



From top left to bottom right: RTL Deutschland is the exclusive TV partner of the NFL in Germany; Pinar Atalay, moderator of RTL Deutschland's news programme *RTL Direkt*; *Cápák között* (Dragon's Den) from RTL Hungary; and Emma Stone starring in *Poor Things* from Fremantle's Element Pictures.

Financial information

38	Directors' report
38	Financial year 2023 in review
40	Corporate profile
46	Market
48	Strategy
53	Capital markets and share
56	Discontinued operations/application IFRS 5
57	Key performance indicators
63	Financial review
67	General management statement on the fiscal year 2023 performance
68	Review by segments
76	Non-financial information
86	Corporate governance
98	Declaration of Conformity with recommendations C.10, D.3, D.9 and D.11 of the German Corporate Governance Code for use by foreign companies
99	Subsequent events
100	Outlook
101	Management responsibility statement
102	Consolidated financial statements
102	Consolidated income statement
103	Consolidated statement of comprehensive income
104	Consolidated statement of financial position
105	Consolidated statement of changes in equity
106	Consolidated cash flow statement
107	Notes to the consolidated financial statements
107	General information and significant accounting policies
122	Accounting judgements and estimates
124	Segment reporting
126	Group composition
129	Details on consolidated income statement
136	Details on consolidated statement of financial position
163	Financial risk management
173	Commitments and contingencies
174	Cash flow statement
175	Related parties
181	Subsequent events
182	Group undertakings
186	Audit report
194	Credits and imprint
195	Five-year summary

Directors' report

Financial year 2023 in review

In December 2023, RTL Group announced the envisaged sale of RTL Nederland to DPG Media, and therefore presents its full-year results for 2023 without RTL Nederland (IFRS 5, discontinued operations). As RTL Nederland was included in the Group's outlook for 2023, selected pro-forma figures including RTL Nederland are provided below:

Pro-forma figures (including RTL Nederland)¹

- With a strong second half of the year, RTL Group's results came in in line with the guidance for the full year 2023: On a pro-forma basis, Group revenue of €6,854 million and Adjusted EBITA of €927 million, the latter including streaming start-up losses of €179 million.
- In H2/2023, RTL Group generated an Adjusted EBITA of €677 million on a pro-forma basis, up 16.3 per cent on H2/2022 (€582 million) and the second highest ever despite challenging advertising markets and significant streaming start-up losses.

Reported figures (continuing operations, without RTL Nederland)²

- **Group revenue** was down 5.4 per cent to €6,234 million (2022: €6,589 million), mainly due to significantly lower TV advertising revenue from broadcasting businesses and lower Fremantle revenue. Group revenue was down 4.1 per cent organically³ compared to 2022.
- **TV advertising revenue** across the Group was down 8.2 per cent year on year, despite market share gains, particularly in Germany.
- **Streaming revenue⁴** was up 72.6 per cent to €283 million (2022: €164 million), thanks to the rapidly growing number of paying subscribers, higher revenue per subscriber and the first-time inclusion of 6play in France.

¹ The pro-forma figures for the financial year 2023 include RTL Nederland. RTL Group's outlook for the full-year 2023, as communicated on 8 November 2023, is based on these pro-forma accounts

² Due to the reached agreement to sell RTL Nederland, as communicated on 15 December 2023, the operating segment RTL Nederland is classified as held for sale and presented as a discontinued operation in the consolidated financial statements 2023 (Application of IFRS 5 'Non-current assets held for sale and discontinued operations' to the operating segment RTL Nederland). The figures of the consolidated income statement and the consolidated cash flow statement for the year 2022 are restated in accordance with IFRS 5 to report the discontinued operations separately from continuing operations. If not indicated otherwise, all figures presented/ reported in this document refer to continuing operations. The sale of RTL Nederland is subject to regulatory approvals and the consultation process with the respective works councils

³ Adjusted for portfolio changes and at constant exchange rates. Further details can be found in **Key performance indicators** on page 57

⁴ Streaming revenue includes SVOD, TVOD, in-stream and distribution revenue from RTL+ in Germany, 6play in France and RTL+ in Hungary (including RTL+/ RTL+ Active/ RTL+ Light)

Reported figures

(continuing operations, without RTL Nederland)

- **Distribution revenue⁵** was stable at €331 million (2022: €332 million).
- **Adjusted EBITA⁶** declined to €782 million (2022: €922 million), mainly due to lower profit contributions from RTL Deutschland as the German TV advertising market decreased significantly in 2023. The Adjusted EBITA includes **streaming start-up losses** of €176 million (2022: €222 million). **The Adjusted EBITA margin⁶** was 12.5 per cent (2022: 14.0 per cent).
- **Group profit from continuing operations** was €483 million (2022: €642 million). **Group profit from discontinued operations** was €115 million (2022: €124 million). **Total Group profit** was €598 million (2022: €766 million).
- **Total net cash from operating activities** was €537 million, thereof €77 million from discontinued operations. The **operating cash conversion rate⁷** for continuing operations was 68 per cent (2022: 49 per cent). RTL Group had **net debt⁸** of €-291 million at the end of 2023 (end of 2022: net cash of €180 million).
- For RTL Group's Annual General Meeting on 24 April 2024, RTL Group's Board of Directors has proposed a **dividend** of €2.75 per share for 2023. The ex-dividend date of the dividend payment would be 25 April 2024 and the payment date 29 April 2024.
- Based on the average share price in 2023 (€38.44⁹), the proposed dividend of €2.75 per share represents a **dividend yield** of 7.2 per cent.

Financial review¹⁰

	2023 €m	2022 €m	Per cent change
Revenue	6,234	6,589	(5.4)
Adjusted EBITA	782	922	(15.2)
Adjusted EBITA margin (in %)	12.5	14.0	
Adjusted EBITA	782	922	(15.2)
Significant special items	(125)	(42)	
Impairment and reversals of investments accounted for using the equity method	-	(5)	
Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(43)	(46)	
Impairment and reversals on other financial assets at amortised cost	(2)	(30)	
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	40	107	
Fair value measurement of investments and re-measurement of earn-out arrangements	(32)	(78)	
EBIT	620	828	(25.1)
Financial result	(13)	(56)	
Income tax expense	(124)	(130)	
Group profit from continuing operations	483	642	
Group profit from discontinued operations	115	124	
Total Group profit	598	766	(21.9)
Attributable to:			
RTL Group shareholders	467	673	(30.6)
- Continuing operations	352	549	(35.9)
- Discontinued operations	115	124	(7.3)
Non-controlling interests	131	93	+40.9
- Continuing operations	131	93	+40.9
- Discontinued operations	-	-	
Basic and diluted EPS (in €)	3.02	4.35	(30.6)
- Continuing operations	2.27	3.55	(35.9)
- Discontinued operations	0.74	0.80	(7.3)

5 Revenue generated across all distribution platforms (cable, satellite, internet TV) including re-transmission fees

6 See Key performance indicators on pages 57 to 59

7 Operating cash conversion rate reflects the level of operating profits converted into cash. Further details can be found in Key performance indicators on page 60

8 Net cash/(debt) excludes current and non-current lease liabilities. Including these, net debt as of 31 December 2023 was €-592 million (31 December 2022: net debt of €-205 million). See Key performance indicators on page 61

9 Frankfurt Stock Exchange

10 The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements)

Corporate profile

About RTL Group

RTL Group is a leading entertainment company across broadcast, streaming, content and digital, with interests in 60 television channels, seven streaming services and 36 radio stations.

The Group's families of TV channels are either number one or number two in six European countries, while RTL Group owns, or has interests in, radio stations in France, Germany, the Netherlands, Spain and Luxembourg. RTL Deutschland is the Group's largest business unit and Germany's first cross-media champion, operating across TV, streaming, radio and digital publishing. RTL Group's streaming services include RTL+ in Germany and Hungary, Videoland in the Netherlands and 6play in France.

Fremantle is one of the world's largest creators, producers and distributors of scripted and unscripted content, and is responsible for more than 11,000 hours of programming per year, alongside an international network of teams operating in 27 countries. The streaming tech company, Bedrock, and the ad-tech company, Smartclip, are also owned by RTL Group.

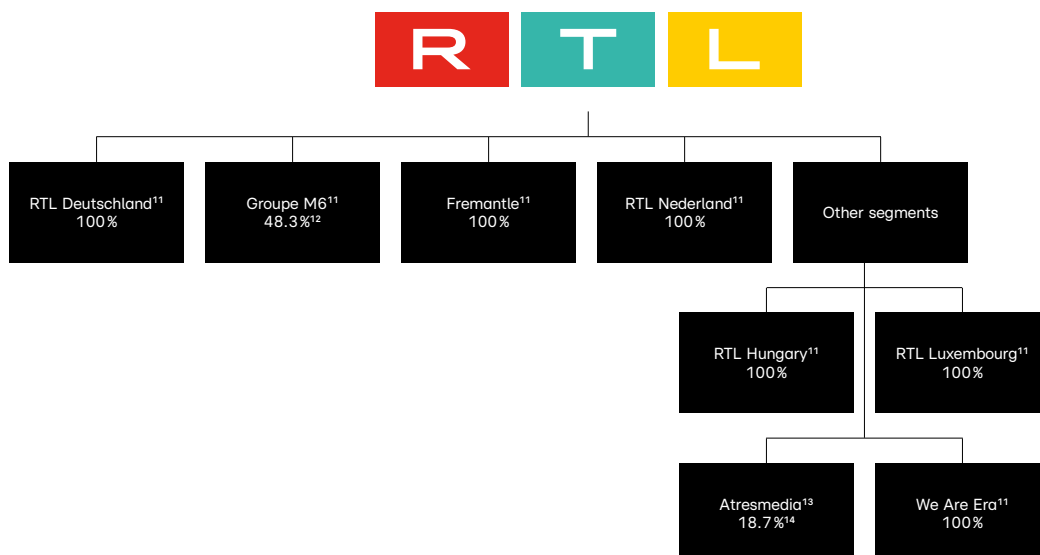
As a market leader, RTL Group strives to foster alliances and partnerships within the European media industry – for example, by building one-stop advertising sales houses in Germany with Ad Alliance, and driving international advertising sales with RTL AdAlliance.

The roots of the company date back to 1924, when Radio Luxembourg first went on air. Compagnie Luxembourgeoise de Radiodiffusion (CLR) was founded in 1931. As a European pioneer, the company broadcast a unique programme in several languages using the same wavelength.

RTL Group itself was created in spring 2000, following the merger of Luxembourg-based CLT-UFA and the British content production company Pearson TV, owned by Pearson Plc. CLT-UFA was created in 1997 when the shareholders of UFA (Bertelsmann) and the historic Compagnie Luxembourgeoise de Télédiffusion – CLT (Audiofina) merged their TV, radio and production businesses.

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 and Luxembourg Stock Exchanges. RTL Group is listed in the MDAX stock index. RTL Group publishes its consolidated financial statements in accordance with IFRS as adopted by the European Union.

RTL Group corporate structure (simplified) as at 31 December 2023



¹¹ Fully consolidated. RTL Nederland is classified as held for sale and presented as a discontinued operation in the consolidated financial statements 2023 (Application of IFRS 5 'Non-current assets held for sale and discontinued operations' to the operating segment RTL Nederland)

¹² Net of treasury shares and own shares held by Métropole Télévision SA under liquidity contract

¹³ Investment accounted for using the equity method

¹⁴ Net of treasury shares

Management approach

The Group's business units are run by management teams with entrepreneurial freedom and editorial independence. This enables each unit to act flexibly in its market, to build its own local identity, and to benefit from one of the most important success factors in the media business: proximity to its audience.

Responsibility for the day-to-day management of the company rests with the Chief Executive Officer (CEO), who – on a regular basis and upon request of the Board – informs the Board of Directors about the status and development of the company. The Executive Committee is comprised of the CEO, the Deputy CEO & Chief Operating Officer (COO) and the Chief Financial Officer (CFO). The Executive Committee is vested with internal management authority.

In the Operations Management Committee (OMC), the Executive Committee meets with CEOs of the Group's units to share information, discuss opportunities and challenges, and foster cooperation.

RTL Group has strengthened cross-border collaboration in the areas of streaming technology (led by Bedrock); advertising technology (led by Smartclip); international advertising sales (led by RTL AdAlliance); tech & data; content creation, sourcing and distribution.

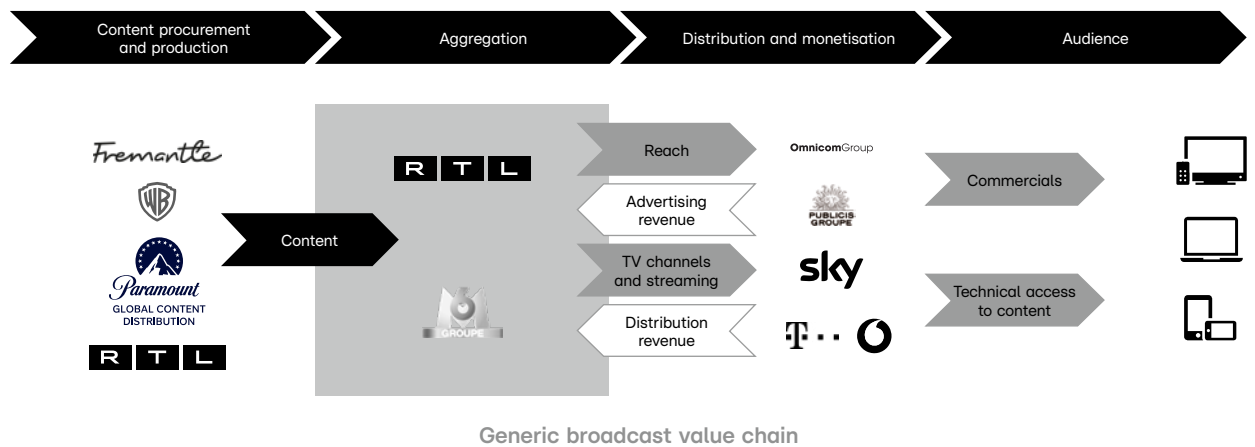
In addition, all units benefit from sharing information, knowledge and experience across the Group through the Group's Synergy Committees (SyCos). These SyCos – which are comprised of executives and experts from each segment and from the Group's Corporate Centre – meet regularly to discuss topics such as programming, advertising sales, streaming and tech and data. While each unit makes its own decisions, it is encouraged to draw on the understanding and expertise of other RTL Group companies.

The Corporate Centre provides strategic direction and financial controls as well as a number of service functions in areas such as financial systems and processes, while managing the Group's portfolio of holdings.

Business model

RTL Group's business model is to produce, aggregate, distribute and monetise the most attractive video content, across all formats and platforms.

Broadcast



RTL Group's broadcasters buy, produce and commission mostly local content. They also buy or license broadcasting rights for films, TV series and sporting events. TV channels and radio stations, meanwhile, 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 with a huge number of available linear TV channels, streaming services and other social video platforms, it's crucial for broadcasters to offer content that makes them stand out.

Since advertising is the primary source of revenue for RTL Group's broadcasters, they offer their advertising clients a range of ad formats – from the traditional 30-second commercial to tailored packages of TV and digital ads to addressable TV advertising.

RTL Group's advertising sales houses sell spots in the channels' linear and non-linear programming and also increasingly across several media categories such as TV, radio/audio, print and online display (cross-media). The price advertisers 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, generally priced at CPM (cost per mille).

