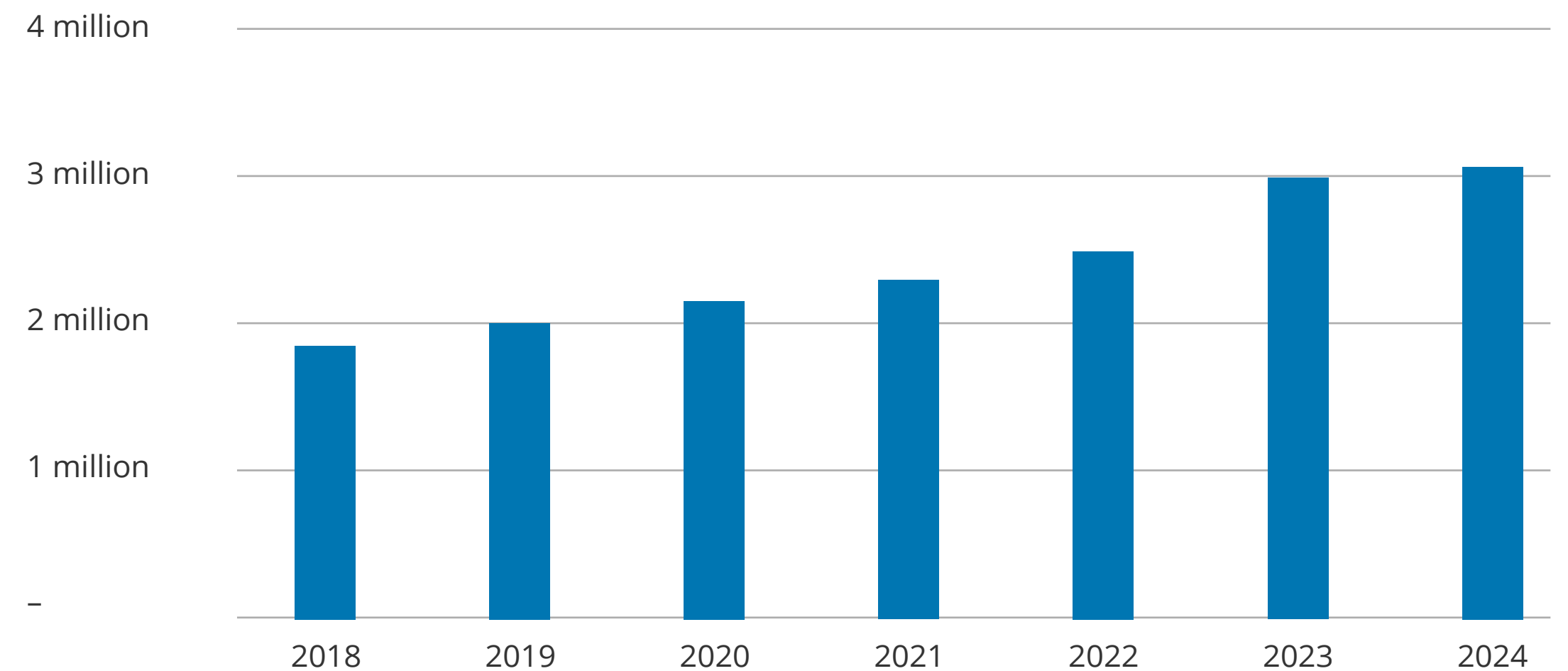
This report presents the development of relevant environmental indicators for Arvato for the **calendar year 2024**. The data in this report represents a share in the consolidated Bertelsmann environmental report and covers locations with more than **3 million square meters** of space in **17 countries** worldwide. The data forms part of **Bertelsmann’s annual environmental data collection** which is reported online on the [Bertelsmann homepage](#).

Reliable data is the backbone to take actions to achieve our climate targets. We continuously strive to **improve our data base** which means that from time to time, we have added new data types and emission sources. This makes data comparison across different years difficult but helps us to understand underlying effects. This report shows all relevant emission categories based on **Greenhouse Gas Protocol (GHG Protocol)**. Changes in reporting scope for 2024 were implemented to prepare the corporate reporting for compliance with **EU Corporate Sustainability Reporting Directive (CSRD)**. We have adjusted the **2018 baseline** accordingly, to include emission categories that were added later, and to account for investments and divestments. An independent third party has performed a limited assurance engagement on the 2024 data, in accordance with applicable assurance standards.

For Scope 2 Electricity emissions, we follow the **market-based reporting approach**.

To report on Scope 3 emissions that result from transportation as well as the usage of packaging material, we have defined the **reporting boundaries** as follows: We include in our calculations only transport activities and package material that Arvato is organizing, purchasing, and managing on behalf of our clients.

Global Footprint Development (m²)



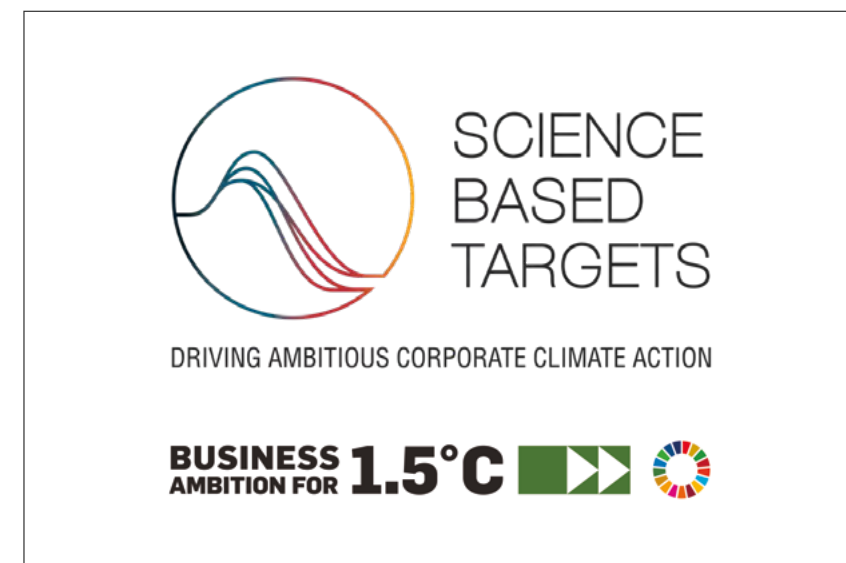
Climate Targets

The Bertelsmann environmental strategy emphasizes enhancing governance for climate and environmental protection, increasing the use of renewable energy, advancing energy efficiency, and promoting transparency in our supply chains. As we work together across all corporate divisions, we aim to create a shared vision for sustainability, ensuring that our policies and practices reflect our collective commitment to environmental stewardship.

Bertelsmann has set the following commitment, which was validated by the Science Based Targets Initiative (SBTi) in March 2021:

'Bertelsmann commits to reduce absolute scope 1, 2 and 3 GHG emissions 50% by 2030 from a 2018 base year.'

The SBTi confirmed that Bertelsmann's climate target is ambitious and in line with the 1.5° C target of the Paris Climate Agreement.



To achieve these corporate aspirations, the Bertelsmann Climate Target prioritizes emission avoidance and reduction before considering offsets for any remaining emissions.

This comprehensive approach encompasses three key areas: our sites, our employees, and our services. Each division within Bertelsmann, including Arvato, plays a critical role in bringing these objectives to life.

Arvato Targets

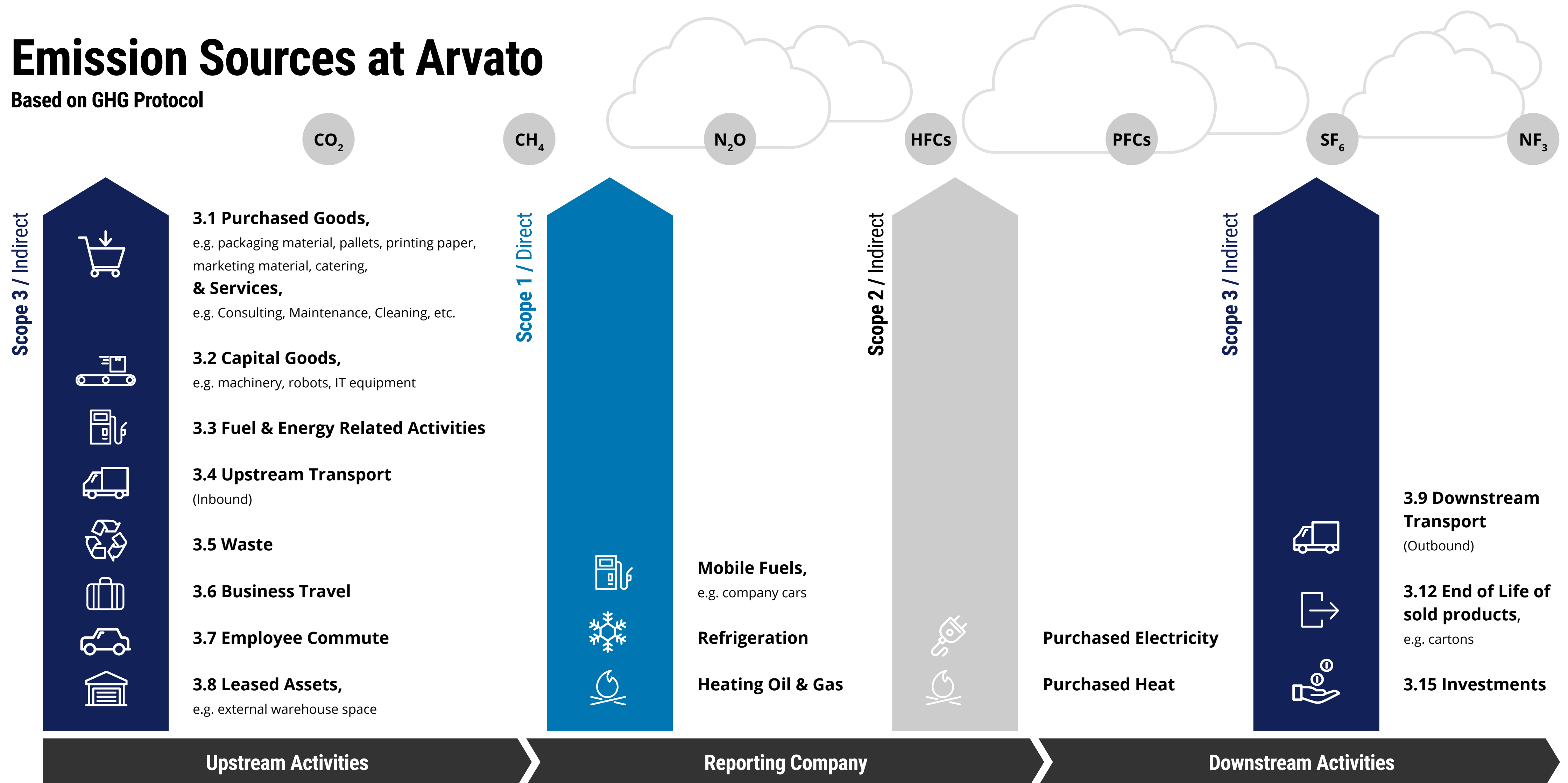
- | | |
|--|---|
| <p>1. Worldwide purchasing of 100% electricity from renewable sources as of January 2023*</p> | <p>STATUS 2024
100%</p> |
| <p>2. We aim to reduce our Scope 1 and 2 carbon emissions by 50% by 2030 vs. a 2018 baseline.</p> | <p>- 51%</p> |
| <p>3. We will voluntarily offset our remaining carbon emissions, excluding Scope 3 carbon emissions resulting from purchased packaging.</p> | <p><i>as of 2030</i></p> |