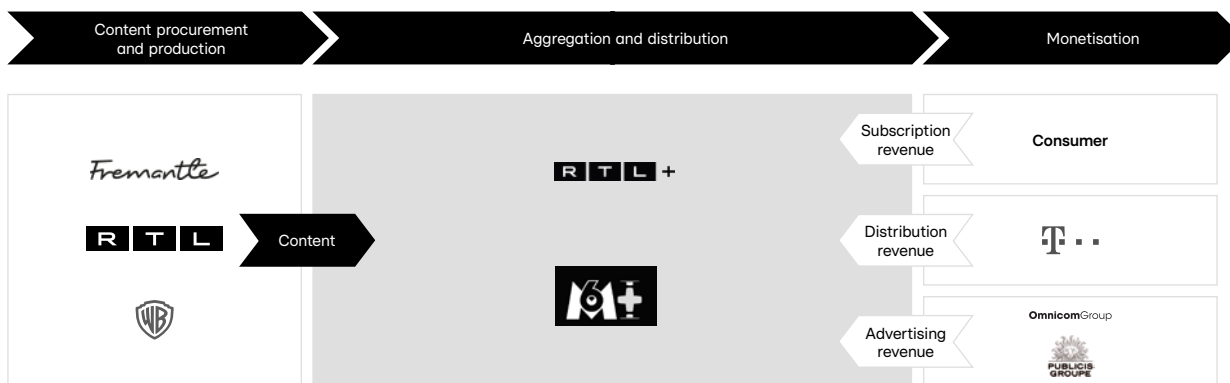
RTL Group broadcasters distribute their content via all platforms, such as cable, satellite, terrestrial broadcasting and internet TV. In exchange for the broadcasting signal in high definition (HDTV) or additional services – such as the RTL Group broadcasters' pay-TV channels or streaming services – the broadcasters receive fees from platform operators. RTL Group reports this figure separately as distribution revenue. Between 2012 and 2023, this high-margin revenue rose from €175 million to €331 million.

Streaming

In order to make their programmes available on all devices at all times, RTL Group's broadcasters have established their own streaming services, which are financed by subscription fees, advertising and distribution. These broadcasters continue to increase their production volume of original content for their streaming services and have further developed their direct-to-consumer business models to attract new users, retain users and increase engagement.

RTL Group's streaming services have all opted for hybrid business models. For example, 6play in France has added a paid tier for users who wish to have a premium experience with early content access and comfortable features such as download to go and HD quality.

Tiers are built differently across streaming services to fit the business objectives and user experience envisioned by each broadcaster. Features include, for example, several parallel streams on various devices, the live signal of RTL TV channels in HD quality, and premium content bundles that offer local programmes from the Group's linear TV channels, plus premium content either exclusively produced or licensed from third parties. In 2022, RTL Deutschland launched an innovative offer with cross-media content that was bundled in one all-inclusive entertainment app in 2023. In addition to video content, RTL+ Max users have access to more than 90 million songs, more than 100 radio streams, podcasts and a growing selection of audiobooks and digital magazines.

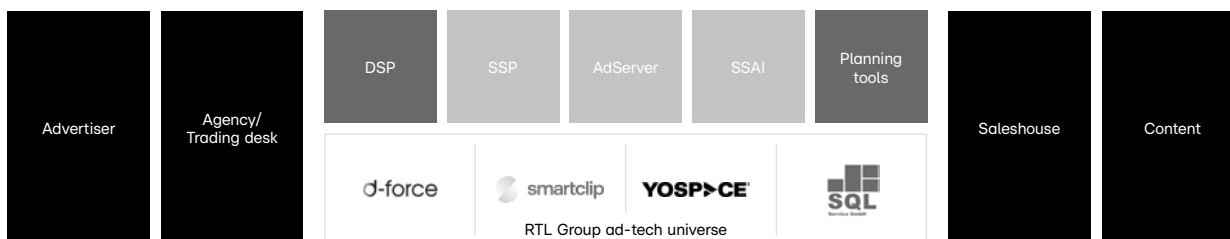


Streaming value chain

Advertising technology

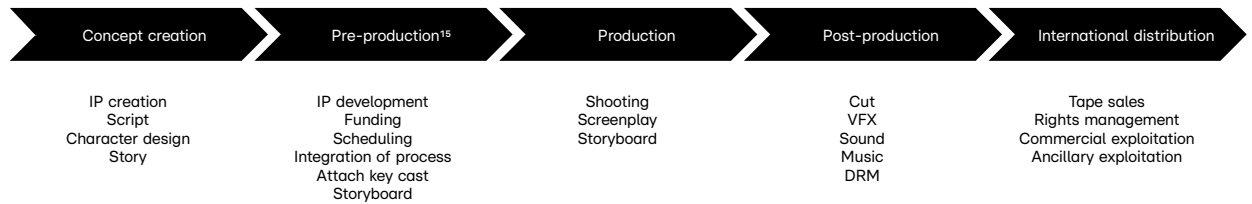
While linear television remains the key medium to reach mass audiences daily, digital video advertising allows advertisers to deliver message to an engaged audience, which can be enhanced using technology and data. This is done using a sophisticated method that automates the advertising sales process: within milliseconds, an ad space on a website or streaming service can be sold to advertisers looking for a particular demographic and willing to pay a price within a given range.

In brief, advertising technology fulfils two main goals: a) to find the best possible match between advertiser and user and, b) to find the best achievable price for both advertiser and publisher. The main difference to traditional advertising sales is the targeting of individual users instead of a broad reach. Addressable TV advertising aims to combine the advantages of traditional TV advertising – such as high reach and brand safety – with the targeting solutions of digital advertising.



Content

RTL Group's broadcasters produce and commission a wide variety of local content, while the Group's global production arm, Fremantle, is responsible for more than 11,000 hours of programming per year.



Content production value chain

As one of the world's largest creators, producers and distributors of 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 and documentaries through to game shows, daily dramas and reality TV formats. As a production company, Fremantle provides broadcasters and streaming services with content that they can use to build their businesses. Fremantle has an international network of teams across production and distribution, operating in 27 countries.

Fremantle's international distribution business sells finished programmes and formats around the world, while acquiring, developing, financing and co-producing new titles for the international market. Its catalogue contains a diverse range of programming across all major genres. Supported by a sales network that spans eleven international offices across five continents, Fremantle distributes content in over 180 territories worldwide.

The distribution business also plays an important role in providing financing for high-quality drama series and documentaries and is then able to sell these formats internationally to help to refinance the production costs, thereby making the productions more profitable.

The business model of drama series, films and documentaries is based on creating long-term library value. Ideally, these series will entertain viewers and thereby generate revenue and profits for five to 20 years. The development cycle of high-end drama series – from concept to screening – ranges from two to three years.

The time of delivery of a finished programme and the date of initial transmission are determined by the broadcaster or streaming service. This affects the timing of revenue recognition at Group level. These phasing or timing effects can swing significantly from one quarter to another, but are often balanced over the course of the year.

¹⁵ Pre-production only starts once the idea is sold to a commissioning client network

Other

Radio/Audio

Alongside the flagship radio station RTL in France, RTL Group owns or has interests in other stations in France, Germany, Spain and Luxembourg – reaching millions of listeners every day. RTL Group's radio stations create and schedule programming to shape their channel brands. In France, the Group's flagship channel balances a mix of genres such as news, talk and comedy to create a general interest programming mix, whereas smaller channels such as Fun Radio focus only on music and younger listeners.

In the case of France, Germany and Luxembourg, RTL Group operates TV broadcasting and radio broadcasting in the same market. This creates significant synergies, ranging from cost to programme and cross-promotion – for example with joint advertising sales houses. Next to traditional advertising-financed radio broadcasting (which has a similar business model to linear free-TV as detailed on page 42), RTL Group is active in the production of podcasts – for example with Audio Alliance in Germany.

Publishing

RTL Group's German publishing business includes established magazine brands such as *Stern*, *Brigitte* and *Geo*, as well as digital products in all publishing segments. The business model is comparable to radio and TV: the publisher collects, produces and distributes local content and RTL Deutschland's advertising sales house Ad Alliance sells print and online advertising. The main sources of revenue are advertising and distribution, which is divided into subscription and retail sales.

RTL Deutschland's publishing business has been undergoing a digital transformation. The shift from print to digital marks a change in consumer behaviour amplified by a challenging market environment. This is mainly due to increased prices for paper and energy, increasing inflation and supply chain issues and significantly decreasing print advertising revenue. The restructuring of the business, which was completed in 2023, is accompanied by an investment of €80 million by 2025 in the Group's publishing business, €30 million thereof in the expansion of the digital paid offer Stern+.

Market

Market environment

Digitisation has significantly transformed the TV market. More than 99 per cent of European households now receive their TV signal digitally and, in Germany alone, viewers have access to more than 80 linear television channels.

Digitisation has brought new ways of reaching viewers – including short-form video content made for consumption on mobile devices and streaming services – which complement conventional modes of TV distribution such as terrestrial television, cable and satellite (free-to-air and pay-TV). RTL Group and other broadcasters 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 (connected TVs, mobile devices and game consoles) has led to far-reaching changes in TV viewing behaviour. Now that media convergence has become a technical reality, the media industry has experienced noticeable shifts in audience reach, advertising and distribution.

The video market comprises:

- Linear TV (commercial free-to-air channels, pay-TV channels, public broadcasters and linear TV channels delivered 'over-the-top')
- Streaming services financed by subscriptions, advertising, distribution revenue or pay-per-view (especially long-form)
- YouTube, Facebook/Instagram, TikTok, Twitch and other online video platforms (especially short-form)

Market trends

Due to ongoing digitisation, RTL Group's markets are currently shaped by two key trends: **competition** and **consolidation**.

While linear TV is still the way most viewers consume video content, non-linear viewing or streaming is growing fast. The following trends can be observed:

- 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
- Linear viewing time in young target groups has decreased over the past decade

- Younger target groups spend more of their entertainment time on more social and interactive forms of entertainment, including video games and social experiences
- Streaming services are now also increasingly attracting older target groups
- Watching video content on mobile devices increases the demand for short-form video (short clips that last just a few minutes)
- There is a high demand for high-end drama series, films and documentaries on streaming platforms
- Films are increasingly produced for streaming services and broadcasters, while cinemas decrease in relevance

Competition

Traditional media companies, particularly in the United States, spend enormous amounts in the battle with global tech platforms such as Netflix, Amazon and YouTube (Google). In what became known as the 'streaming wars', in a short space of time, Disney, Apple, Warner Bros. Discovery, Paramount Global (formerly ViacomCBS) and Comcast/NBCUniversal all launched new streaming services. Subscriptions for libraries of films and shows, along with other services, cost up to €18 a month in Germany, for example. In addition to the subscription fees, streaming services such as Netflix, Disney+ and Amazon Prime introduced ad-supported price tiers to their services.

Amazon complemented its Amazon Prime service with a purely advertising-financed offer, Freevee, which is available for free in major markets such as the United States, the United Kingdom and Germany. Streaming services also offer an increasing number of free ad-supported streaming TV (FAST) channels. In contrast to ad-supported video-on-demand (AVOD), FAST channels offer live TV – like a linear TV channel via CTV devices. Although this increases competition, it also offers opportunities for content production companies such as Fremantle.

As a result, the production business around the world was thriving in the years 2018 to 2022, especially for high-end drama series, causing rapidly increasing prices for the best content and talent:

- According to data from research firm Ampere Analysis, the global production market represented \$243 billion in 2022 – twice as much as 10 years ago. However, this trend is expected to slow down, according to an Ampere Analysis report published in January 2023. Despite macroeconomic headwinds, budget cuts of streaming companies, a challenging TV advertising environment, which especially burdened free-to-air broadcasters, and industry challenges from the writers' strike in the US, the market is estimated to be stable in 2023, with a total value of \$245 billion.
- Content production prices increased rapidly over the past years. According to *FT.com*, *Citadel* on Amazon Prime was the most expensive series of 2023, with production costs of \$50 million per episode. The first season of the *Lord of the Rings* series for Amazon Prime, which launched in 2022, is still the most expensive series ever, costing \$58 million per episode.
- However, streaming services worldwide have faced slower growth in paying subscribers, driven by the high number of available services and increased customer churn. The focus of streaming players has shifted towards profitability, with cost-saving measures and tighter control on content spend. For example, content commissioning has partly moved from expensive scripted series to less expensive unscripted content, such as entertainment and reality shows. In addition,

several subscription-based streaming services further strengthened their activities to increase revenue from advertising.

- Since the peak of the streaming wars in 2022, major US studios and content rights holders – such as Disney, Paramount Global and Warner Bros. Discovery – have again started to license films and shows to competitors, international broadcasters and streaming services. This move partly reverses their strategy to withhold such content for exclusive use on their own direct-to-consumer streaming services. Global streaming services – which previously asked for worldwide exclusive rights from production companies – have also become more flexible in their content acquisition strategy. Both developments offer opportunities for RTL Group's broadcasters and streamers, as well as for the Group's global content business, Fremantle.

The developments in the field of artificial intelligence (AI) have accelerated significantly. Tools and applications based on AI are being adopted by consumers and institutions alike. For TV, streaming and content production, generative AI poses both risks and opportunities. While copyright considerations in this context are uncharted territory, the applications have the potential to drive efficiency gains in areas such as advertising planning, video and advertising production, and post-production (for example, subtitling and dubbing). For further examples on AI at RTL Group see **Innovation** on page 84.

Consolidation

In the past 10 years, some media groups have been folded into vertically integrated conglomerates that control both the production and distribution of content. For example, Comcast bought US media company NBCUniversal and the European pay-TV provider Sky.

The world's largest media company, Disney, expanded horizontally, with its \$71 billion acquisition of 21st Century Fox in 2019 and previous acquisitions of Pixar (animation studio), Lucasfilm (*Star Wars*) and Marvel Entertainment (Marvel Comics). US telecommunications company AT&T bought DirecTV, a satellite firm, and Time Warner, owner of HBO and Warner Bros. Studio. AT&T split off WarnerMedia and combined it with Discovery in April 2022 – now called Warner Bros. Discovery. US media companies CBS Corporation and Viacom formed ViacomCBS (called Paramount Global since February 2022). This period of consolidation has created a handful of content companies with huge back catalogues.

In Europe, larger consolidation moves initiated by RTL Group, such as the planned mergers between Groupe TF1 and Groupe M6 in France and Talpa Network and RTL Nederland in the Netherlands, were blocked by the competition authorities. In both countries, the competition authorities did not take into account the speed and extent of the changes in the European media landscape and the impact of these changes on local media companies.

As outlined in Deloitte's TMT predictions for 2024, the streaming model will shift from subscriber growth to profitability. Streamers are expected to consolidate, firstly commercially and secondly via M&A. With this so-called 'commercial consolidation', streamers are expected to offer bundles that combine several streaming or other media services at a lower combined price and with longer subscription periods, for example six months or a year-long subscription. This bundling is also possible in collaboration with telecommunication companies, such as the hard bundling of Deutsche Telekom's Magenta TV and RTL+ in Germany.

The production business, although much more fragmented than broadcasting and streaming, shows a similar consolidation trend, as demand for talent – including authors, scriptwriters and showrunners – increases. Thus, large production businesses merge with, or increasingly acquire, smaller production companies. An international example is the French TV production firm Banijay, which acquired Endemol Shine from Disney and Apollo Global Management, creating a global production giant – the largest TV producer outside the US. Fremantle has invested heavily in a large number of smaller production companies to accelerate its growth in scripted series, films and documentaries.

Strategy

The international media industry is in the middle of a fundamental transformation, with huge opportunities for those prepared to shape the future.