* Excluding locations with electricity usage <100 MWh/a



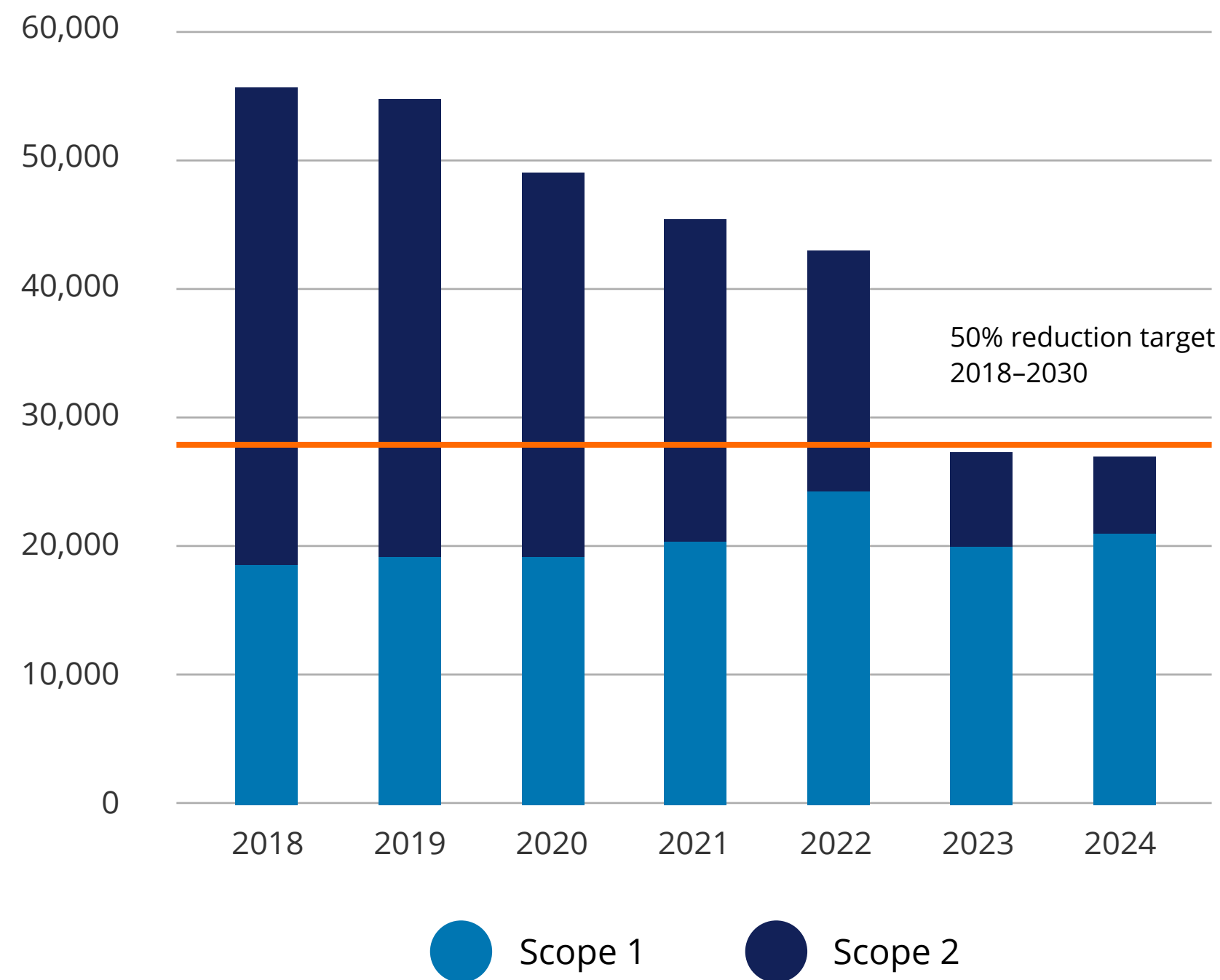
Emission Sources at Arvato

Based on GHG Protocol

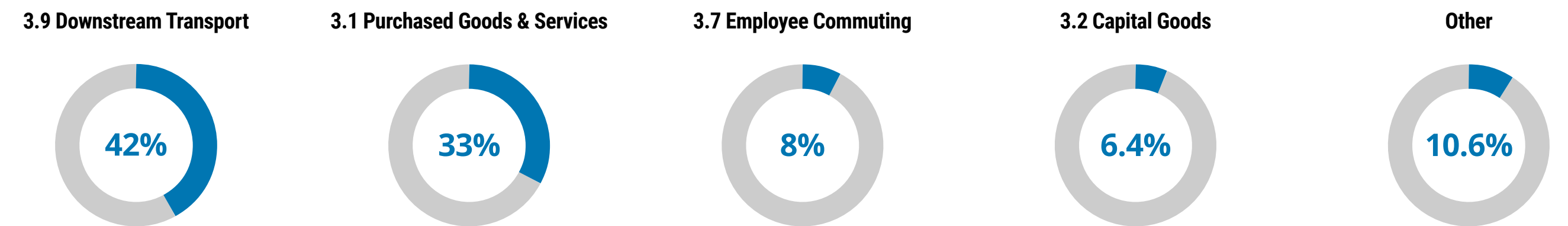


Carbon Footprint

Carbon emission development of Scope 1 & 2



Breakdown of Scope 3 Emission Sources (Rounded Values)



Overview of Scope 1, 2 and 3 carbon emissions

SCOPE	METRIC TONNES		%OF TOTAL IN 2024	DELTA 2018 VS. 2024
	2018	2024		
1	18.400	21.000	7.3	+ 14%
2	37.300	6.100	2.1	- 84%
3	165.200	258.800	90.5	+ 57%
Total	220.900	286.000	100	+ 29%



Data

Arvato Carbon Emissions in t CO₂e

SCOPE 1,2,3 GHG EMISSIONS	2018	2023	2024	▲ 2024-2018
Scope 1 Stationary Fuels	14,700	16,800	18,600	+ 26%
Scope 1 Refrigerant Losses	800	1000	500	- 37%
Scope 1 Mobile Fuels	3000	2,100	2,000	- 34%
Scope 1 Emissions (Total)	18,400	19,800	21,000	+ 14%
Scope 2 Electricity	25,200	1000	900	- 96%
Scope 2 Heat	12,100	6,600	5,200	- 57%
Scope 2 Emissions (Total)	37,300	7,600	6,100	- 84%
Scope 3.1 Purchased Goods & Services	46,400	94,700	85,600	+ 85%
Scope 3.2 Capital Goods	24,200	27,400	16,500	- 32%
Scope 3.3 Fuel & Energy Related Activities Not Included in Scope 1 or Scope 2	10,400	14,400	12,700	+ 22%
Scope 3.4 Upstream Transportation & Distribution	0	4,200	3,400	
Scope 3.5 Waste Generated in Operations	1,700	1,600	1,900	+ 9%
Scope 3.6 Business Travel	5,700	6,400	6,500	+ 14%
Scope 3.7 Employee Commuting	24,600	21,000	21,100	- 14%
Scope 3.8 Upstream Leased Assets	0	700	1,200	
Scope 3.9 Downstream Transportation & Distribution	51,200	113,800	107,800	+ 110%
Scope 3.12 End of Life Treatment of Sold Products	1000	3,800	2,100	+ 113%
Scope 3.15 Investments	70	40	60	- 15%
Scope 3 Emissions (Total)	165,200	288,100	258,800	+ 57%
Scope 1, 2, 3 Emissions (Total)	220,900	315,500	286,000	+ 29%



Social

Supporting our people and communities is a core responsibility for a global logistics and supply chain service provider like Arvato. By engaging with our employees, partners, and local communities, we aim to create a workplace culture that values inclusion, continuous learning and well-being. Our social responsibility extends beyond the workplace. It encompasses how we lead, how we grow together, and how we contribute to the broader society.

In this chapter, we will explore key initiatives that reflect our commitment to social sustainability. We will highlight our workforce in numbers and showcase our leadership framework *Leading at Arvato* which empowers leaders to foster a culture of trust, collaboration, and performance. We will also present our learning and development programs that support lifelong learning and career growth for all employees. Additionally, we will provide insights into our inclusion and belonging initiatives, as well as our efforts to promote health, safety, and well-being across all locations. Finally, we will share how we actively support the communities in which we operate, reinforcing our role as a responsible and engaged corporate citizen.

"Our people are our greatest strength. Fostering inclusion, well-being, and opportunities to grow is how we build a resilient and responsible organization."