RTL Group transforms its business for higher reach and better monetisation to unlock these opportunities. Combining linear TV channels and non-linear services increases total reach and requires investments in content, marketing and state-of-the-art streaming services. Targeting, personalisation and recommendation improve

the monetisation of that reach and require investments in advertising technology and data.

RTL Group's Board of Directors and Executive Committee have defined a strategy that builds upon three priorities:

- 1 Strengthening the Group's **core** businesses.
- 2 Expanding RTL Group's **growth** businesses, in particular in the areas of streaming, content production and technology.
- 3 Fostering **alliances and partnerships** in the European media industry.

Core

Strengthening RTL Group's families of channels

Wherever attractive opportunities arise, the Group **aims to consolidate** across its existing European broadcasting footprint – including mergers and acquisitions. The strategic rationale is about scale, pooling resources and creativity to compete with global tech platforms in the respective national markets. Instead of consolidating in larger steps, as initially planned, RTL Group executes a series of smaller steps as an alternative path to scale. This includes, for example, strengthening the Group's national and international ad sales businesses, fostering distribution partnerships, investments in streaming technology and data, or smaller consolidation steps. In Belgium, Croatia and most recently in the Netherlands, RTL Group decided to sell its TV and streaming businesses to regional media companies so that they can act as consolidators in these markets.

Building and extending families of TV channels addresses increasing audience fragmentation and competition in a digital, multi-channel world, with the overall goal of maintaining or growing RTL Group's audience shares and net TV advertising market shares in the various countries. Over the past years, RTL Group's families of channels have been extended by **digital channels**, including Nitro, RTL Up, Vox Up, and 6ter.

To further strengthen its broadcasting business, **RTL Group aims to increase non-advertising revenue**. This includes growing revenue from platform operators – cable network operators, satellite companies and internet TV providers – for services such as high-definition TV channels, streaming platforms and digital pay channels (distribution revenue) as well as intensifying distribution and pay streaming partnerships.

Investing in premium content

Investing in premium content and exploring all ways to develop and own new hit formats are key to strengthening RTL Group's core business. In 2023, RTL Group spent around €4 billion on content, combining the programming spend of its broadcasters and the productions of its global content business, Fremantle. Investment in local, exclusive content – including the rights for live sports events – strengthens RTL Group's linear TV channels, streaming services and its news and magazine formats.

The following deals strengthen the Group's linear channels, helping to attract male audiences, and play an important part in gaining new paying subscribers for the Group's streaming services:

Germany

- **Uefa Europa League and Europa Conference League** for the seasons 2024/25 to 2026/27
- Sub-licence of the exclusive rights to 12 **Uefa Euro 2024 matches** from Deutsche Telekom
- Half of all football matches of the **German national team** in the Uefa Nations League until 2028
- **European Qualifiers** for both the Fifa World Cup 2026 and Uefa Euro 2028
- **National Football League (NFL)** matches including the Super Bowl until 2028
- Content partnership with **Sky Deutschland**: seven Formula 1 races broadcast live on RTL in Germany, alongside one game from the English Premier League per match week on RTL+, and three conference broadcasts of the 2nd Bundesliga on RTL. The partnership also includes selected highlights rights and Sky fiction productions. Sky Deutschland will receive rights to two Uefa Europa League or Uefa Europa Conference League games per match week
- Licensing agreement with **Paramount Global Content Distribution**: attractive programme package for RTL+ and RTL Deutschland's free-to-air TV channels, including German premieres and highlights from Paramount's library
- Strategic partnership with **Constantin Film**: cross-platform licensing of exclusive free-to-air TV content and exclusive streaming rights for all theatrical productions in Germany

France

- **Uefa Europa League and Europa Conference League** for the 2022/23 and 2023/24 seasons
- Free-to-air TV rights of the **Uefa Champions League finals** in 2025, 2026 and 2027
- Shared free-to-air TV rights of the **Uefa Euro 2024** with TF1, with Groupe M6 broadcasting a total of 13 matches including the final, one semi-final and two quarter-finals
- 18 matches of the 2023 **Rugby World Cup**

Others

- Hungary: **Uefa Champions League** starting in the 2024/25 season for three years
- Hungary: retained linear and digital rights to the **Uefa Europa League** and the **Uefa European Conference League** for three years for the seasons 2024/25 to 2026/27
- Luxembourg: **Uefa Champions League** until 2024 and **Uefa European Qualifiers until 2028**
- Luxembourg: **Formula 1** races until 2026

Managing the portfolio

RTL Group's management continuously reviews the Group's portfolio. In the past years, RTL Group sold several non-core assets in Europe, including the football club Girondins de Bordeaux and the website MonAlbumPhoto in France, the home entertainment and theatrical distribution company Universum Film in Germany, the Vancouver-based digital video network BroadbandTV (BBTV), the US ad-tech company SpotX, the US-based mobile entertainment company Ludia and the US software and data company for media measurement, VideoAmp.

These disposals are consistent with RTL Group's strategy to focus on growing its European digital businesses in the areas of streaming and advertising technology, alongside the Group's global content business, Fremantle.

Growth

Building national streaming champions

RTL Group is building national streaming champions in the European countries where it has leading families of TV channels. These streaming services capitalise on the Group's competitive advantage in local programming to complement global services such as Netflix, Amazon Prime and Disney+.

RTL Group operates the services RTL+ in Germany and Hungary and 6play in France that have gradually introduced a **hybrid business model** consisting of various price packages. Lower-priced or free packages are predominantly or fully financed by advertising. Various premium price packages include, for example, parallel streams on various devices, the live signal of RTL TV channels in HD quality and premium content bundles. These content bundles offer programmes from the Group's linear TV channels in the respective countries, plus premium content either exclusively produced or licensed from third parties.

Following the envisaged disposal of the Dutch streaming service Videoland and the investments in M6+ in France, RTL Group has updated the targets for its streaming services RTL+ in Germany, RTL+ in Hungary and M6+ (previously 6play) in France: by 2026, the Group aims to reach around 9 million paying subscribers and around €750 million of streaming revenue. RTL Group plans to increase its content spend to around €500 million and to become profitable by 2026. At the end of December 2023, RTL Group registered **5.569 million paying subscribers** for its streaming services RTL+ in Germany and Hungary and 6play in France, up 30.5 per cent year on year (end of December 2022: 4.267 million).

In Germany, the Group rebranded its rapidly growing streaming service as **RTL+** in November 2021 and launched the RTL+ multimedia app at the beginning of August 2023. RTL+ is the first German all-in-one streaming bundle that combines video, music, audiobooks, podcasts and magazine content in one subscription and one app, which is a unique selling proposition in the German-speaking market.

In France, Groupe M6's streaming service **6play** is the ad-funded streaming service, with 21.3 million active users. In October 2022, Groupe M6 launched 6play Max, a paid subscription video-on-demand version of 6play, developed by RTL Group's streaming technology company Bedrock. Within this subscription offer, users can watch content without advertising, in full HD and including download features. In March 2024, Groupe M6 presented its investment plan for its streaming service M6+ (previously 6play). The additional investments of €100 million in content, technology and marketing will build up over time. The service will be primarily financed by advertising (AVOD), complemented by a premium subscription tier (SVOD). It will feature exclusive local content

accessible from all screens alongside offering innovative experiences for the viewers and a higher value proposition for advertisers.

In Hungary, **RTL Hungary** launched its streaming service **RTL+** in November 2022. The new service offers exclusive local content, which is a unique feature in the Hungarian streaming landscape, and is also based on the technology of Bedrock.

Expanding RTL Group's global content business, Fremantle

RTL Group's content business, Fremantle, is one of the world's largest creators, producers and distributors of scripted and unscripted content. Fremantle runs an international network of teams across production and distribution in 27 countries. The company is responsible for more than 11,000 hours of programming per year, and distributes content worldwide.

Fremantle aims to achieve full-year revenue of €3 billion by 2025/2026. To reach this goal, RTL Group is investing in Fremantle across **entertainment, drama and film, and documentaries** – both organically and via acquisitions. After integrating its acquired labels/production companies into the Fremantle network and reducing overhead, Fremantle's Adjusted EBITA margin is expected to increase to 9 per cent by 2026.

Fremantle pursues three strategic goals:

- **Protect and grow the core:** Maintaining its position as a leading producer and distributor of quality programming by nurturing established brands such as *Idols*, *Got Talent* and *Farmer Wants a Wife*, while investing in creating new formats and brands and expanding the client base with global streaming platforms such as Netflix and Amazon Prime.
- **Grow drama, film and documentaries:** Fremantle has made a series of investments in talent and labels to grow its drama, film and documentary business, and be the best choice for talent. The company has strengthened its European footprint, expanded its scripted business and invested in several documentary production companies to become a leading producer of high-end documentaries.
- **Create a portfolio business** by exploiting new monetisation models such as branded entertainment, direct-to-consumer and FAST channels. Fremantle has launched 23 own FAST channels in 12 territories, such as *Family Feud Classic*, *Jamie Oliver*, *Baywatch* and *America's Got Talent*, which are currently available on different platforms. Fremantle has an ambitious plan to leverage its global footprint and grow the business internationally.

Fremantle continues to invest in high-end productions to **accelerate its growth in drama series, films and documentaries**. Acquisitions include, for example, Miso Film in Scandinavia, This is Nice Group in the Nordics, Wildside and Lux Vide in Italy, Asacha Media Group and Kwai in France, A Team Productions in Belgium, Abot Hameiri and Silvio Productions in Israel, Dancing Ledge Productions, 72 Films, Wildstar Films and Boldprint Studios in the UK, Passenger and Fabel in the US, Eureka in the US and Australia, Element Pictures in Ireland and Beach House Pictures in Asia.

Fremantle also bought minority stakes in a number of new production companies to secure first access to their creative talent and output. Working with world-class storytellers is key to Fremantle's scripted strategy.

As a result of this strategy, Fremantle generated 31 per cent of its total revenue in 2023 from drama and film productions.

To replicate this success in documentaries, Fremantle has established a new global documentaries division, acquired documentary production companies, and set up its own premium documentary label Undeniable, which focuses on producing world-class premium feature documentaries.

Investing in technology and data

Combining the strengths of RTL Group's core business – high reach, brand safety and emotional storytelling – with data and targeting offers significant growth potential for the Group's largest revenue stream: advertising. Addressable TV will grow the available inventory, attract new advertisers and can be sold with a premium compared to traditional linear TV advertising.

RTL Group's largest unit, RTL Deutschland, is responsible for the Group's ad-tech business, Smartclip. Based on the Smartclip technology, RTL aims to create an open ad-tech platform tailored to the needs of European broadcasters and streaming services. Accordingly, RTL Deutschland will invest further in evolving and growing the Smartclip platform. This includes acquisitions such as French ad-tech company Realytics, which complemented the existing ad-tech stack. Realytics systematically analyses the impact of TV advertising on advertiser websites and ensures data availability for digital ad decision-making.

With its European ad-tech businesses, RTL Group made significant progress in building an open European ad-tech platform and in tapping into the high-growth market of addressable TV (ATV) advertising. In 2021, it was predicted that in Germany alone, the market for ATV advertising was expected to grow to more than €500 million by 2025. Based on this prediction, RTL Deutschland was expected to generate approximately €200 million in ATV advertising revenue by 2025. However, the macroeconomic environment in the past three years, the slower technical distribution of connected smart TV devices and set top boxes, and the acceptance of ATV advertising by clients delayed market growth. RTL Group expects that RTL Deutschland will generate approximately €200 million in ATV advertising revenue by 2027, two years later than previously planned.

Bedrock, a French technology company co-founded by RTL Group and Groupe M6, builds the tech platform for Groupe M6's streaming service 6play, Videoland in the Netherlands and RTL+ in Hungary. This common platform allows RTL Group to bundle streaming technology investments.

Alliances and partnerships

In competing with the global tech platforms, new alliances and partnerships between European media companies become increasingly important.

In autumn 2019, RTL Group's management started to promote new partnership opportunities – all based on the philosophy of bundling European broadcasters' resources to establish open and neutral platforms. RTL Group offers these partnership opportunities in areas such as advertising sales, advertising technology, streaming technology, content creation and data.

As part of the envisaged sale of RTL Nederland, **RTL Group** and **DPG Media** will enter into a strategic partnership, spanning from technology to advertising sales and content. At the time of closing the transaction, the service agreements for RTL Nederland in the areas of streaming technology (via Bedrock), broadcasting operations (via RTL Group's technical services provider BCE) and international advertising sales (via RTL AdAlliance) will be renewed for at least three years. RTL Nederland will also continue to use the solutions provided by RTL Group's ad-tech business, Smartclip.

In November 2020, **RTL Deutschland** and **Deutsche Telekom** announced a **strategic partnership** to integrate the streaming subscription RTL+ Premium within Deutsche Telekom's TV offer, Magenta TV. Since then, price plans for both Magenta TV Smart and Magenta TV Smart Flex have included RTL+ Premium with no additional fee for customers. In addition, RTL Deutschland sub-licensed the exclusive rights to 12 Uefa Euro 2024 matches from Deutsche Telekom.

In December 2023, **Sky Deutschland** and RTL Deutschland announced a strategic two-year content partnership to offer German viewers access to even more live sport. The innovative partnership, which is unique in the German TV market so far, has the goal of delivering greater value to both Sky and RTL viewers by exchanging content. This includes sub-licensing seven Formula 1 races, one game from the English Premier League per match week on RTL+, alongside three conference broadcasts of the 2nd Bundesliga for RTL Deutschland and Uefa Europa League or Uefa Europa Conference League matches for Sky Deutschland. The partnership additionally includes selected highlights rights, Sky fiction blockbusters and close collaboration in production and on-screen editorial between the two broadcasters.

Driving international advertising sales

One key development for RTL Group's largest revenue stream – advertising – has been the increased demand from advertisers and agencies for global ad-buying opportunities. Consequently, RTL Group is expanding **international advertising sales** to cater to the demand from international advertisers and agencies for easy access to the Group's large portfolio of TV and streaming services, digital video company and advertising technology in a brand-safe environment.

In 2022, RTL Group combined RTL AdConnect, G+J iMS and the media division of Smartclip to create an international advertising sales champion: **RTL AdAlliance**. RTL AdAlliance provides international advertisers with simplified access to a unique portfolio of media brands across TV, digital video, radio/audio, online, mobile and print.

Building one-stop sales houses for cross-media campaigns

On the national level, the German Ad Alliance launched in 2016, offering high reach to advertisers and agencies. The German Ad Alliance is a one-stop shop for the development of cross-media solutions and innovative advertising products. Its portfolio spans television, radio/audio, print, and digital. Ad Alliance is the only sales house in Germany that offers complex, all-media campaigns from a single source. In 2019, the sales house Media Impact (Axel Springer) became a partner of the German Ad Alliance, and from January 2024, Ad Alliance has taken over the advertising sales of the digital portfolio of Bauer Advance. The partnership includes all digital brands of the Bauer Media Group and is a further step towards RTL Group's envisaged ad sales consolidation. Together, the platforms of Ad Alliance reach 99 per cent of the German population. Ad Alliance remains open to additional partnerships.