Linda Coughlan
Chief Human Resources Officer



Our Workforce in Numbers

 **Average Tenure**

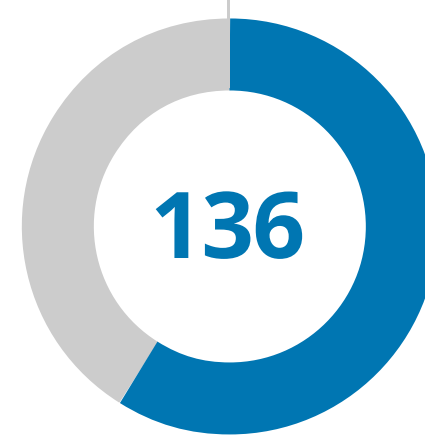


 **Average Age**

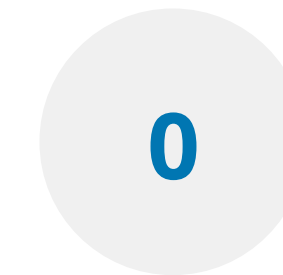


 **No. of Nationalities**

~ 195 worldwide

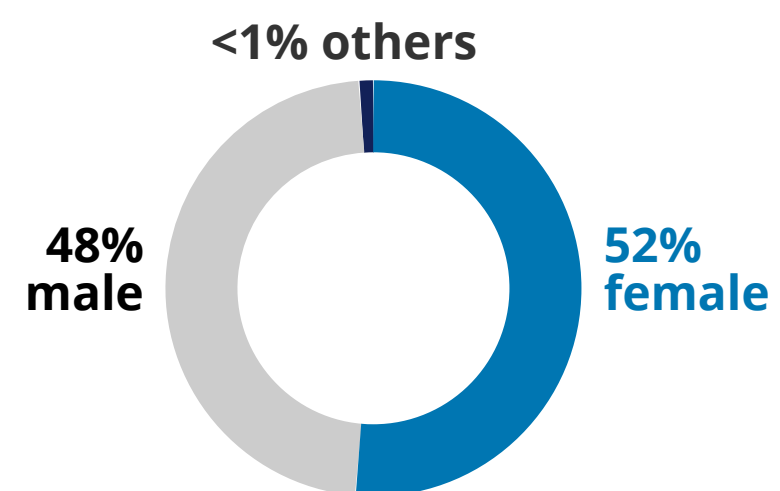


 **No. of Fatalities**



 **Gender Distribution**

Overall Workforce



Management

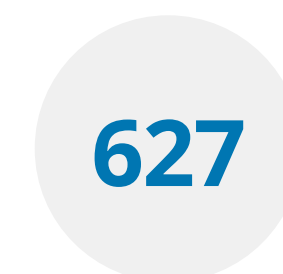


 **Learning hours on Tech & Data in 2024:**



 **Reportable Accidents**

No. of Reportable Accidents*



Reportable Accidents per 1 Million Working Hours**



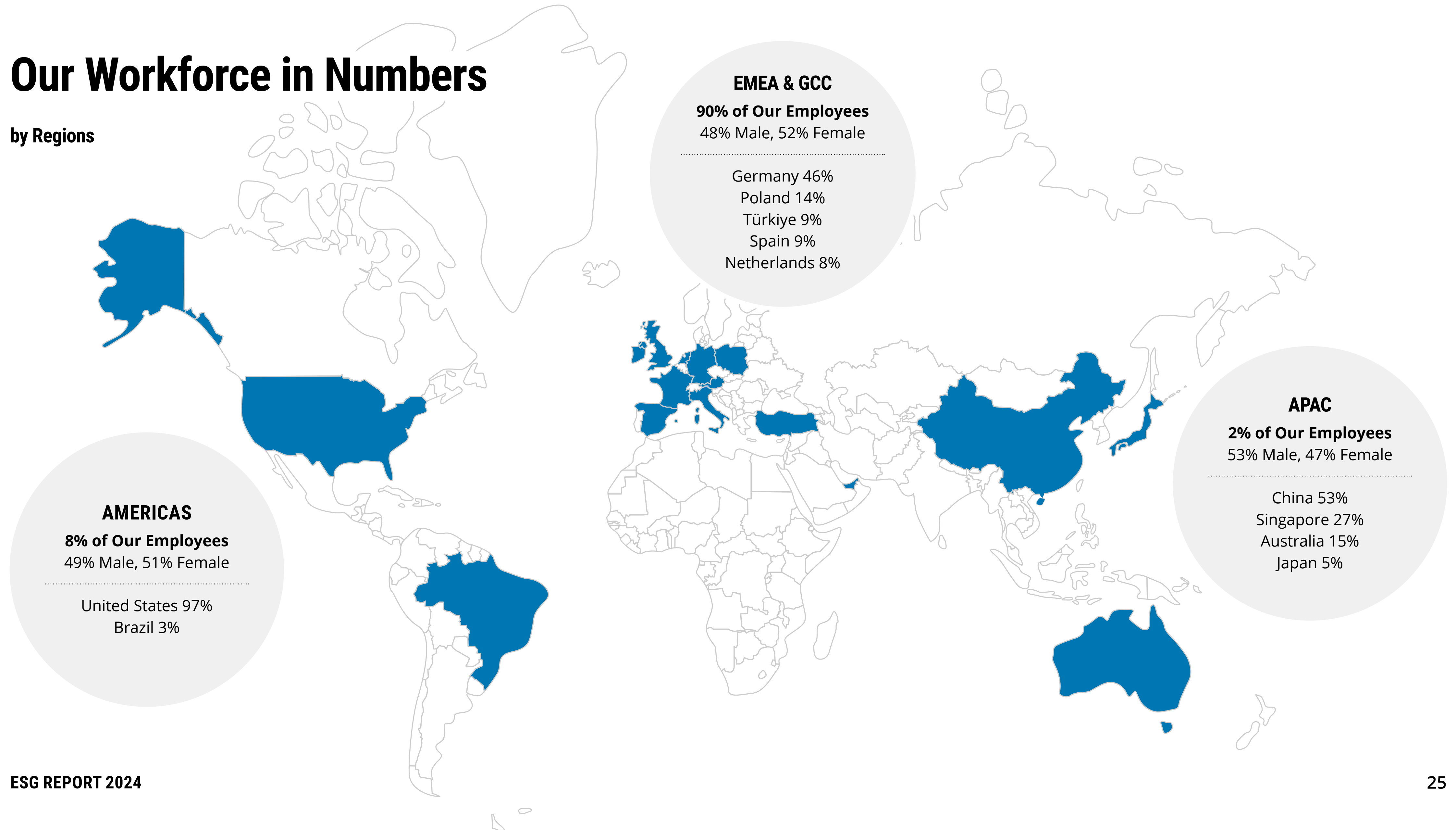
* Reportable Accidents (according to ESRS): Work-related accidents that result in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by physician or other licensed healthcare professional.

** Accident Rate: The accident rate indicates the number of reportable accidents per 1 million working hours. 1 million working hours is equivalent to approximately 600 full-time employees.



Our Workforce in Numbers

by Regions



The Arvato Leadership Framework

Embedding Leadership for a Sustainable Future: The Rollout of “Leading at Arvato”

In 2024, Arvato launched a transformative leadership initiative: Leading at Arvato. This framework is a cornerstone of our ESG strategy, particularly under the Social and Governance pillars, as it strengthens our leadership culture, supports employee development, and promotes ethical, accountable decision-making.

A Framework Rooted in Shared Values

“Leading at Arvato” is built around nine core leadership habits, grouped into three guiding principles:

- **Grow Together**
Listen to Understand, Act We, Not Me, Develop Potential
- **Shape Our Future**
Stay Curious, Share Failures & Learnings, Value Progress
- **Commit & Deliver**
Create Clarity, Take Ownership, Empower for Excellence

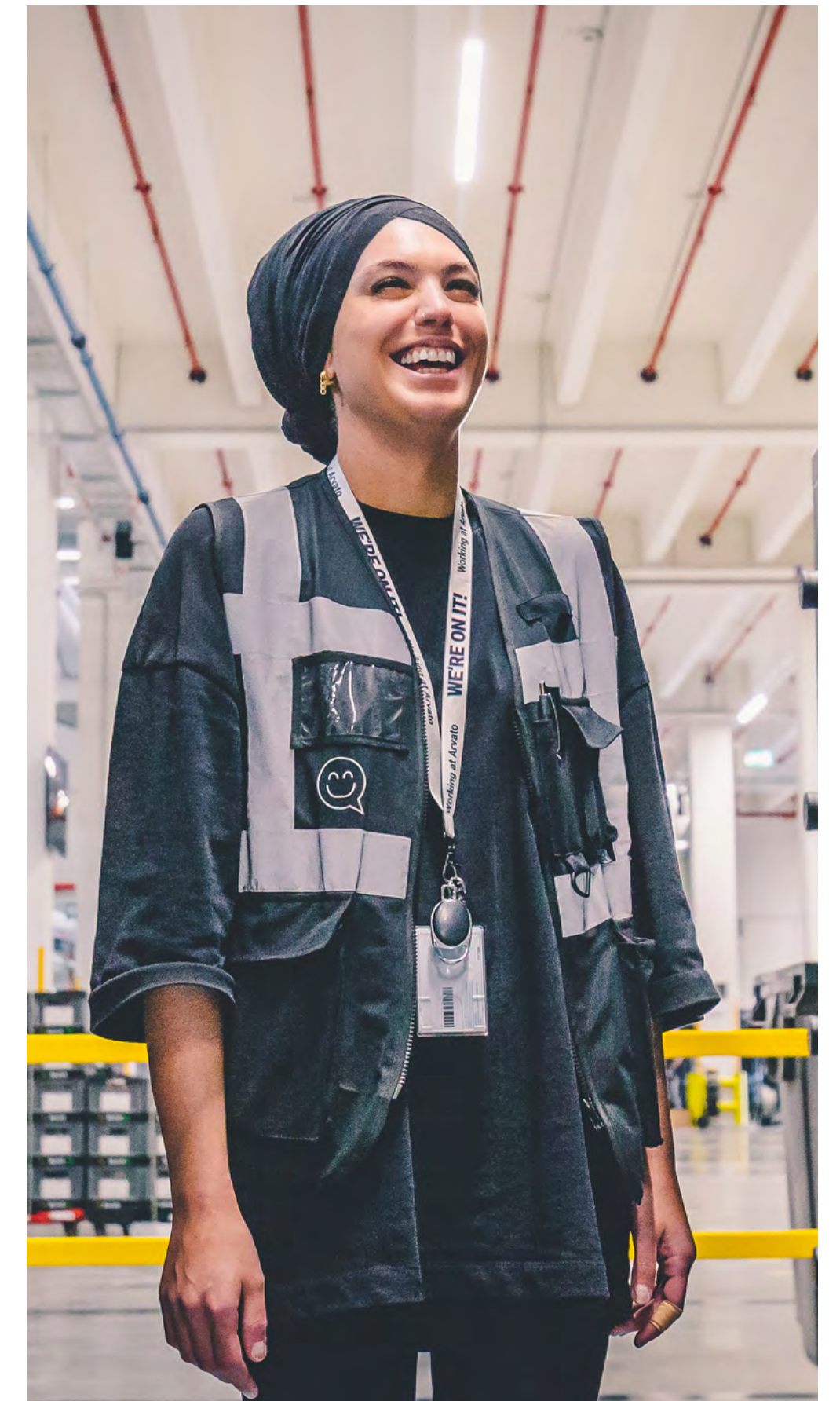
These habits define how we lead ourselves and our teams.