Capital markets and share

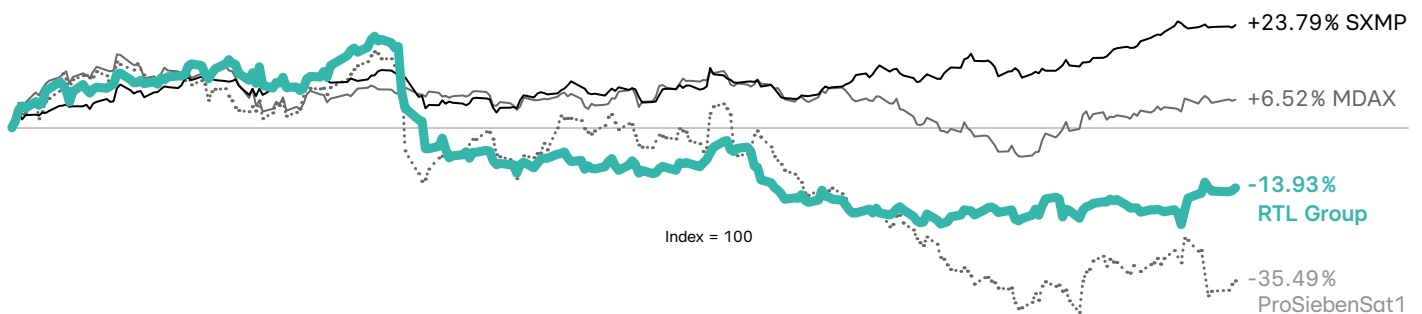
RTL Group's shares (ISIN: LU0061462528) are publicly traded on the regulated market (Prime Standard) of the

Frankfurt Stock Exchange and the Luxembourg Stock Exchange. RTL Group is listed in the MDAX stock index.

Share performance

1 January 2023 to 31 December 2023

in per cent



RTL Group share price development for January to December 2023 based on the Frankfurt Stock Exchange (Xetra) against MDAX, Euro Stoxx 600 Media (SXMP) and ProSiebenSat1

RTL Group's share price started 2023 at €40.62 and finished the year down 16.6 per cent, at €34.96. The share price highs and lows were €49.24 (19 April) and €31.50 (13 December).

Quarterly, the average share price evolved as follows:

Q1: €44.77

Q2: €40.57

Q3: €35.25

Q4: €33.10

The Group declared a dividend in April 2023 that was paid on 2 May 2023. The payment of €4.00 (gross) per share related to the 2022 full-year dividend. The total dividend paid amounted to €619 million. Based on the average share price of €42.04 in 2022, this represented a dividend yield of 9.5 per cent and a dividend payout ratio of 94 per cent, in line with the Group's dividend policy.

For more information on the analysts' views on RTL Group and RTL Group's equity story, please visit the **Investor Relations** section on [rtl.com](https://www.rtl.com).

RTL Group rating

In 2019, RTL Group decided to cancel its ratings from both S&P and Moody's. Until the date of the cancellation, these ratings were fully aligned to RTL Group's parent company, Bertelsmann SE & Co KGaA, due to its shareholding level and control of RTL Group.

RTL Group dividend policy

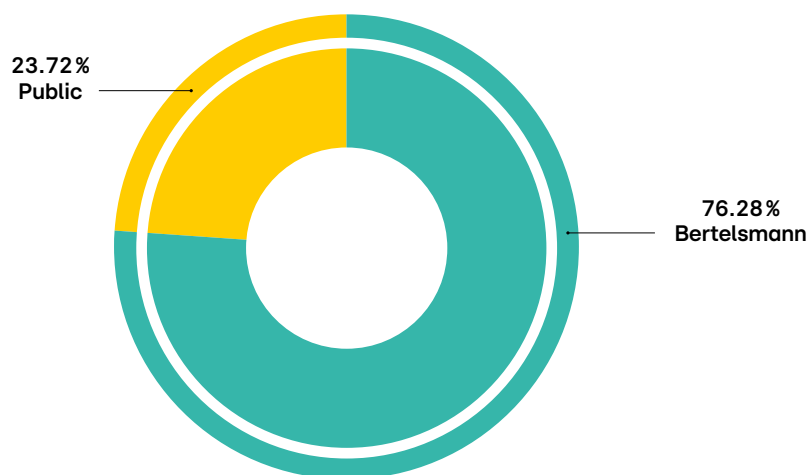
RTL Group's dividend policy offers a payout ratio of at least 80 per cent of the Group's adjusted net result.

The adjusted net result is the reported net result available to RTL Group shareholders, adjusted for any material non-cash impacts, such as goodwill impairments.

RTL Group shareholding structure

The share capital of the company is set at €191,845,074, divided into 154,742,806 shares with no par value.

The shares are in the form of either registered or bearer shares, at the option of the owner.

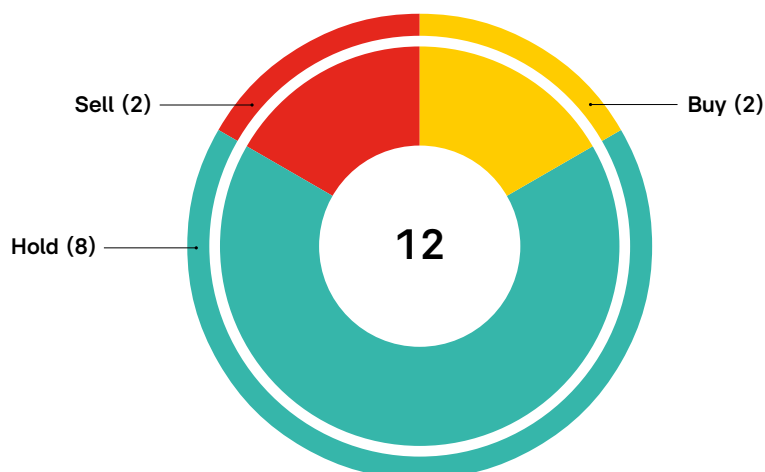


Bertelsmann has been the majority shareholder of RTL Group since July 2001. As at 31 December 2023, Bertelsmann held 76.28 per cent of RTL Group shares, and 23.72 per cent were free float.

There is no obligation for a shareholder to inform the company of any transfer of bearer shares save for the obligations provided by the Luxembourg law of 15 January 2008 on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market. Accordingly, the company shall not be liable for the accuracy or completeness of the information shown.

Analyst coverage¹⁶

as at 31 December 2023



A detailed overview on the analysts' views on RTL Group can be found on rtl.com

RTL Group share master data

ISIN	LU0061462528
Exchange symbol	RRTL
WKN	861,149
Share type	Ordinary
Bloomberg code	RRTL:GR
Reuters code	RRTL
Ticker	RRTL
Transparency level on first quotation	Prime Standard
Market segment	Regulated Market
Trading model	Continuous Trading
Sector	Media
Stock exchanges	Frankfurt, Luxembourg
Last total dividend (for financial year 2022)	€4.00
Number of shares	154,742,806
Market capitalisation ¹⁷	€5,409,808,498
52 week high	€49.24 (19 April 2023)
52 week low	€31.50 (13 December 2023)

¹⁶ Based on analyst coverage as at 31 December 2023

¹⁷ As of 31 December 2023

Discontinued operations/ application IFRS 5

Due to the reached agreement to sell RTL Nederland communicated on 15 December 2023, the operating segment RTL Nederland is classified as held for sale and presented as a discontinued operation in the consolidated financial statements 2023 (Application of IFRS 5 'Non-current assets held for sale and discontinued operations' to the operating segment RTL Nederland). The prior-year figures of the consolidated income statement are restated in accordance with IFRS 5 to report the discontinued operations separately from continuing operations. The envisaged sale of RTL Nederland is subject to regulatory approvals and the consultation process with the respective works councils.

In addition, RTL Group prepared selected pro-forma KPIs for the financial year 2023, including RTL Nederland. RTL Group's outlook (see **Outlook** on page 100) for the full-year 2023, as communicated on 8 November 2023, was based on these pro-forma figures. For these pro-forma figures see **Financial year 2023 in review** on page 38).

Financial results RTL Nederland

In 2023, the Dutch net TV advertising market was estimated to be down by 8.0 per cent, with RTL Nederland outperforming the market. RTL Nederland's total revenue decreased by 2.5 per cent to €620 million (2022: €636 million), as lower TV advertising revenue was partly compensated by higher streaming revenue. This resulted in an Adjusted EBITA of €145 million, down 9.9 per cent year on year (2022: €161 million), with the streaming service Videoland being close to breakeven.

Audience ratings RTL Nederland

In 2023, RTL Nederland's family of channels grew its combined prime-time audience share in the target group of viewers aged 25 to 54 to 35.1 per cent (2022: 34.7 per cent).

RTL Nederland operates the leading family of TV channels in the Netherlands, comprising five free-to-air TV channels (RTL 4, RTL 5, RTL 7, RTL 8 and RTL Z), three digital pay-TV channels (RTL Lounge, RTL Crime, RTL Telekids) and an independent news organisation. With 1.4 million paying subscribers, Videoland is the country's number-one local streaming service.

Further information can be found in note 6.11 to RTL Group's consolidated financial statements.

Key performance indicators

RTL Group analyses key performance indicators (KPIs) to manage its businesses, including revenue, organic growth/decline, Adjusted EBITA, Adjusted EBITA before streaming start-up losses, Adjusted EBITA margin, net debt, operating cash conversion rate and audience shares in the company's main target groups. RTL Group's KPIs are mostly determined on the basis of so-called alternative performance measures, which are not defined by IFRS. Management believes they are relevant for measuring the performance of the Group's operations, financial position and cash flows, and for making decisions. These KPIs also provide additional information for users of the financial statements regarding the management of the Group on a consistent basis over time and regularity of reporting.

These should not be considered in isolation but as complementary information for evaluating the Group's business situation. RTL Group's KPIs may not be comparable to similarly titled measures reported by other groups due to differences in the way these measures are calculated.

KPIs are reported for continuing operations. The contribution in 2023 from RTL Nederland, if any, to each line of RTL Group's consolidated income statement (before non-controlling interests) has been reported on the line 'Group profit from discontinued operations'. In accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information.

Organic growth/decline

Organic growth is calculated by adjusting the reported revenue growth mainly for the impact of exchange rate effects, corporate acquisitions and disposals. It should be seen as a component of the reported revenue shown in the income statement. Its main objective is for the reader

to isolate the impacts of portfolio changes and exchange rates on the reported revenue. When determining the exchange rate effects, the functional currency that is valid in the respective country is used. Potential other effects may include changes in methods and reporting.

Adjusted EBITA

EBIT, Adjusted EBITA and EBITDA are indicators of operating profitability. With significant investments in the Group's streaming activities, RTL Group additionally uses Adjusted EBITA before streaming start-up losses. The KPI for the operating profitability of RTL Group and its business units is Adjusted EBITA.

Analysts, investors and peers of RTL Group use EBITDA to assess profitability. The use of EBITDA eliminates potential differences in performance caused by variations in capital structures and the cost and age of tangible and intangible assets (affecting relative depreciation expense and relative amortisation expense respectively). As a result, for these purposes the calculation of EBITDA and further for reconciliation purposes Adjusted EBITDA for RTL Group are also disclosed.

RTL Group comments primarily on Adjusted EBITA as the KPI for measuring profitability.

Adjusted EBITA represents a recurring operating result and excludes significant special items. RTL Group management has established an 'Adjusted EBITA' that neutralises the impacts of structural distortions for the sake of transparency. Based on the accelerated industry trends explained in the **Market** section (pages 46 to 47) and **Strategy** section (pages 48 to 52) in this Directors' report, RTL Group plans to increase its investments in business transformation including streaming, premium content, technology and data. At the same time, management continually assess opportunities to reduce costs in the Group's traditional broadcasting activities – for example, reallocating resources from its traditional businesses to its growing digital businesses – and this may lead to restructuring expenses that are neutralised in the Adjusted EBITA.

Adjusted EBITA is determined as earnings before interest and taxes (EBIT) as disclosed in the income statement excluding the following elements:

- Impairment of goodwill of subsidiaries and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries
- Impairment and reversals of investments accounted for using the equity method
- Impairment and reversals on other financial assets at amortised cost presented in 'Other operating expenses' or 'Other operating income'
- Re-measurement of earn-out arrangements presented in 'Other operating income' or 'Other operating expenses'
- Fair value measurement of investments presented in 'Other operating income' or 'Other operating expenses'
- (Gain)/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree
- Significant special items

Significant special items exceeding the cumulative threshold of €5 million need to be approved by management, and primarily consist of restructuring expenses or reversal of restructuring provisions and other special factors or distortions. The adjustments for special items serve to determine a sustainable operating result that could be repeated under normal economic circumstances and is not affected by special factors or structural distortions. In 2023, 'Significant special items' amount to €-125 million, reflecting mainly restructuring measures at RTL Deutschland (€-87 million) and personnel cost-efficiency measures at Fremantle (€-26 million). The remaining amount is attributable to expenses in connection with strategic portfolio measures and to the transformation project relating to a new Enterprise Resource Planning (ERP) solution where implementation costs were expensed as incurred. In 2022, 'Significant special items' reflected restructuring and integration costs in Germany (€-33 million) following the Gruner + Jahr transaction as well as the impact of expenses in connection with strategic portfolio management (€-11 million).

	2023 €m	2022 €m
Earnings before interest and taxes (EBIT)	620	828
Impairment of goodwill of subsidiaries	-	-
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	43	46
Impairment and reversals of investments accounted for using the equity method	-	5
Impairment and reversals on other financial assets at amortised cost	2	30
Re-measurement of earn-out arrangements	9	-
Fair value measurement of investments	23	78
(Gain)/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(40)	(107)
EBITA	657	880
Significant special items	125	42
Adjusted EBITA	782	922

The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements).

Adjusted EBITA before streaming start-up losses

In accordance with RTL Group's strategy, the company continued to invest heavily in its streaming services, RTL+ in Germany and Hungary and 6play in France (to be rebranded M6+ in 2024), all of which have seen a rapid increase in the number of paying subscribers (for further details please refer to **Building national streaming champions** on page 50). The Adjusted EBITA of RTL Group is impacted by effects relating to the growth of its streaming services. These are operational in nature, and are not included in 'Significant special items'. RTL Group believes the disclosure of 'streaming start-up losses' and

'Adjusted EBITA before streaming start-up losses' provides important context for its business performance, hence it discloses information relating to both KPIs in addition to its leading alternative performance measure, 'Adjusted EBITA'. Streaming start-up losses are defined as a total of Adjusted EBITA from RTL+ in Germany and Hungary, 6play in France (from 2023), Salto and Bedrock as consolidated on RTL Group level. For the year 2023, the total of streaming start-up losses amounted to €176 million (2022: €222 million). Adjusted EBITA before streaming start-up losses was €958 million (2022: €1,144 million).

Adjusted EBITA margin

The Adjusted EBITA margin as a percentage of Adjusted EBITA of revenue is used as an additional criterion for assessing business performance.

EBITDA/Adjusted EBITDA

EBITDA represents earnings before interest and taxes (EBIT) excluding some elements of the income statement:

- Amortisation and impairment of non-current programme and other rights, of other intangible assets, depreciation and impairment of property, plant and equipment (excluding the part concerning goodwill and fair value adjustments) and of right-of-use assets reported in 'Depreciation, amortisation and impairment'
- Impairment of goodwill of subsidiaries and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries
- Impairment and reversals of investments accounted for using the equity method

- Impairment and reversals on other financial assets at amortised cost presented in 'Other operating expenses' or 'Other operating income'
- Re-measurement of earn-out arrangements presented in 'Other operating income' or 'Other operating expenses'
- Fair value measurement of investments presented in 'Other operating income' or 'Other operating expenses'
- (Gain)/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

Adjusted EBITDA is determined as EBITDA excluding significant special items with the same definition as for Adjusted EBITA (please refer to the definition on page 57).

	2023 €m	2022 €m
Earnings before interest and taxes (EBIT)	620	828
Depreciation, amortisation and impairment	239	231
Impairment of goodwill of subsidiaries	–	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	43	46
Impairment and reversals of investments accounted for using the equity method	–	5
Impairment and reversals on other financial assets at amortised cost	2	30
Re-measurement of earn-out arrangements	9	–
Fair value measurement of investments	23	78
(Gain)/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(40)	(107)
EBITDA	896	1,111
Significant special items ¹⁸	123	42
Adjusted EBITDA	1,019	1,153

The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements).

¹⁸ Less depreciation, amortisation and impairment included in 'Significant special items'

Operating cash conversion rate

The operating cash conversion rate (OCC) reflects the level of operating profits converted into cash available for investors after incorporation of the minimum investments required to sustain the current profitability of the business and before reimbursement of funded debts (interest included) and payment of income taxes. The operating cash conversion rate of RTL Group's operations is subject to seasonality and investment cycles. RTL Group historically had – and expects in the future to have – a strong OCC due to a high focus on working capital and capital expenditure throughout the Group's operations. OCC should be above 90 per cent in the long-term average and/or it should normally exceed market benchmarks in a given year.

OCC means operating free cash flow divided by EBITA – operating free cash flow being net cash from operating activities adjusted by the following elements:

- Income tax paid
- Transaction-related costs with regard to significant disposals of subsidiaries
- Cash outflows from the acquisitions of programme and other rights and other intangible assets and tangible assets
- Cash inflows from proceeds from the sale of intangible and tangible assets

	2023 €m	2022 €m
Net cash from operating activities	460	323
Adjusted by:		
Income tax paid	160	294
Transaction-related costs	–	9
Acquisitions of:		
– Programme and other rights	(57)	(68)
– Other intangible and tangible assets	(115)	(129)
Proceeds from the sale of intangible and tangible assets	1	1
Operating free cash flow	449	429
EBITA	657	880
Operating cash conversion rate	68%	49%

The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements).

Net cash/(debt)

The net cash/(debt) is the gross balance sheet financial debt adjusted for:

- Cash and cash equivalents
- Current deposit with shareholder and its subsidiaries reported in 'Accounts receivable and other financial assets'

In order to assess RTL Group's leverage, the net debt to Adjusted EBITDA ratio is used. The ratio is calculated as net debt divided by Adjusted EBITDA.

	31 December 2023 €m	31 December 2022 €m
Current loans and bank overdrafts	(253)	(547)
Non-current loans	(689)	(138)
	(942)	(685)
Deduction of:		
– Cash and cash equivalents	575	589
– Current deposits with shareholder and its subsidiaries	76	276
Net cash/(debt)	(291)	180
Adjusted EBITDA	1,019	1,153
Net cash/(debt) to EBITDA ratio	(29)%	n.a.

The net debt excludes current and non-current lease liabilities of €301 million (31 December 2022: €385 million).

Operating cost base

Operating cost base is calculated as the sum of 'Consumption of current programme rights', 'Depreciation, amortisation, and impairment' and 'Other operating expenses'.

	2023 €m	2022 €m
Consumption of current programme rights	2,566	2,657
Depreciation, amortisation and impairment	239	231
Other operating expenses	2,969	3,025
Operating cost base	5,774	5,913

The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements).

Dividend payout ratio

Dividend payout ratio means the absolute dividend amount divided by the adjusted profit attributable to RTL Group shareholders.

The absolute dividend amount is based on the number of issued ordinary shares at 31 December, multiplied by the dividend per share. The main adjustments on profit attributable to RTL Group shareholders refer to dilution gains from Global Savings Group (GSG) and fair value measurement impact from financial instruments.

	2023 €m
Profit attributable to RTL Group shareholders	467
Dividend policy adjustments	26
Adjusted profit for the year attributable to RTL Group shareholders	493
Dividend in € per share	2.75
Dividend, absolute amount	426
Dividend payout ratio¹⁹	86%

¹⁹ Dividend, absolute amount/adjusted profit attributable to RTL Group shareholders

Financial review

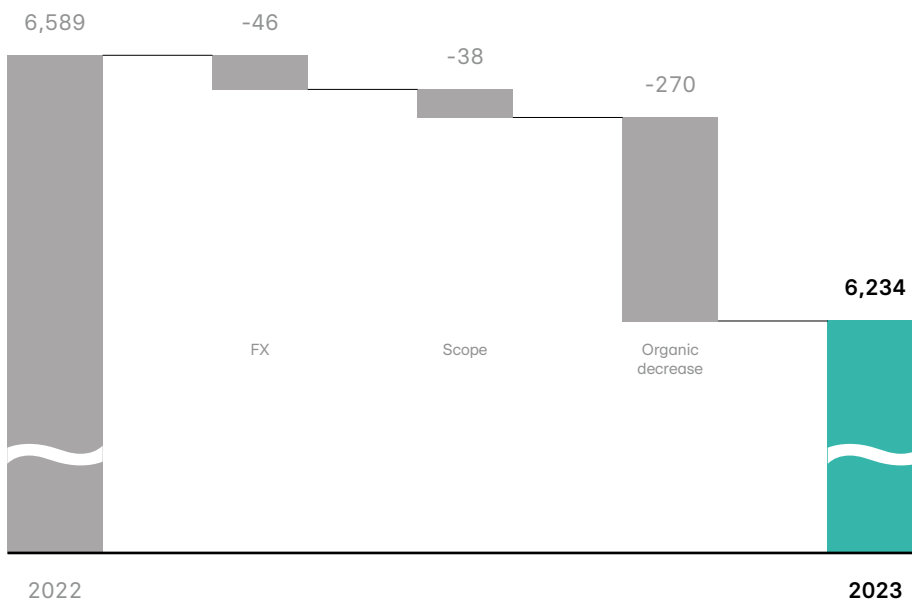
Revenue

RTL Group estimates that the net TV advertising markets in 2023 in Germany and France were down throughout the year, whereas the advertising market in Hungary was up. A summary of RTL Group's key markets is shown below, including estimates of net TV advertising market growth rates and the audience shares in the main target audience group.

	Estimated net TV advertising market growth rate 2023 (in per cent)	RTL Group audience share in the main target group 2023 (in per cent)	RTL Group audience share in the main target group 2022 (in per cent)
Germany	-9.5 to -10.5% ²⁰	27.4% ²¹	26.8% ²¹
France	-4% ²²	21.9% ²³	22.3% ²³
Hungary	7.8% ²⁰	28.4% ²⁴	28.9% ²⁴

Group revenue was down 5.4 per cent to €6,234 million (2022: €6,589 million), mainly due to significantly lower TV advertising revenue from broadcasting businesses and lower Fremantle revenue. Group revenue was down 4.1 per cent organically compared to 2022.

RTL Group revenue bridge in 2023 (in €million)



²⁰ Industry and RTL Group estimates
²¹ Source: GfK. Target group: 14-59, including pay TV channels
²² Source: Groupe M6 estimate
²³ Source: Médiamétrie. Target group: women under 50 responsible for purchases (free-to-air channels: M6, W9, 6ter and Gulli)
²⁴ Source: AGB Hungary. Target group: 18-49, prime time; RTL Hungary has changed the publication of its audience figures as of 2022 and is now using 'Linear SHR' audience share data calculated without the category 'Other' of Nielsen

RTL Group's **revenue from advertising**, as stated in note 5.1 to the consolidated financial statements, was €3,111 million (2022: €3,319 million), of which €2,368 million represented **TV advertising revenue** (2022: €2,579 million), €364 million represented **digital advertising revenue** (2022: €361 million) and €379 million represented **radio, print and other advertising revenue** (2022: €379 million).

RTL Group's **content revenue** was €1,990 million (2022: €2,112 million), generated by the Group's global content business, Fremantle, from the production and distribution of formats for external customers²⁵. Content revenue is included in 'Revenue from exploitation of programmes, rights and other assets' as stated in note 5.1 to the consolidated financial statements.

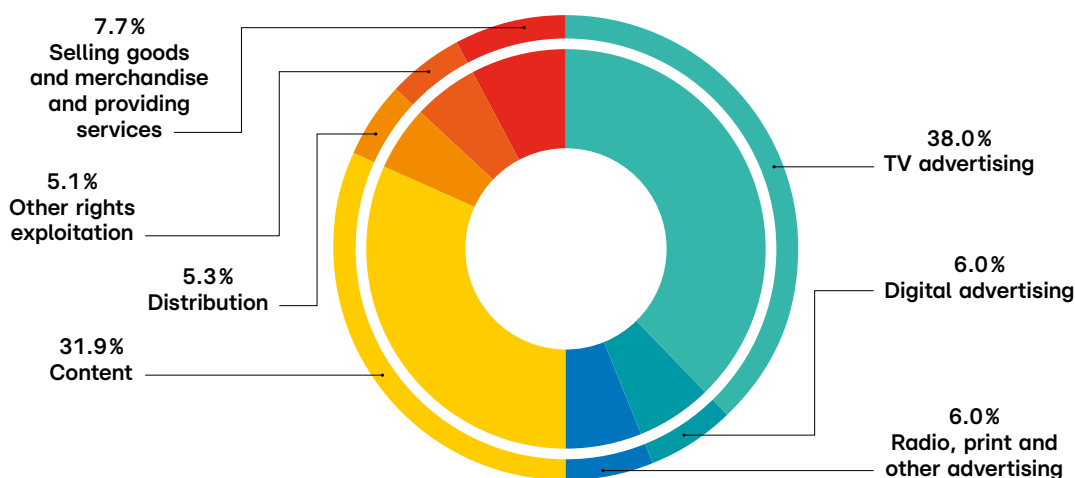
Distribution revenue is generated by RTL Group's broadcasting businesses, mainly from re-transmission fees paid by platform operators (cable, satellite, internet TV) for the transmission of free-TV and pay-TV signals and for making the Group's streaming services available on the operators' platforms. In 2023, distribution revenue was stable at €331 million (2022: €332 million). Distribution revenue is included in 'Revenue from exploitation of programmes, rights and other assets' as stated in note 5.1 to the consolidated financial statements.

Revenue from other rights exploitation was €318 million (2022: €264 million) and relates to SVOD revenue from the Group's major streaming services and, among others, Groupe M6's audiovisual rights business SND and We Are Era. Revenue from other rights exploitation is included in 'Revenue from exploitation of programmes, rights and other assets' as stated in note 5.1 to the consolidated financial statements.

Revenue from selling goods and merchandise and providing services, as stated in note 5.1 to the consolidated financial statements, relates to a variety of revenue streams, including commissions for handling advertising sales for third-party media partners, publishing subscriptions, e-commerce and a wide range of services businesses such as the technical services provider BCE, the streaming technology company Bedrock or the real-estate franchise Stéphane Plaza Immobilier at the level of Groupe M6. In 2023, revenue from selling goods and merchandise and providing services was €485 million (2022: €561 million). The decrease was mainly due to different disposals at the level of Groupe M6 in 2022 and 2023 and due to the sale and discontinuation of several magazine titles at the level of RTL Deutschland in 2023.

RTL Group's revenue is well-diversified, with 38.0 per cent from TV advertising, 6.0 per cent from digital advertising, 6.0 from radio, print and other advertising, 31.9 per cent from content, 5.3 per cent from distribution revenue, 5.1 per cent from other rights exploitation revenue and 7.7 per cent from selling goods and merchandise and providing services.

RTL Group revenue split



²⁵ See note 5.1 to the consolidated financial statements on page 129. Fremantle's total revenue of €2,266 million (2022: €2,347 million) includes inter-segment revenue of €226 million (2022: €200 million) – see note 3.1 to the consolidated financial statements.

As explained in the section about RTL Group's strategy, building national streaming champions in the European countries where the Group has leading families of TV channels is imperative for the successful digital transformation and long-term growth of RTL Group (see page 50). In line with this strategic importance,

RTL Group has communicated streaming targets since March 2020, relating to the number of paying subscribers, annual content spend, streaming revenue and profitability.

The Group's major streaming services RTL+ in Germany and Hungary as well as 6play in France (to be rebranded M6+ in 2024) generate digital advertising revenue, distribution revenue as well as pay revenue (SVOD and TVOD) referred all combined as 'streaming revenue'. In 2023, **streaming revenue** was up 72.6 per cent, to €283 million (2022: €164 million), thanks to the rapidly growing number of paying subscribers, higher revenue per

subscriber and the first-time inclusion of 6play in France. Streaming revenue is presented in the revenue split in the categories 'digital advertising', 'distribution' and 'other rights exploitation'. Further, streaming revenue is included in categories 'Revenue from advertising' and 'Revenue from exploitation of programmes, rights and other assets' presented in note 5.1 to the consolidated financial statements.

Geographical revenue overview

	2023 €m	2023 %	2022 €m	2022 %
Germany	2,413	38.7	2,593	39.4
France	1,318	21.1	1,367	20.7
United States	1,015	16.3	1,002	15.2
UK	301	4.8	313	4.8
Other regions	1,187	19.0	1,314	19.9

The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements).

Adjusted EBITA

Adjusted EBITA²⁶ declined to €782 million (2022: €922 million), mainly due to lower profit contributions from RTL Deutschland as the German TV advertising market decreased significantly in 2023. The Adjusted EBITA includes **streaming start-up losses** of €176 million

(2022: €222 million). The **Adjusted EBITA margin**²⁶ was 12.5 per cent (2022: 14.0 per cent).

For more detailed information and reconciliation of these measures see pages 57 to 59.

Financial development over time

	2023 €m	2022 ²⁷ €m	2021 ²⁸ €m	2020 ²⁸ €m	2019 ²⁸ €m
Revenue	6,234	6,589	6,637	6,017	6,651
Adjusted EBITA	782	922	1,152	853	1,156
Net cash/(debt)	(291)	180	657	236	(384)
Operating cash conversion rate (in %)	68	49	114	123	105

Operating cost base

Group operating cost base decreased to €5,774 million in 2023 (2022: €5,913 million), mainly due to lower costs relating to consumption of programme rights and expenses for live programmes.

Investments accounted for using the equity method

The total share of results of these investments increased to €61 million (2022: €13 million), mainly due to improved results from underlying companies, in particular from Atresmedia in Spain, and due to the discontinuation of Salto (following the abandoned merger

between Groupe TF1 and Groupe M6). In 2022, the Group experienced a negative impact from its share of net losses from Salto, which amounted to €-18 million.

Fair value measurement of investments

Fair value measurement of investments of €-23 million (2022: €-78 million) is mostly attributable to the negative valuation effects of the Magnite shares held by RTL Group.

²⁶ See Key performance indicators on page 59

²⁷ The figures from the previous year have been adjusted (see note 1.30 to the consolidated financial statements)

²⁸ Figures prior to 2022 are as reported in the Annual Report 2022

Gain from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

In 2023, the Group recorded a gain of €40 million (2022: €107 million), mainly thanks to disposals by Groupe M6 and RTL Deutschland. In 2022, the gain resulted from the disposals of RTL Belgium and RTL Croatia.

Financial result

Financial result amounted to the expense of €-13 million (2022: €-56 million). The comprehensive description on the financial result is disclosed in the notes 5.4 and 5.5 to the consolidated financial statements.

Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries

The Group has conducted impairment testing on the different cash-generating units (see note 6.2 to the consolidated financial statements).

The loss, totalling €-43 million (2022: €-46 million), relates to the amortisation of fair value adjustments on acquisitions of subsidiaries.

Income tax expense

In 2023, the income tax expense was €-124 million (2022: €-130 million).