Global Rollout

The creation and rollout of the framework was a collaborative effort through the process, representing all countries, industries and support functions at Arvato.

Key Milestones:

- **Early Adopter Engagement:**
154 participants explored and shaped our framework as early adopters.
- **Internal Ambassadors:**
360 members of the Habit Activation Team and 78 Facilitators volunteered to bring the framework to life and actively drive our cultural transformation forward as ambassadors.
- **Leaders’ Learning Journey**
We built a habit activation learning journey based on a self-study and peer learning format. During the rollout, over 2,000 leaders were guided through this journey.





Continuous Improvement

To secure lasting impact on our leadership culture, we've embedded mechanisms for reflection and feedback:

- A **Reflection Survey** designed to help leaders reflect on their leadership behavior before and after participating in the Leading at Arvato learning journey.
- An **Observation Survey** to assess whether behavioral changes from our leadership initiative are already visible across the organization.

What's Next

Our commitment to strong leadership is also embedded in our #Arvato2030 company strategy. That's why we continue to focus on transforming our leadership culture, guided by our leadership framework. As a result, the learning journey is now mandatory for new leaders, and we're continuously expanding the target group (e.g., project managers and warehouse supervisors). To create a holistic leadership approach, we also ensure coherence across other touchpoints in the employee lifecycle.



Learning Programs

Empowering Our People Through Learning: Transforming Arvato into a Learning Organization

At Arvato, we believe that continuous learning is the cornerstone of sustainable growth and innovation. As part of our ESG commitment, we are actively transforming into a learning organization: one that empowers every employee to grow, adapt, and thrive in a rapidly evolving digital landscape.

A Robust Learning Ecosystem

Our learning ecosystem is both centralized and decentralized, designed to meet the diverse and individual learning needs of our global workforce. Whether through centrally managed programs or local initiatives, we ensure that every employee has access to relevant, high-quality learning opportunities.

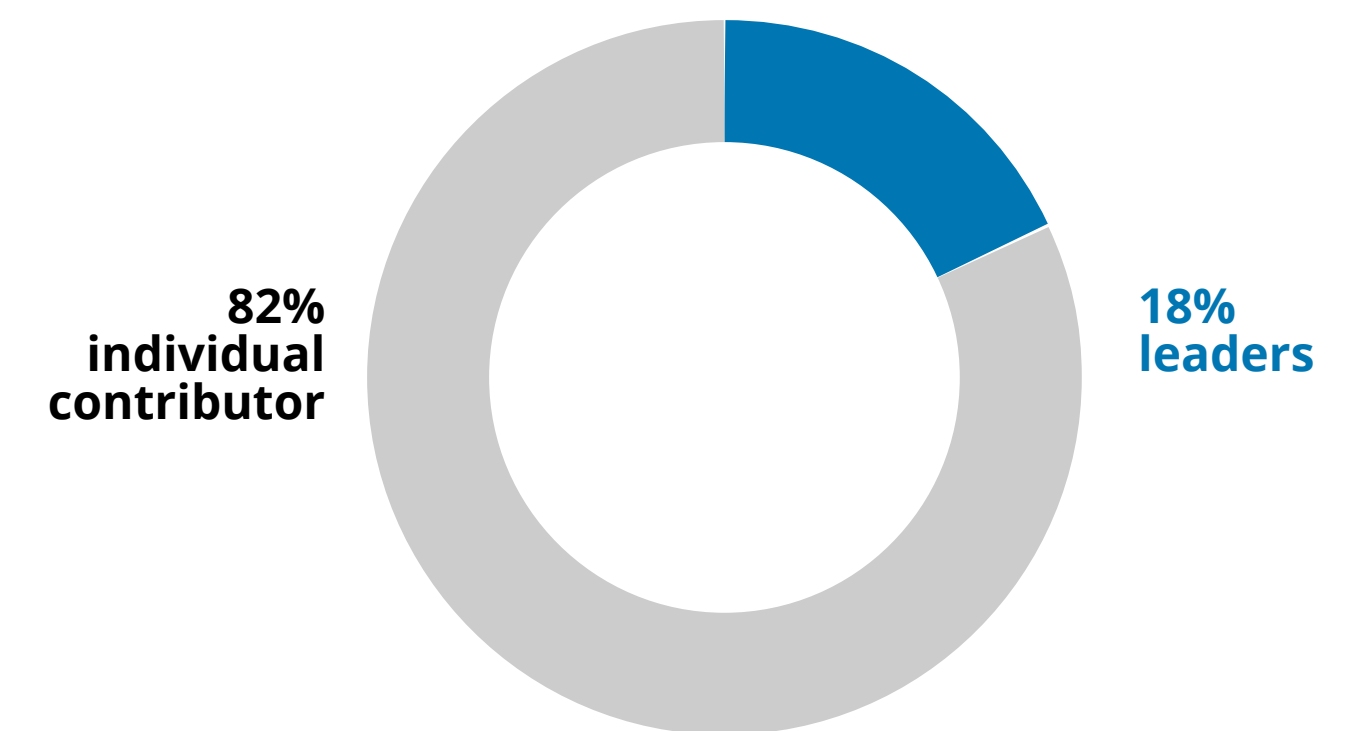
Strategic Focus Areas: Leadership, Tech & Data Skills

We have placed a strategic emphasis on leadership development and Tech & Data skilling. These areas are critical to our future, especially as technologies like Cloud, Data, and AI increasingly shape the logistics industry. Our goal is to equip our people with the skills they need to lead and innovate in this new era.



Active Learners Worldwide in Tech & Data

by Role



by Gender





Tech & Data Skilling: Empowering Our Workforce from Within

As digital transformation accelerates across the logistics industry, we are proactively preparing our workforce for the future through a comprehensive and collaborative approach to Tech & Data skilling. This effort is not only about adopting new technologies. It's about building a culture of digital fluency and innovation from within.

Our global award-winning **Digital Champions Program** exemplifies this commitment. With over 700 Digital Champions across all industries, countries, and functions, we are cultivating a network of digital champions who drive digital adoption and inspire continuous learning throughout the organization.

What sets our approach apart is the deep involvement of our own people. Nearly 70 internal Subject Matter Experts (SMEs) play a pivotal role in designing and delivering training sessions that are customized to Arvato's unique needs. These experts ensure that our learning content is practical, relevant, and aligned with our strategic goals, especially in areas like Cloud, Data, and AI, which are reshaping the logistics landscape.

By combining global initiatives with internal expertise, we are not only upskilling our workforce: we are fostering a resilient, future-ready organization that can adapt and lead in a digital-first world.



Inclusion & Belonging

Creating an inclusive culture where everyone can be their best professional selves.

The variety of perspectives within our workforce is not just an asset; it is a cornerstone of our business success. As a leading third-party logistics (3PL) provider, we recognize that our ability to deliver innovative and effective solutions to our clients hinges on the unique insights and experiences that each team member brings to the table.

However, to harness this rich tapestry of perspectives, it is imperative that we cultivate an environment where inclusion and belonging are not merely concepts, but fundamental principles that guide our corporate culture. This requires us to foster a workplace that values the variety of perspectives and actively promotes opportunities for all employees that ensure that everyone can be their best professional selves, regardless of their background.

Creating an appreciative and non-discriminatory working environment is essential for empowering our workforce to thrive. When individuals feel respected and valued, they are more likely to contribute their ideas and perspectives freely, driving creativity and collaboration across all levels of our organization. This not only enhances employee satisfaction and retention but also translates into superior service delivery for our clients, reinforcing our competitive edge in the logistics sector.



Local Inclusion & Belonging Initiatives

Given our presence in over 17 countries, we recognize that the focus areas for inclusion and belonging may differ significantly based on local contexts, cultural nuances, and operational dynamics. While we strive to cultivate a common understanding and framework for our efforts, it is essential that our strategies remain adaptable to meet the specific needs of each locale.

This section highlights a selection of initiatives undertaken across various regions, offering insights into diverse focus areas and innovative approaches tailored to meet local needs.



International Women's Day #InspireInclusion Globally

In celebration of International Women's Day, we embraced the global theme of *#InspireInclusion*, bringing together our colleagues worldwide to promote inclusion and belonging in the workplace. As part of this initiative, we launched a photo campaign encouraging team members to pose with heart signs, symbolizing solidarity for gender equity. We received a wonderful array of photographs that demonstrated the enthusiasm and commitment of our staff.

Additionally, we gathered inspiring quotes from our team on the theme of *#InspireInclusion*, focusing on personal experiences and insights that reflect what inclusion means to them. Our questions included:

- What personal motto guides you through challenges?
- What three key lessons would you share with your younger self?
- How do you contribute to advancing inclusion in your environment?

The responses were remarkable, showcasing the wisdom and resilience of our team members. Each quote highlighted individual journeys while underscoring our collective commitment to fostering an inclusive environment.

We also took this opportunity to raise awareness about the history of International Women's Day, conduct anti-discrimination training, and celebrate the occasion by giving gifts to our colleagues.