The profit for the year attributable to RTL Group shareholders was €467 million (2022: €673 million), thereof €352 million from continuing operations (2022: €549 million) and €115 million from discontinued operations (2022: €124 million).

Earnings per share

Earnings per share, based upon 154,742,806 weighted average number of ordinary shares, both basic and diluted, was €2.27 for continuing operations (2022: €3.55 per share based on 154,742,806 shares).

Own shares

RTL Group has an issued share capital of €191,845,074 divided into 154,742,806 fully paid-up shares with no defined par value.

Since 31 December 2020, the Group no longer holds treasury shares.

Profit appropriation (RTL Group SA)

The annual accounts of RTL Group show a profit for the financial year 2023 of €69,677,341 (2022: €104,596,391). Taking into account the share premium account of €3,652,764,148 (2022: €4,167,138,981) and the profit brought forward of €70,963,534 (2022: €70,963,534), a sufficient amount is available for distribution.

Main portfolio changes

After the announcement of the reorganisation of its publishing business in February 2023, RTL Deutschland completed in the second half-year transactions, among others, the sale of *PM*, *Deutsche Medien-Manufaktur* and *11 Freunde*. The disposals resulted in net cash inflows of €4 million.

In July 2023, RTL Group sold its majority stake in CTZAR to the Group The Independents, which resulted in net cash inflows of €3 million. Net of transaction-related costs, the transaction resulted in an overall gain of €2 million.

In September 2023, Groupe M6 sold its thematic online media and services businesses, comprising eight main brands: *Cuisine AZ*, *Passeport Santé*, *Fourchette & Bikini*, *Déco*, *Turbo*, *M6 météo*, *Croq'Kilos* and *Croq'Body* to Prisma Media (owned by Vivendi), which resulted in net cash inflows of €20 million.

For more detailed information see note 4.3 to the consolidated financial statements.

Major related party transactions

At 31 December 2023, the principal shareholder of the Group is Bertelsmann Capital Holding GmbH (BCH) (76.28 per cent). The remainder of the Group's shares are publicly listed on the Frankfurt and Luxembourg Stock Exchanges. The ultimate parent company of RTL Group SA, Bertelsmann SE & Co KGaA, includes in its consolidated financial statements those of RTL Group SA.

The Group also has a related party relationship with its associates, joint ventures, directors and executive officers.

The comprehensive description on the related party transactions is disclosed in note 10 to the consolidated financial statements.

General management statement on the fiscal year 2023 performance

Linear TV continues to dominate the video market as the key medium to consistently reach mass audiences every day. People watch more video content than ever before – linear and non-linear, long-form and short-form, on televisions and mobile devices – and increasingly on different streaming services. The demand for high-quality video content, and with it, online video advertising, continues to grow.

RTL Group estimates that the net TV advertising markets in 2023 in Germany and France were down throughout the year, whereas the advertising market in Hungary was up. This was mainly due to a continuing challenging macroeconomic environment, in particular due to an uncertain political environment, inflation and energy supply issues. Nevertheless, RTL Group's families of channels were able to gain TV advertising market shares, especially in Germany. Taking into consideration the rapidly changing media landscape and challenging macroeconomic environment, RTL Deutschland thoroughly reviewed its publishing business at the beginning of 2023. In February 2023, RTL Deutschland announced a reorganisation of its publishing business to focus on its core brands *Stern*, *Geo*, *Capital*, *Stern Crime*, *Brigitte*, *Gala*, *Schöner Wohnen*, *Häuser*, *Couch*, *Eltern*, *Chefkoch*, *Geolino* and *Geolino Mini*, which account for around 70 per cent of its publishing revenue. Other brands were sold or discontinued. This reorganisation was largely completed by the end of 2023 with significant restructuring costs of €87 million.

Across Europe, RTL Group's flagship channels remained number one or two in their respective markets and target groups. RTL Deutschland reported higher audience shares and increased the lead over its commercial competitor to the highest in 10 years with RTL and Vox being the first two commercial channels in the German market. The audience shares of Groupe M6 and RTL Hungary, meanwhile, decreased.

In 2023, RTL Group announced a significant portfolio change: the envisaged sale of RTL Nederland to DPG Media. In Belgium, Croatia and most recently in the Netherlands, RTL Group decided to sell its TV and streaming businesses to regional media companies so that they can act as consolidators in these markets. In France, Groupe M6 completed the sale of its online thematic media and services division Prisma Media.

RTL Group's growth businesses of streaming and content performed particularly well. RTL+ in Germany and Hungary and 6play in France registered 5.6 million paying streaming subscribers, and Fremantle achieved many creative successes winning 145 awards (2022: 115). In August 2023, RTL Deutschland started the roll-out of Germany's first multimedia app RTL+, which offers video, music, podcasts, audiobooks and magazine content in one single app. To further increase awareness and establish RTL+

among its target group, RTL Deutschland launched a major cross-media marketing campaign that is still running.

RTL Group's streaming revenue increased by 72.6 per cent to €283 million during 2023 as a result of subscriber growth, higher revenue per subscriber and the first-time inclusion of 6play in France.

In addition, RTL Group continued to develop its content production business, Fremantle, targeting €3 billion revenue by 2025/2026. Fremantle will continue to focus on entertainment, drama and film, and documentaries. Major creative film successes included *Poor Things*, which was awarded four Academy Awards (Oscars) out of eleven nominations and won five BAFTAs and two Golden Globes, and *C'è ancora domani* (There's Still Tomorrow), Italy's most successful film of 2023. Successful shows were *Got Talent* in the UK and the US, and *Neighbours*, which returned to Amazon Freevee, alongside the documentaries *House of Kardashian* and *Waco: American Apocalypse*. The company has positioned itself as a producer of quality TV drama and film, with worldwide appeal to both broadcasters and streaming services. To further boost the documentaries business, Fremantle launched its new label Undeniable, which focuses on producing world-class premium feature documentaries.

For the full year 2023, RTL Group generated an Adjusted EBITA of €782 million. The Adjusted EBITA includes streaming start-up losses of €176 million (2022: €222 million). The Adjusted EBITA margin was 12.5 per cent. The second half of 2023 was very strong, despite challenging advertising markets and significant streaming start-up losses. RTL Group ended the year 2023 with a solid set of financial results, including a total Group profit of €598 million.

At the time of writing, RTL Group is characterised by a strong financial position and operating performance, despite the continuing challenging macroeconomic environment. A strong performance enables both attractive dividend payments and significant investments in streaming services, technology, and the growth of the Group's content business.

RTL Group is therefore in a strong position to accelerate its strategy:

- It has a highly profitable, well-established, cash-generating core business in TV broadcasting.
- The company is heavily investing in its streaming services, RTL+ in Germany and Hungary and M6+ (previously 6play) in France.
- The company's content production company Fremantle has successfully branched out into drama and film, high-end factual and documentary programming.
- The company is among the European leaders in ad-tech.
- The company is building alliances and partnerships in areas such as advertising sales, ad-tech, streaming technology and content.

Review by segments

Full year 2023²⁹

Revenue	2023 €m	2022 €m	Per cent change
RTL Deutschland	2,620	2,766	(5.3)
Groupe M6	1,316	1,357	(3.0)
Fremantle	2,266	2,347	(3.5)
Other segments	350	411	(14.8)
Eliminations	(318)	(292)	
Total revenue	6,234	6,589	(5.4)

Adjusted EBITA	2023 €m	2022 €m	Per cent change
RTL Deutschland	321	459	(30.1)
Groupe M6	311	304	+2.3
Fremantle	139	162	(14.2)
Other segments	11	(12)	
Eliminations	-	9	
Adjusted EBITA	782	922	(15.2)

Adjusted EBITA margin	2023 per cent	2022 per cent	Percentage point change
RTL Deutschland	12.3	16.6	(4.3)
Groupe M6	23.6	22.4	1.2
Fremantle	6.1	6.9	(0.8)
RTL Group	12.5	14.0	(1.5)

²⁹ The figures from the previous year have been adjusted due to discontinued operations (see note 1.30 to the consolidated financial statements)

RTL Deutschland

Financial results

In the reporting period, the German net TV advertising market was estimated to be down between 9.5 and 10.5 per cent, with RTL Deutschland performing better than the market. Total revenue of RTL Deutschland was down 5.3 per cent to €2,620 million (2022: €2,766 million), due to significantly lower TV advertising revenue. This was partly compensated by higher streaming revenue. Adjusted EBITA declined 30.1 per cent to €321 million (2022: €459 million), mainly due to significantly lower TV advertising revenue and significant streaming start-up losses.

Audience ratings

In 2023, the combined average audience share of **RTL Deutschland** in the target group of viewers aged 14 to 59 was 27.4 per cent (2022: 26.8 per cent), including the pay-TV channels RTL Crime, RTL Living, RTL Passion and Geo Television. The German RTL family of channels increased its lead over its main commercial competitor, ProSiebenSat1, to 5.8 percentage points – the highest in 10 years (audience share 2022: 21.6 per cent, lead up 1.3 percentage point compared to the previous year).

With its portfolio of eight free-TV channels, four pay-TV channels and the streaming service RTL+, RTL Deutschland reached 26.5 million viewers every day in 2023 (2022: 27.9 million).

With an audience share of 9.4 per cent (up 0.3 percentage points) in the target group of viewers aged 14 to 59 (2022: 9.1 per cent), the German main channel **RTL** was the leading commercial channel in 2023 and the only large channel increasing its audience share, ahead of ZDF (9.2 per cent), Das Erste (8.7 per cent), Vox (6.2 per cent), Sat1 (6.0 per cent) and Prosieben (5.4 per cent).

The match of the German national football team against the US team was the channel's most watched programme in 2023. On average, 7.47 million total viewers (30.3 per cent) watched the premiere of coach Julian Nagelsmann on 14 October 2023 (14 to 59: 3.72 million viewers; 34.3 per cent audience share). The NFL games were also very successful on the German main channel RTL. On 19 November 2023, the NFL game of the Chicago Bears vs. Detroit Lions generated the highest total reach of an NFL regular season game (at 19:00) on German free-to-air TV, with a total of 850,000 viewers. *Ich bin ein Star – Holt mich hier raus!* (I'm a Celebrity – Get Me Out of Here!) was also very successful in 2023, and even more popular than in the previous year. On average, 4.14 million total viewers (21.6 per cent total audience share) watched the 16th season, representing an average audience share of 29.2 per cent in the commercial target group of viewers aged 14 to 59. The 16th season of *Let's Dance* generated the best audience share since 2014 among total viewers, scoring an average of 17.5 per cent. The dance show also generated high ratings in the commercial target group, with an 18.1 per cent audience share (2022: 17.6 per cent). With an average audience share of 11.4 per cent in the target group of viewers 14 to 59, the news magazine *Punkt 12* increased its market share compared to 2022 (10.5 per cent). In access prime time, the daily series *Gute Zeiten, schlechte Zeiten* continued to generate a high audience share and attracted 13.9 per cent of viewers aged 14 to 59 (2022: 13.7 per cent).

RTL Deutschland (continued)

The streaming service **RTL+** continued its rapid growth with a record year in 2023, reaching 4.941 million paying subscribers at the end of the year – an increase of 23.0 per cent (2022: 4.016 million). Viewing time increased by 26.3 per cent year on year, making RTL+ the leading German entertainment offering in the streaming market. This success was thanks to the wide range and increased number of programmes available, including reality TV shows such as *Sommerhaus der Stars*, *Are You The One – Reality Stars in Love* and *Temptation Island*, and fictional series such as *Sisi*, *Dünetod*, *Auris* and *Pumuckl's New Adventures*. The football match AS Monaco vs. Bayer Leverkusen also attracted large audiences. The most-watched original documentary was *Bushido & Anna-Maria – Alles auf Familie*.

In 2023, **Vox** ranked second among the commercial channels with an average audience share of 6.2 per cent in the target group of viewers aged 14 to 59 (2022: 6.2 per cent) and a 4.7 per cent total audience share (2022: 4.7 per cent). Furthermore, the channel again ranked third among the commercial channels in the target group of viewers aged 14 to 49, with an average audience share of 6.7 per cent (2022: 6.7 per cent). The cooking show *Grill den Henssler* celebrated its strongest autumn season in five years (7.5 per cent) and the best spring season in four years (6.9 per cent) in the target group of viewers aged 14 to 59. *First Dates Hotel* recorded the best season average in prime time in the 14 to 59 target group (7.3 per cent) and *First Dates – Ein Tisch für zwei* (6.4 per cent) the best average share since its launch. *Die Höhle der Löwen* (Dragons' Den) remained popular, generating the best spring season ever, with an average audience share of 10.2 per cent in the commercial target group of viewers aged 14 to 59. The documentary *Zum Schwarzwälder Hirsch – eine außergewöhnliche Küchencrew und Tim Mälzer*, meanwhile, was watched by 8.5 per cent of the same target group. New records were also generated by *Die Beet-Brüder* (10.6 per cent) and *Die Autodoktoren* (10.2 per cent). The new prime-time formats *Doc Caro – Jedes Leben zählt* (6.6 per cent) and *Lege kommt auf den Geschmack* (6.0 per cent) were also successful.

Nitro attracted 2.2 per cent of the 14 to 59 target group (2022: 2.2 per cent) and 3.2 per cent of its main target demographic of men aged 30 to 49 (2022: 3.0 per cent).

The news channel **NTV** scored a total audience share of 1.1 per cent and attracted 1.2 per cent of viewers aged 14 to 59 (2022: 1.2 per cent and 1.4 per cent).

RTL Up, previously RTL Plus, attained a 2.1 per cent audience share in the target group aged 14 to 59 (2022: 1.9 per cent).

Vox Up generated an audience share of 0.7 per cent in the target group of viewers aged 14 to 59 (2022: 0.6 per cent).

Super RTL retained its leading position in the children's segment in 2023, attracting an average audience share of 19.7 per cent in the target group of three to 13-year-olds between 06:00 and 20:15, including *Toggo Plus* (2022: 17.4 per cent). This placed Super RTL ahead of the public service broadcaster KiKA (15.0 per cent) and Disney (13.1 per cent).

In 2023, **RTL Zwei's** market share was 3.6 per cent among 14 to 59-year-old viewers (2022: 3.7 per cent).

RTL Deutschland's publishing business continued to be impacted by the challenging market environment, mainly due to increased prices for paper and energy, alongside increasing inflation due to political challenges. In the latest reach analysis of *ma Pressemedien 2024* by Arbeitsgemeinschaft Media-Analyse e.V. (agma), *Stern* headed the analysis with 3.88 million readers in 2023 (2022: 3.77 million), clearly ahead of *Der Spiegel* (3.60 million) and *Focus* (3.11 million). According to IVW figures, *Stern* lost 7.3 per cent in total circulation and 0.7 percentage points in market share compared to 2022 (IVW 2022: 26.4 per cent). Compared to 2022, the women's magazine *Brigitte* increased its total sales by 0.5 per cent in 2023 and was the leading magazine in this segment. Although the circulation of *Gala* was slightly down by 1.6 per cent compared to 2022, the celebrity magazine increased its market share in retail sales by 1.0 percentage points compared to 2022 (IVW 2022: 20.8 per cent; 2023: 21.83 per cent).