Arvato She Leads Campaign in Italy

Our colleagues in Italy launched the "Arvato She Leads" campaign to promote female leadership within our organization. This initiative aims to highlight the importance of equal opportunities for women aspiring to leadership roles and to increase the visibility of positive female role models at Arvato. The campaign features interviews with accomplished female leaders, sharing their journeys, challenges, and insights into effective leadership. By amplifying these voices, we celebrate their achievements and raise awareness about the need for an inclusive environment where equal opportunities are available to all. Through "Arvato She Leads," we reinforce our commitment to empowering women at all levels within our organization.

arvato SHE Leads



Female Leadership Analysis in Germany

In Germany, while there is equal representation of men and women in the workforce, the number of women in higher management roles is decreasing. Many companies in Germany are observing similar trends that can be attributed to structural and cultural obstacles. Despite legal requirements for equality and initiatives aimed at promoting diversity in leadership positions, it is evident that women often face specific challenges that hinder their advancement to higher roles. To better understand the drivers of

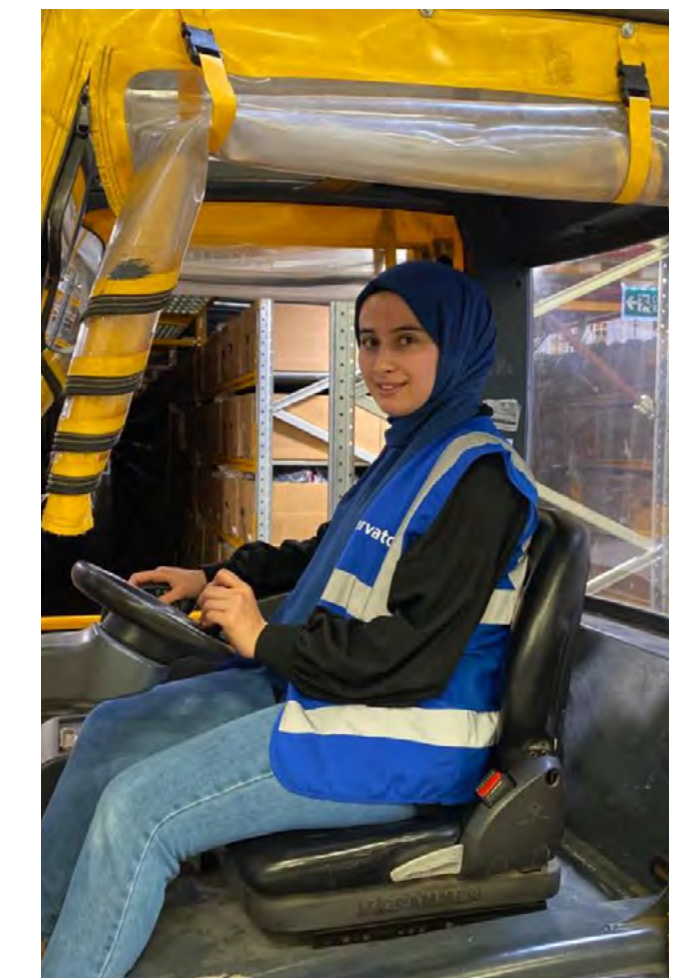
this phenomenon within Arvato, we conducted a Female Leadership Analysis over several months, examining key performance indicators and gathering insights from interviews and a survey with female leaders. Our goal was to identify the reasons for the decrease of women's representation in management and to understand their specific needs. In 2025, we will discuss the results to define a plan that supports our female leaders with their individual career progress.



Forklift Operator Program for Women in Türkiye

At Arvato Türkiye, we have established a Women's Forklift Operator Training Program aimed at empowering our female employees for career advancement while simultaneously addressing the high demand for forklift drivers. Over the course of six months, six participants acquired essential forklift operation skills and earned their certification. This initiative not only supported their professional growth but also contributed to diversifying our workforce, thereby enhancing our operational capabilities.

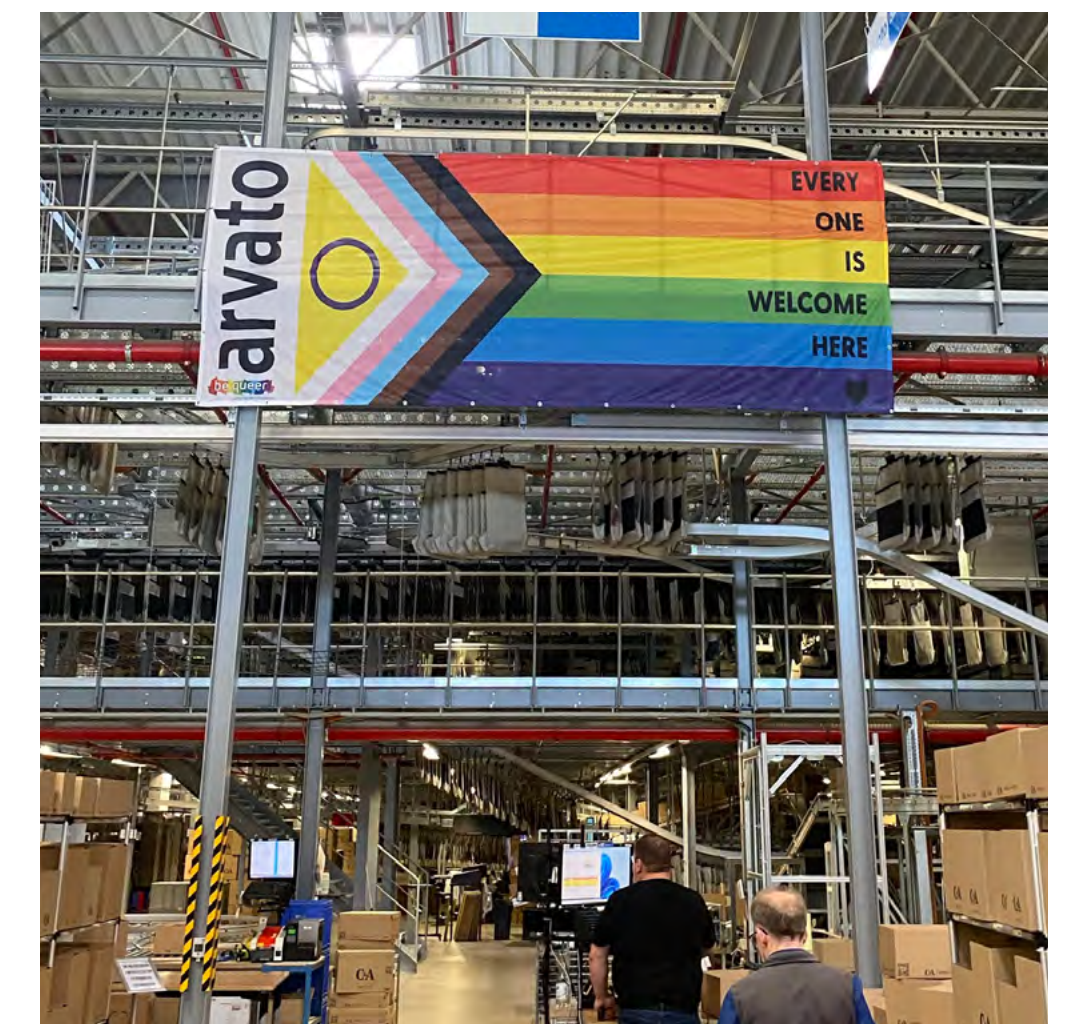
Moving forward, Arvato is committed to fostering an inclusive environment and plans to organize similar training programs to reinforce our dedication to gender equity and empowerment.



Celebrating Pride Month Globally

In June, we celebrated Pride Month to honor the LGBTQIA+ community and raise awareness of their rights and history. On different sites we hosted inclusive activities, including flag-raising ceremonies featuring the message, “Everyone is welcome here,” to reinforce our commitment to creating a safe and inclusive workplace. We facilitated discussions on LGBTQIA+ rights and challenges, enhancing understanding and empathy within our organization. Festive giveaways, such as cupcakes and stickers,

served as joyful reminders of our dedication to inclusion and belonging. Additionally, Arvato participated in Christopher Street Day celebrations in Cologne and Berlin, marching alongside our colleagues from @be.queer and other Bertelsmann divisions under the motto “Shine Pride.” As we reflect on Pride Month, we recognize that our commitment to inclusion and belonging must extend beyond June, fostering a culture of respect and acceptance year-round.



Action Plan for Inclusion 2019–2024 in Germany

In September 2019, Bertelsmann unveiled its Action Plan for Inclusion, a comprehensive initiative aimed at ensuring that, by 2024, all employees with disabilities within Bertelsmann's German companies can work in an environment free from barriers, allowing them to contribute to the organization's success to their fullest potential. The Action Plan encompasses 27 goals and 69 measures, organized into five key action areas:

- Workplace Design and Working Conditions
- Constructional Conditions
- Awareness-Building and Communication
- Health Management
- Recruitment, Qualification, and Development

Through the implementation of the Bertelsmann Action Plan for Inclusion, we aim to integrate the inclusion of people with disabilities into all existing structures and processes. Our overarching objective is to cultivate an even more inclusive working environment across the organization.

Over the past five years, we have made significant

progress in implementing the Action Plan for Inclusion. In the initial years, we focused on raising awareness of disability representation within our workforce. We developed checklists and FAQs for managers to enhance their understanding and support for employees with disabilities. These resources have empowered our leadership to foster a more inclusive workplace culture. In collaboration with

Bertelsmann, we joined myAbility, an inclusive job platform for job seekers with disabilities or chronic illnesses, emphasizing skills over disabilities to ensure equitable opportunities. In 2024, the final year of this implementation phase, we introduced the second chapter of our Sustainable Building Policy. This chapter outlines measures to eliminate barriers in our

warehouses and enhance accessibility in our facilities. Key aspects include:

- Ensuring sufficient parking for individuals with disabilities
- Installing elevators for accessible access to all floors
- Designing exit routes that accommodate people with disabilities
- Implementing barrier-free toilet facilities that meet accessibility standards

This policy is now internationally applicable and mandatory, even beyond the initial goals of the Action Plan, while recognizing local legal restrictions. Through these initiatives, we remain committed to the objectives of the Action Plan for Inclusion, ensuring that all employees can thrive in a supportive environment.



International Day of Persons with Disabilities

On December 3rd, in recognition of the International Day of Persons with Disabilities, our committee representing employees with disabilities organized several initiatives to raise awareness and educate colleagues about disability rights. The aim was to inform employees with disabilities about their entitlements and encourage those who have not disclosed their disabilities to do so. Engaging activities, such as serving freshly baked waffles and a spin-the-wheel game, helped promote discussions on disability. Eye-catching flyers and posters were displayed

to further engage employees. The committee emphasized the importance of open dialogue, leading to insightful discussions on topics like the process for obtaining a disability degree. The day focused on education, with committee members facilitating discussions and scheduling follow-up appointments for supporting potential applications. Overall, the event fostered meaningful conversations and reaffirmed the committee's commitment to being a resource for all employees, encouraging them to reach out for support.



Official Partner of Jugend am Werk in Austria

We are proud to announce that we have been recognized as an official partner of Jugend am Werk, an inspiring social initiative dedicated to empowering individuals with learning difficulties, disabilities, or mental health challenges to achieve professional inclusion. Since 2007, the Jugend am Werk team has played an integral role in our operations, assisting with essential tasks such as sorting packages from conveyor belts, assembling cartons, and conducting kitting activities. Their dedication and hard

work have proven invaluable to our success and efficiency. This recognition underscores our shared commitment to fostering an inclusive workplace. At Arvato, we believe in the strength of collaboration and are grateful for the contributions made by the Jugend am Werk team. Together, we are advancing our mission to create an environment where everyone has the opportunity to thrive, irrespective of their background or abilities.