Radio consumption in Germany remained strong in 2023, reaching 74.1 per cent of Germans aged 14+ daily (2022: 74.5 per cent) – with an average listening time of 242 minutes per day (2022: 249 minutes). **RTL Group's German radio portfolio** reached over 55 million Germans aged 14+ every month (2022: 55 million). **104.6 RTL** maintained its market-leading position in the highly competitive Berlin/Brandenburg radio market in the target group of listeners aged 14 to 49. Many radio stations increased their reach year on year, including **Radio Brocken** (up 33.6 per cent among listeners aged 14 to 49), **89.0 RTL** (up 10.7 per cent among listeners 14+), **Hitradio RTL Sachsen** (up 12.9 per cent among listeners 14+) and **Radio 21** (up 15.2 per cent among listeners 14+). The national programme **RTL – Deutschlands Hit-Radio** now reaches 541,000 listeners per day (an increase in reach of 12.5 per cent among listeners 14+), and the children's and family radio **Toggo Radio** – the newest member of the RTL family of channels – increased its reach 27.8 per cent among listeners aged 14+.

Groupe M6

Financial results

In 2023, the French net TV advertising market was estimated to be down 4 per cent compared to 2022, with Groupe M6 performing in line with the market. Groupe M6's total revenue was down by 3.0 per cent to €1,316 million (2022: €1,357 million). The decrease in revenue was mainly due to scope effects and lower TV advertising revenue. Groupe M6's Adjusted EBITA was up 2.3 per cent to €311 million (2022: €304 million), mainly driven by Groupe M6's diversification businesses partly offset by lower contributions from TV advertising revenue.

Audience ratings

The audience share of the **Groupe M6** family of free-to-air channels in the commercial target group (women under 50 responsible for purchases) reached 21.9 per cent (2022: 22.3 per cent), thereby representing the second-most watched commercial family of TV channels in France. In the target group of viewers aged 25 to 49, the combined audience share of Groupe M6 was slightly up to 20.5 per cent (2022: 20.3 per cent). The total audience share was 13.0 per cent (2022: 13.5 per cent). On average, again 23.0 million viewers watched Groupe M6's free-to-air channels every day in 2023 (2022: 23.0 million).

Flagship channel M6 retained its status as the second-most-watched commercial channel in France in the commercial target group, with an average audience share of 13.5 per cent (2022: 14.1 per cent), thanks to sports events such as the Women's FIFA Football World Cup and the Rugby World Cup. M6 successfully aired all its strong brands such as *L'Amour est dans le pré* (The Farmer Wants a Wife), *Top Chef* and *La France a Un Incroyable Talent* (Got Talent). At the same time, the channel introduced new favourites such as *Les Traîtres* (The Traitors) and continued with the successful show *Qui veut être mon associé?* (The Apprentice). In 2023, the iconic news magazine *Enquête Exclusive* achieved its best-ever season among the commercial target group.

The advertising-financed streaming service **6play** recorded 21.3 million active users in 2023 (2022: 24.5 million).

W9 reached an average audience share of 3.7 per cent among women under 50 responsible for purchases (2022: 3.6 per cent), ranking second among the DTT channels in France in this target group. Reality series, sports, films and magazines continued to score high ratings.

Among the new generation of DTT channels, **6ter** achieved an average audience share of 2.7 per cent (2022: 2.7 per cent) with a strong magazine offer in prime time and a large film offer.

With **Gulli**, Groupe M6 was the leader among the children's target group (aged 4 to 10 years) during daytime (06:00 to 20:00), attracting an average audience share of 13.0 per cent (2022: 12.6 per cent). With the development of its evening offer Gulli Prime, the channel achieved its best-ever year in prime time among the commercial target group.

In 2023, the RTL radio family of stations registered a consolidated audience share of 17.6 per cent among listeners aged 13 and older (2022: 18.4 per cent). Its flagship station **RTL Radio** was the leading commercial station in France with an average audience share of 12.2 per cent (2022: 12.8 per cent). The pop-rock station **RTL 2** recorded an average audience share of 2.8 per cent (2022: 3.1 per cent), while **Fun Radio** registered an average audience share of 2.6 per cent (2022: 2.5 per cent).

Fremantle

Financial results

Revenue at RTL Group's content business, Fremantle, was down by 3.5 per cent to €2,266 million in 2023 (2022: €2,347 million), mainly due to timing effects and negative foreign exchange rate effects, which were partly offset by positive scope effects. The business unit's revenue decreased 4.9 per cent organically³⁰, mainly due to timing effects. Accordingly, Adjusted EBITA declined 14.2 per cent to €139 million (2022: €162 million).

Entertainment

Within its entertainment business, the 16th season of *Britain's Got Talent* won an average total audience share of 34.6 per cent or 5.8 million viewers, making it ITV1's number-two entertainment show of the year. Launching on Disney+ in September 2023, *Italia's Got Talent* was in the top ten Disney+ shows each day throughout the month and was the number-one show on Disney+ for 20 days. In the US, the 18th season of *America's Got Talent* launched on 30 May, attaining an average total audience share of 12.3 per cent for the season, ranking as NBC's number-two entertainment series of the 2022/23 season. In Spain, the debut series of *Got Talent: All Stars* launched on Telecinco, winning an average total audience share of 10.5 per cent and consistently ranking as the broadcaster's number-one show of the day.

American Idol crowned a new winner in season 21, achieving an average total audience share of 10.6 per cent and ranking as ABC's top show of the 2022/23 season. Airing its 20th season in Germany, *Deutschland sucht den Superstar* attained a 12.6 per cent share in the key commercial target group of viewers aged 14 to 59, outperforming RTL's prime-time average, and was renewed for a new season in 2024. The 11th season of *Indian Idol* won an average total audience share of 2.3 per cent and performed 77 per cent higher than the prime-time average audience share for Set (India's number-one Hindi TV channel for reality TV shows and soaps).

The Apprentice was BBC One's number-two entertainment show of the year. The 17th series won an average total audience share of 30.9 per cent or 6.3 million viewers.

Farmer Wants a Wife launched in the US as Fox's highest-rated new entertainment show in over a year and has been renewed for a second season. New to Canada for 2023, the English-language version of *Farmer Wants a Wife* has significantly outperformed CTV's prime-time average audience share.

The third season of *The Masked Singer* in Sweden achieved an average total audience share of 53.0 per cent, ranking as TV4's highest-rated show of the year. In Belgium (Flanders), *The Masked Singer* was 2023's number-one show of the year, with an average total audience share of 52.6 per cent on VTM, the leading commercial TV channel in Flanders.

Drama and film

2023 saw multiple new drama launches around the world. *East Side* from Abot Hameiri in Israel launched on the country's public channel Kan 11, and *Sullivan's Crossing* premiered on Canada's leading commercial TV network CTV in March, where it was soon commissioned for a second season. In the US, *Sullivan's Crossing* was The CW's highest-rated acquired drama launch in over a year.

Fremantle US launched *Fellow Travelers* on Showtime in October 2023 to huge critical acclaim – the series was the 4th most-watched show on Paramount+ in the US every day in its first week.

The comedy-drama series *Wellmania* from Fremantle Australia broke into the Top Ten TV series on Netflix in 40 countries, peaking at number two in Australia and New Zealand. *The Gallows Pole* from Element Pictures won a total audience share of 9.3 per cent and was BBC Two's number-one drama of the year. From Wildside in Italy, *The Good Mothers* launched on Disney+ after winning the inaugural Series Award at the 2023 Berlinale. From UFA in Germany, *Sam: A Saxon* also launched on Disney+ in 48 territories to huge acclaim.

Neighbours returned to a new home on Amazon Freevee. In the first 28 days in the UK, *Neighbours* became the number-one Freevee Original and has also driven the most non-Prime customers to the free streaming service.

In Italy, Lux Vide produced three of the most-watched TV series in 2023 for Rai. *Sister Angela's Girls* season seven was the third-most-watched TV series on Rai for 2023, with an average total audience share of 22.8 per cent. The second season of *Blanca* was the fourth-most-watched series with an average total audience share of 23.0 per cent, and *One Step From Heaven* season seven was the fifth-most-watched series with an average share of 22.6 per cent.

Within the growing film business, *C'è ancora domani* from Wildside won three awards at the Rome Film Festival and achieved great success at the Italian box office. With more than 5 million admissions, it became Italy's number-one and highest-grossing film of the year following its launch in October 2023. This makes it the fifth-highest-grossing Italian film of all time at the Italian box office.

Fremantle had five films in competition at the 2023 Venice Film Festival, with *Poor Things* from Element Pictures winning the Golden Lion and *Priscilla* from The Apartment Pictures winning the Volpi Cup for Best Actress for lead actress Cailee Spaeny.

³⁰ Adjusted for portfolio changes and at constant exchange rates. Further details can be found in Key performance indicators on page 57

Fremantle (continued)

Documentaries

In the documentary business, US label Original Productions launched *Waco: American Apocalypse* on Netflix, which ranked in Netflix's Top 10 TV series in 13 countries, including the US and the UK, with 43 million hours viewed in the first half of 2023. Original Productions also signed a first-look deal with Hudlin Entertainment and had the world premiere of their documentary film *Rather*, about the iconic US journalist Dan Rather, at the 2023 Tribeca Film Festival.

House of Kardashian from 72 Films launched on Sky Documentaries in October 2023, ranking as Sky Documentaries' number-four new series premiere of 2023. 72 Films also launched *007: Road to a Million* on Amazon Prime Video. The documentary charted in Prime Video's daily top ten shows in 92 countries and number one in 35 countries, including the UK, and was the streaming service's most-watched unscripted show in November 2023.

On Disney+, Fremantle Australia launched a new docuseries *Matildas: The World at Our Feet*, about the national women's football team.

Fremantle secured the global rights to *On the Line: The Richard Williams Story*, which had its UK premiere at Sheffield Doc Fest, alongside a new documentary about French icon Brigitte Bardot, and a series about fashion icon Coco Chanel from Gabriel Jagger's WhyNow Productions. Fremantle also revealed its new documentary label, Udeniable, which will focus on producing world-class premium feature documentaries such as *The Second Woman* and *Devo*, which had its world premiere at Sundance Film Festival 2024.

Other segments

This segment mainly comprises the fully consolidated businesses RTL Hungary, RTL Group's Luxembourgish activities, RTL Group's digital video company We Are Era and the streaming technology company Bedrock. It also includes the investment accounted for using the equity method, Atresmedia, in Spain.

The Hungarian net TV advertising market was estimated to be up by 7.8 per cent in 2023, with RTL Hungary outperforming the market. Total revenue of RTL Hungary was up by 10.6 per cent to €125 million (2022: €113 million), thanks to higher TV advertising, distribution and streaming revenue. The business unit's Adjusted EBITA was down to €6 million (2022: €13 million), mainly due to higher programme costs.

With a combined prime-time audience share of 28.4³¹ per cent in the key demographic of 18 to 49-year-old viewers (2022: 28.9 per cent), the eight channels of RTL Hungary were 3.2 percentage points behind the main commercial competitor TV2 Group, which has 14 channels. In December 2023, RTL Hungary added four new cable channels to its portfolio, increasing the number of linear channels it operates to 12. This represented RTL Hungary's largest cable channel expansion to date. The Hungarian flagship channel RTL reached a prime-time audience share of 14.3 per cent among viewers aged 18 to 49 (2022: 15.0 per cent), 1.5 percentage points behind TV2 (2022: 1.1 percentage points ahead of TV2). The flagship channel was the most-watched channel in Hungary in the months of June, July, August and November, and the channel's programmes dominated the national top-ten list of TV programmes in the 18-49 age group. The market-leading news programme *RTL Híradó* attracted 20.0 per cent of viewers aged 18 to 49 (2022: 19.6 per cent), while the most successful show on RTL in Hungary was *Sztárbox* (Celebrity Boxing), with an average audience share of 30.3 per cent of viewers aged 18 to 49. Another hit format was the Hungarian version of *The Traitors*, which reached an average audience share of 23.3 per cent in the commercial target group and was particularly successful with younger audiences. The hit show *Power Couple* attracted an average audience share of 23.8 per cent, up 2.6 percentage points (2022: 21.2 per cent).

31 RTL Hungary changed the publication of its audience figures from 2022 and is now using 'Linear SHR' audience share data, which is calculated without the 'Other' category of Nielsen

32 Luxembourg's market research institute ILRES did not publish its Plurimédia audience results for 2023. Therefore, there are no audience shares for RTL Luxembourg's TV and radio stations available for 2023

In November 2022, RTL Hungary launched RTL+, a subscription-based, advertising-free streaming service. RTL Hungary's previous advertising-funded streaming service, RTL Most, and the advertising and distribution-funded streaming service, RTL Most+, were integrated under the packages RTL+ Light and RTL+ Active. RTL+ and RTL+ Active saw strong growth in paying subscribers compared to the end of December 2023. The 11th season of the reality format *ValóVilág powered by Big Brother, Drága örökösök* (Dear Heirs – The Return) and RTL Hungary's own-produced comedy series *A mi kis falunk* (Our Little Village) were among the most-watched programmes. In 2023, RTL Hungary added 105 new titles and 555 hours of new content to its streaming service RTL+.

In 2023, RTL Luxembourg continued its position as the leading media brand in Luxembourg. The company adopted the unified RTL brand identity across all channels and platforms as of April 2023. The implementation was accompanied by a comprehensive marketing campaign, focusing on RTL's core values and catering to Luxembourg's multilingual audience with the slogans 'All Moment RTL', 'Every moment RTL' and 'Les moments RTL'.

With its TV, streaming, radio and digital activities, the RTL Luxembourg media family achieved several audience successes³². Audience highlights of 2023 were the coverage of the country's general election on its TV channel *RTL Télé Lëtzebuerg*, its radio channels *Radio Luxembourg* and *RTL Today*, as well as on its website *rtl.lu*. Sport highlights of 2023 included the broadcast of the Uefa Champions League and the Uefa European Qualifiers. In November 2023, RTL Luxembourg announced that it will continue to broadcast Formula One races for the next three seasons, until 2026, to further strengthen its sports offering.

In 2023, **Broadcasting Center Europe (BCE)**, RTL Group's technical services provider, launched its media-as-a-service offer: a one-stop shop for customers to build a customised set of media solutions, products and services. With this offer, BCE aims to support customers as a trusted partner – and realised diverse projects in this capacity during 2023. For *L'Equipe*, BCE used its award-winning remote voice-over solution Holovox for commentary at events such as the Basketball Euroleague. Holovox was used by 220 customers at 39 different sports events for a total of 6,425 hours during 2023. For RTL Hungary, BCE provided its Playit technology for the launch of four new cable channels. For Louis Vuitton, BCE's technology was used to livestream the Hong Kong fashion show to 93 million viewers. And for Groupe Figaro, BCE used its integration and service expertise to install a production centre and broadcast its TV channel from Luxembourg.

In 2023, **We Are Era** further strengthened its leading positions in talent management and content production, alongside expanding its campaign business with new clients such as Deutsche Telekom and Sixt. In 2023, We Are Era developed its data-driven cultural and community marketing business on 'new' social platforms such as Twitch for customers such as Teekanne Deutschland or Vodafone Stiftung. We Are Era's revenue was stable in 2023.

The Spanish net TV advertising market increased by an estimated 2.9 per cent in 2023. On a 100 per cent basis, consolidated revenue of **Atresmedia** was slightly up by 2.1 per cent to €971 million (2022: €951 million), while operating profit (EBITDA) remained stable at €173 million (2022: €173 million), and net profit was €171 million (2022: €113 million). The strong increase in net profit was primarily due to lower income tax expenses due to the recognition of unused tax credits. The profit share of RTL Group was €32 million (2022: €21 million).

The Atresmedia family of channels achieved a combined audience share of 25.7 per cent in the commercial target group of viewers aged 25 to 59 (2022: 26.4 per cent). The main channel, **Antena 3**, recorded an audience share of 10.6 per cent (2022: 11.5 per cent) in the commercial target group.