Supported Employment Model in Türkiye

Our colleagues in Türkiye proudly launched the "Supported Employment Model" as part of our commitment to fostering a more inclusive workplace. This initiative is designed to enhance the participation of individuals with autism in the workforce and to support their successful integration into our organizational environment.

As part of this program, a dedicated team, comprising four autistic employees and one professional coach, support operations for one of our key clients in the cosmetics sector.

Developed in collaboration with the Tohum Autism Foundation, this initiative goes beyond employment. It aims to raise awareness about autism in society and contribute to building a more inclusive business culture.



Raising Awareness for Dyslexia in Ireland

In October, our colleagues in Ireland participated in Dyslexia Awareness Month to raise awareness and support for individuals with dyslexia. This month-long initiative culminates in Dyslexia Awareness Week, focusing on the needs and experiences of those affected. To support this effort, we shared resources from Dyslexia Ireland, including guides on "What is Dyslexia?", "Dyslexia in the Workplace," and "Tips for Managing Tasks at Work." These materials aimed to enhance understanding of dyslexia and provide practical strategies for fostering a supportive work environment.



Health, Safety & Well-being

Providing a healthy and safe work environment.



The importance of health and well-being extends beyond mere compliance; it is a fundamental value at Arvato. As a third-party logistics provider, we recognize that our greatest asset is our workforce. The health and well-being of our employees are not only crucial for fostering a positive workplace culture but also essential for driving operational excellence and sustainable growth.

Aligned with the World Health Organization's definition, we understand health as a comprehensive state of physical, mental, and social well-being, rather than simply the absence of illness. This holistic view underscores our commitment to creating a work environment that nurtures individual health, recognizing that it is influenced by a myriad of factors, including social and professional contexts, cultural traditions, and personal lifestyles.

At Arvato, we are dedicated to cultivating a workplace that prioritizes employee health and safety, enhancing their skills, motivation, and overall job satisfaction. Through our robust health management initiatives, we aim to empower our employees to adopt healthy behaviors and safe working habits. Additionally, we strive to enable our leaders to foster a safe and supportive workplace that champions a positive corporate culture.

In addition to the global strategy, each country has its own local health and wellbeing community, which may extend to individual sites as needed. These local communities are where the operationalization of our health and wellbeing initiatives takes place. This localized approach fosters a culture of health and wellbeing that is rooted in the values and practices of each community. While we can provide the necessary resources, create conducive environments, and encourage self-help strategies, we recognize that the ultimate responsibility for health lies within each individual.



Focus Mental Health

As part of our ongoing commitment to promoting health and well-being at Arvato, we have implemented several key initiatives aimed specifically at enhancing mental health support for our employees. Recognizing that mental health is a crucial aspect of overall well-being, we have taken steps to ensure that all employees have access to the resources they need.

In 2024, we launched a comprehensive social counselling service, also known as an **Employee Assistance Program (EAP)**, in all countries where such support was previously unavailable. This initiative ensures that every employee across our global operations can access confidential assistance and guidance, empowering them to seek help when needed. To further raise awareness and foster open conversations around mental health, we dedicated the entire month of October to a campaign titled "**Mental Health Matters**", coinciding with the International Day for Mental Health.

Throughout this month, we provided different kinds of resources designed to support our employees' mental well-being, including training sessions, informative articles, and audiobooks that offered practical strategies for managing stress and enhancing mental resilience. We also encouraged employees to share their personal tips and practices for boosting mental health, resulting in a lot of contributions that highlighted simple yet effective daily habits and structured activities.

In addition to our global initiatives, we have launched several **local programs** to strengthen mental health support. These include webinars tailored for employees and managers, focusing on mental health awareness and effective management strategies. We have also provided Mental Health First Aid training to designated colleagues, equipping them with the skills to offer immediate support in critical situations.

Focus Physical Health: Global Fit for Work Challenge

Arvato yearly participates in the Bertelsmann Fit for Work Challenge alongside all our global countries. This initiative encourages participants to collect 'active' kilometers, contributing to a collective goal that promotes health and wellness within the organization. As an added incentive, reaching specific kilometer milestones enables Bertelsmann to make donations to SOS Children's Villages. Last year, Arvato made a notable contribution by accounting for 23% of the total kilometers logged by all Bertelsmann divisions. Our involvement in the Fit for Work Challenge not only supports employee well-being but also contributes to a meaningful charitable cause.



Global Initiatives for Breast Cancer Awareness Month

October marked Breast Cancer Awareness Month, and our global teams actively participated in a variety of impactful campaigns to raise awareness for this important issue. Here’s a selection of initiatives from our sites worldwide:



United States

In Pleasant Prairie/WI, colleagues honored those affected by breast cancer by writing names on ribbon pins displayed on a large white ribbon. The team emphasized early detection, noting a 99% survival rate for localized breast cancer. Additionally, the Las Vegas team wore pink every Friday throughout the month.



Poland

In Poland, employees dressed in pink and engaged in activities such as photo sessions with pink balloons. They distributed educational materials on breast self-examination and local examination facilities.



Spain

Spain introduced pink wristbands for employees and donated over €2,000 to the Spanish Association Against Cancer, contributing €10 for every employee who wore pink.



Brazil

Brazil celebrated with a focus on self-care through stretching classes, encouraging employees to wear pink clothing.



France

In France, the 'Pink October Walk' engaged 64 colleagues, while a run in Atton raised €500 for the Ligue contre le cancer Association.

These initiatives highlight our solidarity and commitment in the fight against breast cancer, making a meaningful impact in our communities. Thank you to everyone who participated!



ArvatoCare in Germany

In Germany, Arvato has introduced ArvatoCare for all employees. ArvatoCare is a supplementary health insurance plan, designed to complement statutory or private health insurance. It aims to provide additional coverage for services that are not or only partially covered by employees' existing health insurance plans. This supplementary insurance is offered at no cost to employees and encourages them to invest further in their health and well-being. By providing these additional benefits, ArvatoCare reinforces our commitment to supporting the health of our workforce and promoting a culture of well-being within the organization.



Further Local Health & Well-being Initiatives: Promoting Well-being Across Our Sites

Throughout the year, our local teams have implemented a variety of health awareness initiatives aimed at enhancing the wellbeing of our employees. These activities included dedicated **health awareness days** featuring training sessions, **health check-ups**, and nutritious smoothie offerings to encourage healthy eating habits.

In addition to these wellness events, we organized **blood and stem cell donation drives**, fostering a culture of giving back and supporting our communities. We also provided specialized training for both managers and employees to raise awareness about health-related issues and promote a supportive work environment.

To further enhance physical health, we partnered with **local gyms and sports studios**, offering employees a range of fitness opportunities. Our own sports programs and company runs were introduced, encouraging active lifestyles and fostering teamwork among colleagues.



Focus Safety

Occupational safety is a critical priority for logistics service providers, where the nature of our work exposes employees to various risks and hazards. Ensuring a **safe working environment** is not only a legal obligation but also a fundamental aspect of our commitment to the well-being of our workforce. We recognize that the safety of our employees directly impacts their health, morale, and productivity, and we care deeply about protecting them from harm.

To address these challenges, we have established **dedicated local teams** focused on occupational safety across our organization. These teams are responsible for conducting **regular assessments** of our warehouses and offices to identify potential risks and implement effective safety measures. They work closely with management and supervisors to ensure that safety protocols are understood and followed at all levels of the organization. As part of the Bertelsmann Safety Working Group, Arvato collaborates with other Bertelsmann divisions to continuously improve internal safety standards and share best practices across the Group.

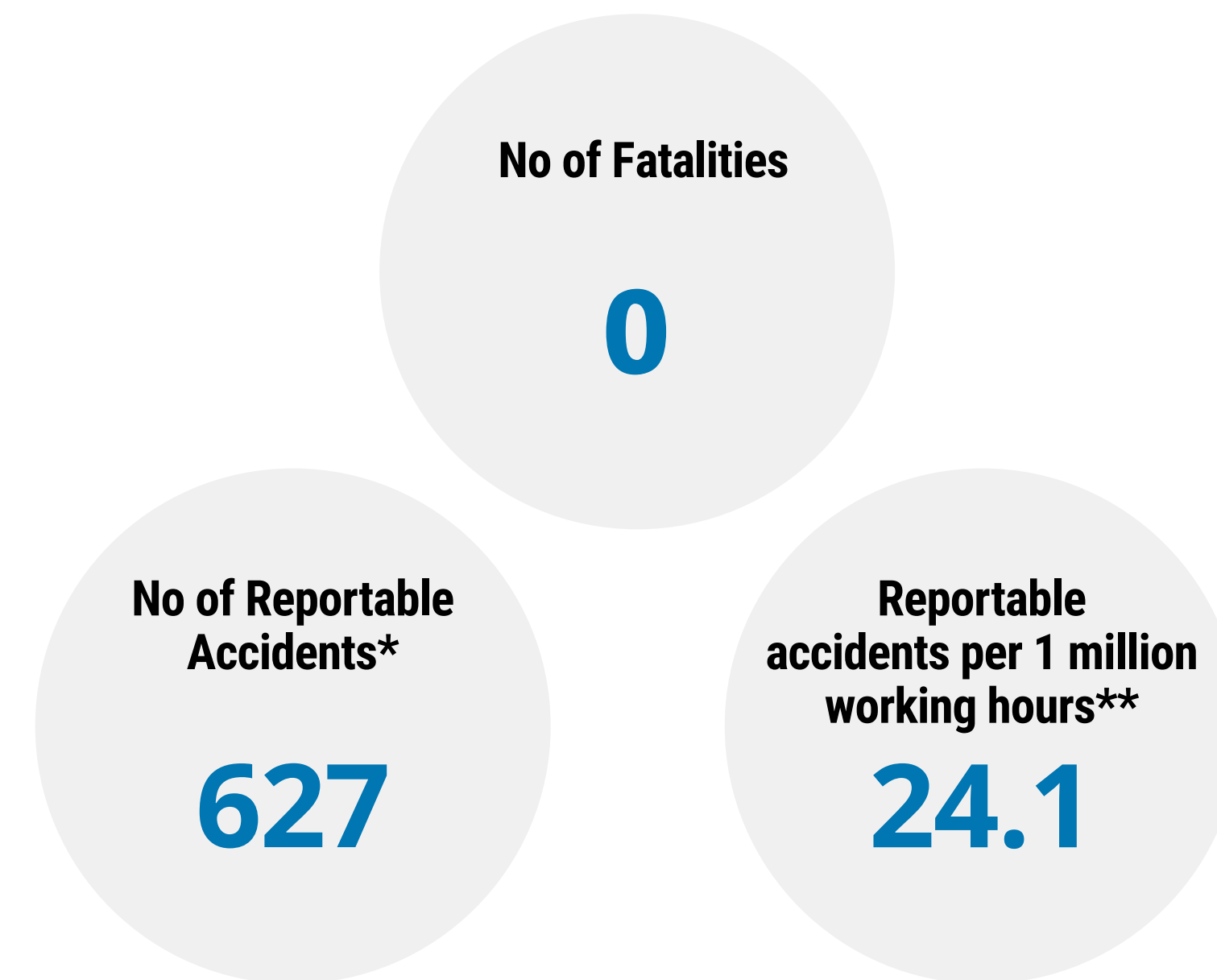
Moreover, we maintain a rigorous **process for recording and analyzing all incidents and accidents**. By understanding how and where these events occur, we can identify areas for improvement and take proactive steps to enhance safety practices. This commitment to **continuous improvement** enables us to create a safer workplace for everyone involved.

In 2024, there were **zero fatal accidents** globally, a testament to our ongoing efforts in prioritizing safety. Our accident rate of 24.1 per 1 million working hours reflects our commitment to transparency and comprehensive reporting in line with the European Sustainability Reporting Standards (ESRS). When comparing occupational safety data across companies or industries, it is essential to ensure that the same definitions and reporting scopes are applied.

For example, the German Social Accident Insurance (DGUV) reports 2024 accident rates of approximately 15.1 for wholesale and logistics, 22.1 for postal and transport services, and 28.8 for the construction sector (per 1 million working hours). These figures are based solely on German data and are not directly comparable to our global reporting approach.

As a globally operating company, we apply ESRS-compliant criteria across all regions. This ensures a more complete and accurate picture of occupational safety performance.

Through these efforts, we aim to protect our most valuable asset—our people—while ensuring that we operate efficiently and responsibly within the logistics industry.



* Reportable Accidents (according to ESRS): Work-related accidents that result in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by physician or other licensed healthcare professional.

** Accident Rate: The accident rate indicates the number of reportable accidents per 1 million working hours. 1 million working hours is equivalent to approximately 600 full-time employees.



We Care: Together for Good

How We Support Our Communities

At Arvato, we believe that business thrives when communities do. Across different Arvato countries, our teams are actively engaged in initiatives that make a real difference: whether through donations, sponsoring, partnerships, or local support.

These stories reflect more than generosity; they show how our values come to life. From supporting children in need to helping families and communities, our commitment to community is part of our fundamental principles.

Because giving back isn't just a responsibility: it's part of who we are.



Empowering Community Through Sport in France

In **France**, Arvato supports the **Saint Thibault des Vignes Football Club (STFC)**. The goal of this collaboration is to strengthen the relationship with the local community and to enhance the commitment of our employees for sports, which is defined by sportsmanship, teamwork and ambition.



Team United in Action

Supporting Birmingham Hospice in UK

The **Birmingham Hospice** was selected by Arvato in the UK as its Local Charity Partner in 2024. It's the primary provider of hospice care in Birmingham and provides care daily to an average of 1,000 patients in hospice settings, in the community, or at home. Since then, Arvato has initiated numerous charity events and fundraising initiatives.

One of the activities was the **festive raffle**, in which we gave away prizes such as Advent calendars and Christmas gift sets and raised £1,645. In our first **charity football tournament**,

twelve teams from our four locations in Corby, East Midlands Gateway, Hams Hall, and Kings Norton, competed in under the motto #TEAMUnited. That evening a total of £1,701 was raised by the participants and the purchases of Euro 2024 Sweepstakes tickets.

The total donation was doubled by Arvato, raising a total of **£30,500** for the Birmingham Hospice. Our goal is to support patients through expert, specialized and compassionate end-of-life care and to make it accessible to everyone.



Giving Tuesday

The Arvato US Way

Arvato in the USA participated in Giving Tuesday, a global movement that encourages generosity and community support. We focused on supporting local nonprofits and organizations across our communities, demonstrating our commitment to local engagement and social responsibility. In Louisville, our team donated over 100 blankets to those in need, ensuring a warm winter season. Meanwhile, our other campuses each hosted a "Winter Warmth Drive," collecting winter gear for local schools in Pleasant Prairie and donating turkeys to local families to ensure a meal during the holiday season in Ontario.



Additionally, our employees donated to five local nonprofits: *Kentucky Humane Society* in Greater Louisville, *Women and Children's Horizons* in Pleasant Prairie, *Thrive Memphis* in Memphis, *Three Square* in Las Vegas, and *Breast Cancer Angels* in Southern California, with each organization receiving \$1,000 to support their vital work in areas such as aiding victims of domestic violence and sexual abuse, supporting individuals with intellectual disabilities, distributing food, providing emotional and financial help to breast cancer patients and their families, and supporting animal rescue and care.



Helping Rebuild What Matters Most in Spain

A severe flood disaster caused by heavy rainfall hit Spain at the end of October 2024, affecting the regions of Valencia, Andalusia, and Murcia. Approximately 190,000 people have been directly impacted, with over 156 km² of land flooded. The property damage is estimated to be several billion euros, with over 60,000 homes destroyed, 115,000 vehicles damaged, and tragically, 230 lives lost. In response, our Spanish team immediately allocated €6,000

from the annual Christmas donations to aid those affected in Valencia. This amount has been divided between Cruz Roja Española (Spanish Red Cross) and Cáritas, as these organizations were the most active in the center of the incident and did not receive direct state aid, making them in urgent need of financial support. Additionally, Arvato signed agreements with the two NGOs to donate a total of €100,000 to assist the reconstruction.

“The flood disaster in Spain has left us deeply shocked. The floods have caused unprecedented damage, particularly in the Valencia region, where entire communities have been devastated. We want to help and do our best to offer assistance to those who have been hit hardest. That is why we support organizations that are on the ground and can assess exactly where support is needed.”

Frank Schirrmeister
CEO Arvato



A Season of Giving

Christmas Donations in Germany

The colleagues from our Consumer Products industry in Gütersloh continued their Christmas tradition of donating to good causes. In 2024, they donated **€3,000** equally to two child protection organizations, "**Deutscher Kinderschutzbund Kreisverband Gütersloh e.V.**" and "**Enniger HILFT Kindern e.V.**". These organizations are committed to improving the quality of life of children in need.

Moreover, we participated in the initiative christmas package drive for children in need once again. Our incredible teams packed around 60 care packages filled with love and essential items for street children and orphans in Romania and Hungary. We are truly grateful for the heartfelt contributions from our colleagues, whose dedication and generosity made this effort possible.

The Arvato Tech division supported the important work of Tafel Deutschland e.V. with a donation of €10,000.

The Tafel organizations rescue food that can no longer be sold and distribute it to people in need. This not only helps make meaningful use of resources but also supports more than 1.6 million people every year.



Governance

Effective governance is the cornerstone of our commitment to sustainable business practices. By collaborating with our stakeholders, including board members, employees, and external partners, we can establish robust governance frameworks that ensure transparency, accountability, and ethical decision-making across all levels of our organization.

In this chapter, we will delve into key initiatives that underscore our dedication to strong governance. We will highlight how ESG management is structured both at corporate level and within Arvato to ensure strong alignment. Additionally, we will display our practices aimed at enhancing corporate governance, including risk management, supplier management, and compliance.

"Effective governance is more than compliance. We strive to create transparency, accountability, and long-term value for all stakeholders."



Paul Daume
Chief Financial Officer



ESG Management

Corporate Responsibility at Bertelsmann

Executives across Bertelsmann divisions come together in the Bertelsmann **Corporate Responsibility Council**, led by the Chief Human Resources Officer, to discuss the development of ESG priorities that support the corporate strategy, integrate corporate responsibility within the divisions, and coordinate our ESG activities. For more information, click [here](#).

Bertelsmann Working Groups

Each focus topic is cross-divisionally managed through Bertelsmann's working groups, which bring together subject matter experts from all divisions. The groups are instrumental in setting the strategic direction for initiatives across the organization, ensuring that best practices and innovative approaches are shared and developed collectively.

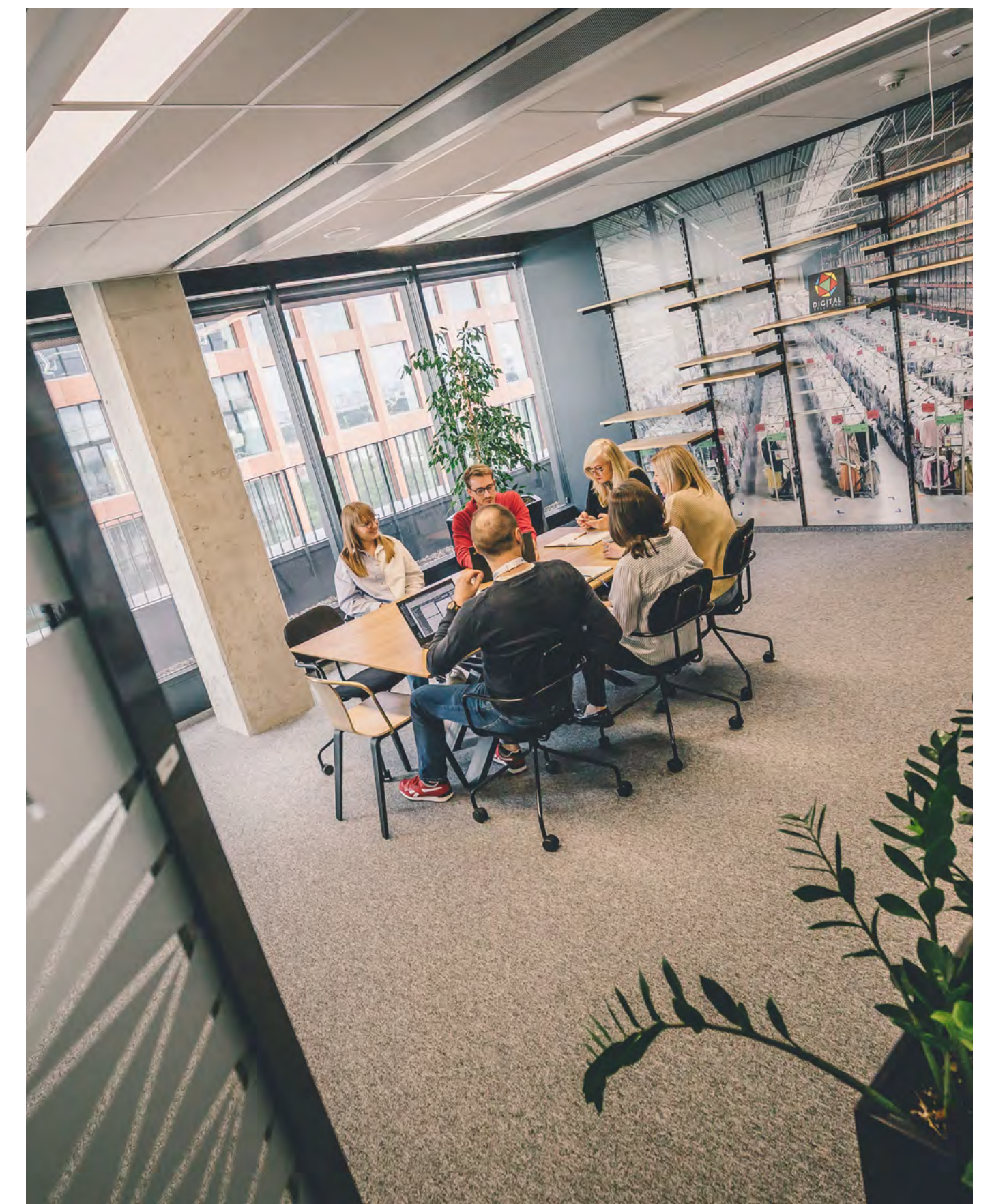
Arvato ESG Council

The Arvato ESG Council implements a strategic framework across the organization, meeting at least eight times annually, to discuss actions, analyze outcomes, and ensure ESG efforts align with the overall strategy. The Council is headed by Julia Börs, President Beauty & Luxury and Head of ESG, who also represents Arvato in the Bertelsmann Council.

All five Arvato focus topics are represented in the Council: The central ESG Team oversees the topics "Climate Change", "Inclusion & Belonging", and "Health, Safety & Well-being". The focus topic "Learning" is anchored within the Arvato HR organization, and "Fair Working Conditions" is managed through our purchasing department.

Arvato Communities

To strategically develop our focus topics, we have established topic-specific communities, which include representatives from all Arvato countries. These communities serve as a platform to develop and enhance our strategies, facilitate networking opportunities, and share best practices across borders. The communities act as a crucial interface that aligns the overarching corporate direction with the localized initiatives and activities of our various operations.



Governance, Risk & Compliance Functions

At Arvato, several **Governance, Risk and Compliance** (GRC) functions are consolidated and coordinated globally by a central “Compliance & Governance” department, reporting directly to the CFO. This ensures a comprehensive and holistic approach to GRC topics.

These functions include **Information Security, Data Protection, Legal, Regulatory Affairs, Contract Management, Quality Management, Risk Management** and Internal Controls, Insurances and Compliance. The central “Compliance & Governance” department is approachable for Arvato’s executive management as well as the entire workforce. It serves as liaison to the respective Bertelsmann corporate departments.

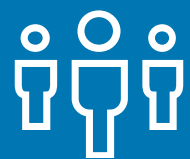
Data Protection is coordinated at Arvato globally by a central data protection manager. Each Arvato-entity nominates a Data Protection Officer (DPO) and additional data protection coordinators (if necessary). The data protection manager provides templates for data processing agreements (DPAs), oversees the annual data protection reporting and offers expert advice to all Arvato-employees and -functions on data privacy matters.

The **Information Security Management System** (ISMS) at Bertelsmann is based on ISO 27001. Each Arvato-entity is subject to this ISMS. Information Security Officers are nominated at each entity. They are coordinated by “Industry Information Security Officers” on business unit level. The ISMS at Arvato is overseen by a “Divisional Information Security Officer” who is reporting to

Arvato’s executive management (CEO, CFO, CIO) on a quarterly basis. During the ISMS cycle, the Information Security Officers conduct regular internal assessments and actively follow up on any findings. They act as stakeholder and sparring partner to all functions, especially IT.

Each Arvato entity nominates a **Compliance Officer**. They are coordinated by a global Compliance Officer reporting directly to the CFO. The Compliance Officers offer advice on all compliance matters (e.g. on the application of corporate guidelines), conduct trainings and follow up on reports about compliance violations. The global Compliance Officer liaises with Bertelsmann’s Integrity & Compliance department and Bertelsmann’s internal audit department.

Selected Trainings from the Internal Learning Management System



Code of Conduct
All employees of Arvato



Anti-Trust
All upper management levels and middle management from the areas of Central Functions, Solution Design, Sales, Key Account Management and Operations.



Anti-Corruption & Integrity
Management, employees in GRC, employees who are in contact with e.g. business partners, suppliers, and clients.



Supplier Management & Risk Assessment



Effective supplier management and risk assessment are essential components of a responsible and sustainable supply chain. As logistics service provider, we rely on a network of suppliers to deliver products and services that meet our quality and ethical standards. Implementing robust supplier management practices not only helps us to identify and mitigate risks but also fosters stronger relationships with our partners, ultimately enhancing the resilience of our supply chain.

By assessing the risks associated with our suppliers—such as labor practices, environmental impact, and compliance with relevant regulations—we can make informed decisions that align with our corporate values and legal obligations. This approach not only safeguards our business interests but also contributes to a more ethical and sustainable global supply chain.

PreWave Workflow



Categorization:

- Low-risk suppliers
- High-risk suppliers

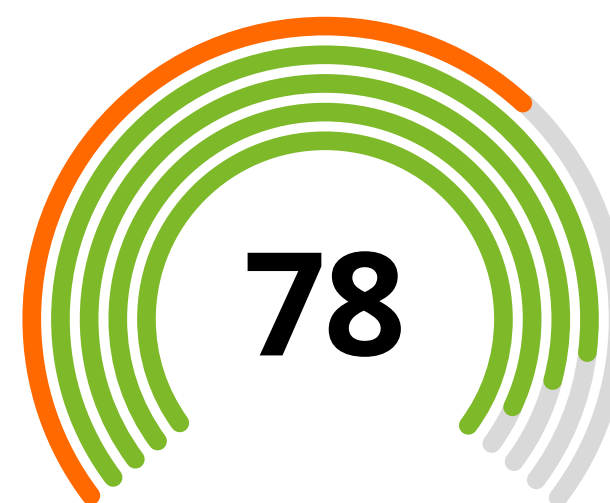
Monitoring:

- Peer Scoring
- Full Scoring (+ Alert Scoring)

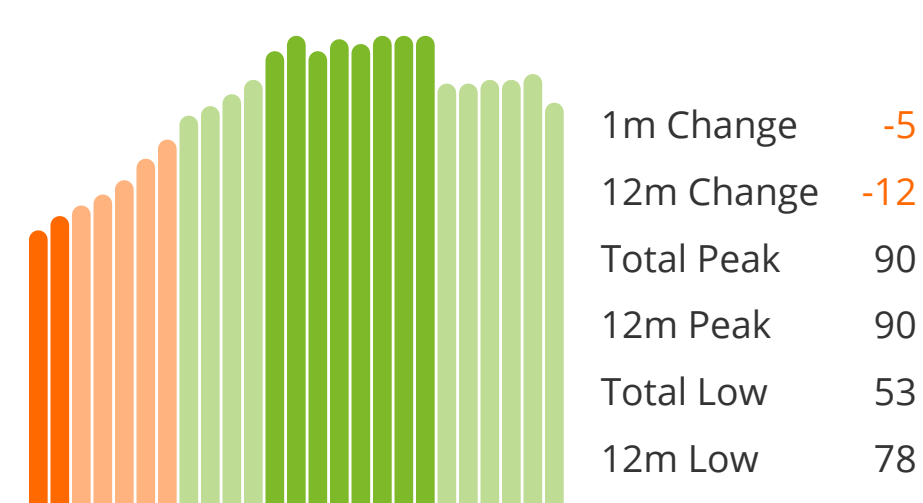
Call to Act:

- Action Priorities und 100 points scoring

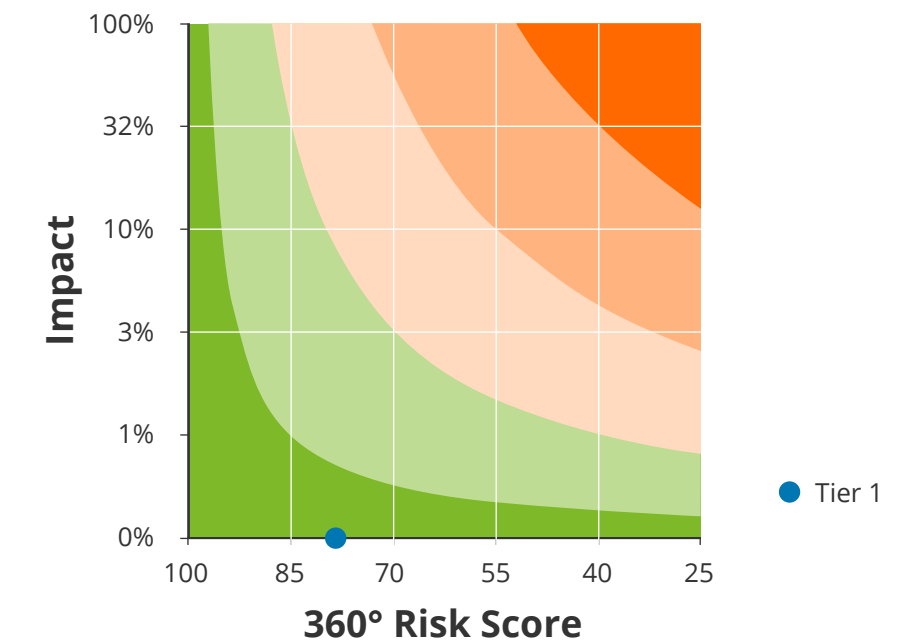
360° Risk Score



360° Risk Score Development



Risk Matrix



arvato



PUBLISHER

Arvato
Reinhard-Mohn-Str. 22
33333 Gütersloh
Germany
www.arvato.com

RESPONSIBLE

Julia Börs
President Beauty & Luxury
Arvato Head of ESG

PROJECT LEAD

Miriam Flocke
Director ESG

Arvato assumes no liability or guarantee for the accuracy or completeness of the information or other content presented in this report, as well as for links leading to external sources.

No part of this document may be reproduced or processed in any form or by any means without the prior written permission of Arvato.

© 2025 by Arvato, Gütersloh, Germany