For more information on investments in associates, see note 6.5.2 to the consolidated financial statements in the RTL Group Annual Report 2023.

Non-financial information

Corporate responsibility (CR)

RTL Group believes that CR adds value not only to the societies and communities it serves, but also to the Group and its businesses. Acting responsibly and sustainably enhances the Group's ability to remain successful in the future.

CR is integral to the Group's strategy. The core RTL brand was repositioned in 2021 with a new identity, a clear set of brand principles and a new design reflecting the diversity of RTL. With this, RTL has been strengthened as Europe's leading entertainment brand that stands for entertainment and independent journalism, as well as inspiration, energy and attitude. 'We act responsibly' is one of eight defined brand principles that guide the company's action and define what RTL stands for. At the heart of RTL's guiding principles and values is a commitment to embracing independence and diversity in its people, content and businesses.

RTL Group's future non-financial reporting

In December 2022, the Corporate Sustainability Reporting Directive (CSRD) was adopted by the European Parliament and came into force on 5 January 2023. The new directive aims to expand existing requirements for non-financial reporting. As a large listed Public Interest Entity (PIE), the reporting requirements of the CSRD will also apply to RTL Group starting from the financial year 2024. RTL Group will publish its non-financial reporting as part of its Annual Report 2024.

Companies subject to the CSRD must report according to European Sustainability Reporting Standards (ESRS), and the sustainability information reported must be audited.

To prepare for the implementation of the CSRD and ESRS, RTL Group's Corporate Centre has established a working group under the leadership of its CFO, comprising experts from HR, Legal, Finance/Consolidation, Communications & Investor Relations, Compliance, Audit and IT. These experts are in close contact with their counterparts at the Group's business units, the Group's external auditors and Bertelsmann. By the end of 2023, RTL Group's CSRD working group finalised the preparation of the Group's materiality assessment and therefore determined the scope and depth of RTL Group's future non-financial reporting. The double materiality assessment, as stipulated by the CSRD, refers to two dimensions: financial materiality requires disclosure of matters that (may) trigger material financial effects on a company's development, such as cash flows, financial position or financial performance, in the short, medium or long term. Impact materiality requires disclosure of matters relating to effects on people or the environment. Assessments of both dimensions are required for all companies. So far, RTL Group has determined a total of 59 material metrics across the areas 'environmental', 'social' and 'governance'. In 2024, the Group will begin drafting the first report in accordance with ESRS. This process includes a test run in the first half of 2024 for all S-related metrics determined as material.

RTL Group's current non-financial reporting

The information of the Combined Non-Financial Statement (which complies with the current European Directive 2014/95/EU and provisions by the law of 23 July 2016 regarding the publication of non-financial and diversity information in Luxembourg) can be found in the Annual Report of RTL Group's majority shareholder, Bertelsmann SE & Co KGaA. Further information on RTL Group's non-financial information can also be found in the GRI reporting of Bertelsmann SE & Co KGaA on bertelsmann.com.

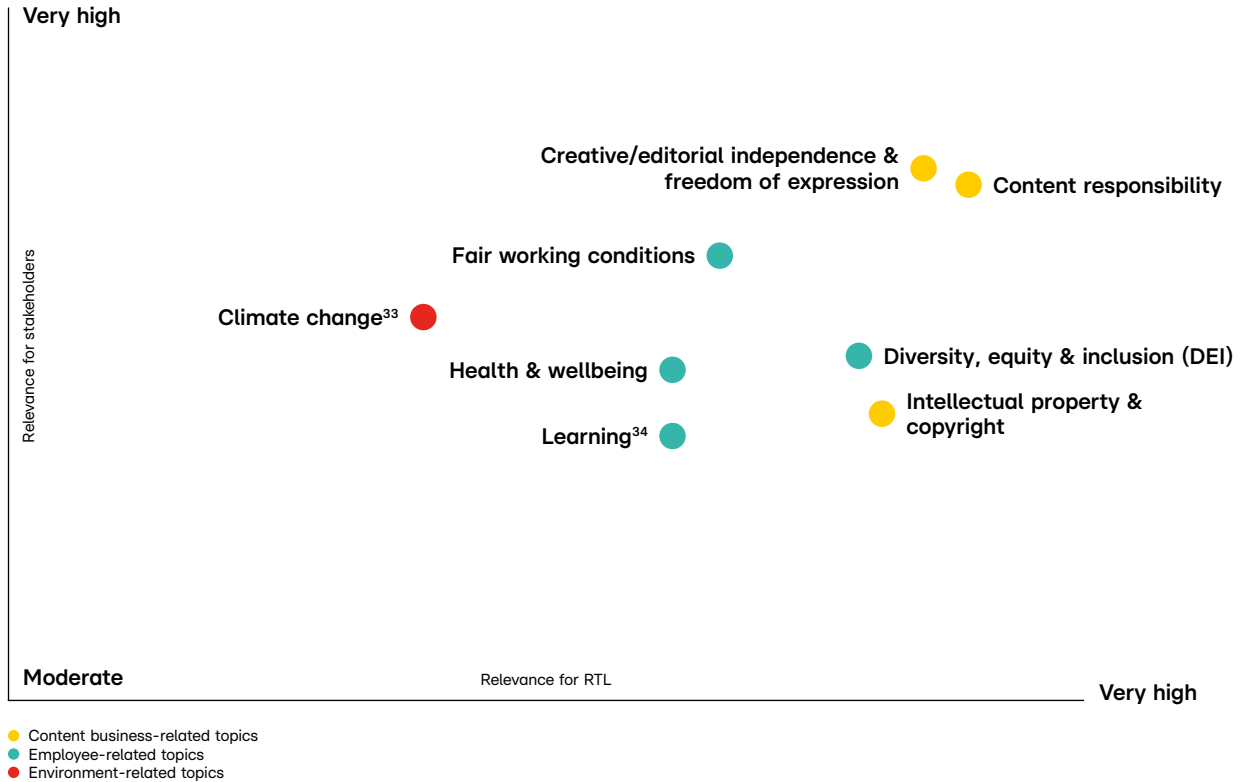
RTL Group's CR organisation

The RTL CR Board unites executives from RTL Group and RTL Deutschland. The Board meets regularly to coordinate projects in key areas such as diversity, creative/editorial independence and climate protection, to develop new ideas and to ensure efficient use of expertise at both the Corporate Centre and RTL Deutschland.

The CR Board also meets annually with participants from specialist departments within RTL Deutschland, such as Youth Protection, the association *Stiftung RTL – Wir helfen Kindern*, Communications, and RTL Group's Human Resources, Investor Relations and Compliance departments. The RTL Group CR Network – created in March 2014 and consisting of CR representatives from the Group and its business units – meets annually to share best practices and knowledge. In addition, RTL Group established a Climate Task Force, consisting of members from all business units, which meets to discuss, collaborate and define actions to reduce carbon dioxide emissions, with the target of becoming climate neutral by 2030. In May 2022, RTL Group's largest business unit, RTL Deutschland, established a department for sustainability and diversity, equity & inclusion (DEI). In 2023, Fremantle established ten employee-led groups focusing on topics like mental health and wellbeing, accessibility, as well as race and ethnicity, which are sponsored by the executive leadership and directly influence decision-making.

RTL Group's CR activities focus primarily on the following issues: content responsibility, creative/editorial independence and freedom of expression, intellectual property and copyright, fair working conditions, DEI, health, safety and wellbeing, learning (including digital media literacy) and climate change. These issues were identified in a materiality analysis in consultation with internal and external stakeholders. The core of the survey was the assessment of 19 CR topics – internally, according to their relevance for the business, and externally, according to their relevance for stakeholders. The survey was conducted in 2020 in close consultation with the Group's majority shareholder Bertelsmann. Going forward, the double materiality assessment under ESRS will replace the survey.

Relevance matrix



Creative/editorial independence

RTL Group's broadcasting and news reporting are founded on editorial and journalistic independence. 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 and tech platforms 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.

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. In 2023, RTL Deutschland reviewed the guidelines that RTL News has been working with and incorporated new requirements on cross-media production, social media activities by journalists and Artificial Intelligence (AI). With these updated guidelines, RTL Deutschland ensures that all employees have the same understanding of the quality of journalistic work, regardless of their work area, TV, digital and print.

Employees

With a diverse audience and a business based on creativity, RTL Group needs to be a diverse organisation. In 2023, the Group had an average of 12,835 full-time employees (total headcount: 17,732 including permanent and temporary staff) in more than 26 countries worldwide. These employees range from producers and finance professionals to journalists and digital technology experts.

RTL Group strives to be an employer of choice that attracts and retains the best talent, while equipping employees with the necessary skills and competencies to successfully master the company's current and future challenges. It does this by offering training programmes and individual coaching in a wide range of subjects, from strategy and leadership to digital skills and health, safety and wellbeing. It reviews and, if necessary, adjusts its training offers on an ongoing basis.

RTL Group's corporate culture is founded on creativity and entrepreneurship. 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.

³³ The different environmental topics have been pooled

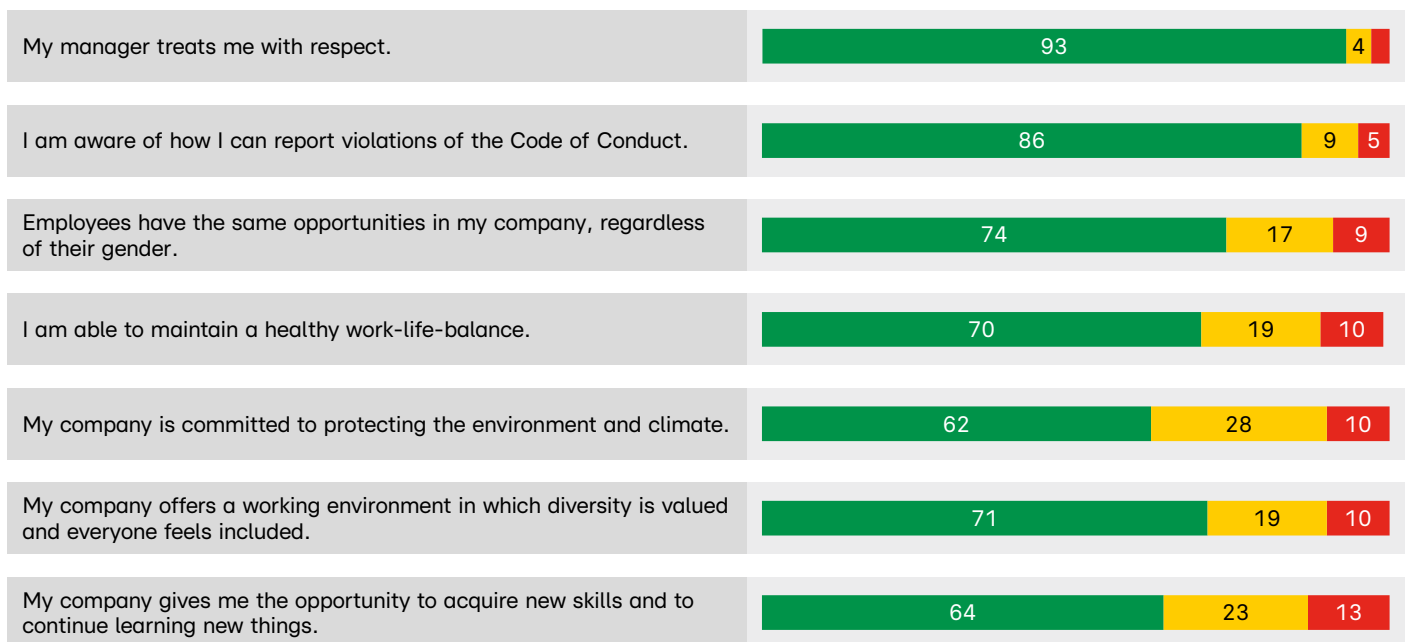
³⁴ Including digital media literacy

The Covid-19 crisis has deeply changed the world of work. The balance between working in the office and remotely is a relevant step to continue offering flexibility and efficiency for those employees whose functions do not require office presence.

Every two years, all RTL employees are invited to participate in the Bertelsmann employee survey. In 2023, RTL Group received a response rate of 76.4 per cent, corresponding to 9,541 respondents from 134 companies across 22 countries and in 11 languages (excluding temporary workers and Groupe M6). The survey delivered positive feedback across various important dimensions, including CR-related topics. Employees feel that their

manager treats them with respect (highest overall satisfaction rate of 93 per cent), assigns them independent tasks (89 per cent) and supports them through challenges (87 per cent). Areas for improvement include total compensation received (40 per cent), support for professional development (54 per cent), and commitment to protecting the environment and climate (62 per cent) – all of which are important feedback points that RTL Group takes seriously. Since 2021, the employee survey includes a CR Index, summarised in the following graphic, to help track the progress of RTL Group-wide CR initiatives. The next employee survey will be conducted in 2025.

Employee survey 2023³⁵: CR Index at 74 per cent – Target: 80 per cent



³⁵ Calculation based on the average of positive responses to seven questions of the 2023 Employee Survey in the following categories: Health & wellbeing; Diversity, Equity & Inclusion; Fair working conditions; Learning; Climate change

Diversity

RTL Group's commitment to diversity is embedded in its processes and articulated in its corporate principles. The cornerstone is the RTL Group Diversity Statement, which reinforces the company's commitment to promoting diversity and ensuring equal opportunities. It sets guidelines and qualitative ambitions for the diversity of the Group's people, content and businesses.

RTL Group is committed to making every level of the organisation more diverse regarding nationality, gender, age, ethnicity, religion and socio-economic background. The Group places a special emphasis on gender diversity. RTL Group's overall workforce is balanced by gender (with 47 per cent men and 53 per cent women as at 31 December 2023) while women account for 36 per cent of top management positions (31 December 2022: 36 per cent), and 37 per cent of senior management positions (31 December 2022: 33 per cent).

Top management generally encompasses the members of the Executive Committee, the CEOs of the business units and their direct reports, members of the Management Boards, and the Executive Committee direct reports at RTL Group's Corporate Centre. Senior management generally encompasses the Managing Directors of the businesses at each business unit, the heads of the business units' departments and the Senior Vice Presidents at RTL Group's Corporate Centre (unless classified as members of top management).

RTL Group's long-term ambition is for women and men to be represented equally at all levels. In 2022, RTL Group's Executive Committee reviewed the Group's objectives and set the following quantitative target: to increase the share of women in top and senior management positions to at least 40 per cent by the end of 2025. The Group reports on its progress towards these diversity targets each year. At the end of 2023, the ratio of women in top and senior management positions was 37 per cent, up 17 percentage points compared to 2016, when RTL Group reported those measures for the first time (2016: 20 per cent; 2022: 34 per cent).

The importance of diversity is also reflected in the content the Group produces. 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 therefore 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: it is essential for RTL Group to create formats for a wide range of audiences across all platforms. Many different segments of society should be able to identify with the diverse content offered.

In Germany, RTL Deutschland initiated its second diversity week (Woche der Vielfalt) with a focus on inclusion. During this week, RTL Deutschland reported extensively on its news and magazine programmes to increase visibility of people with disabilities. A highlight from the week was coverage of the Special Olympic World Games, one of the world's largest inclusive sporting events, which took place in Berlin in June 2023. RTL Deutschland was a partner of the Games' media alliance. A marketing campaign on TV, digital, radio and social media accompanied the theme week, bringing people with disabilities together with well-known RTL faces. RTL Deutschland's flagship channel RTL and Vox broadcasted special formats like *Der Schwarzwälder Hirsch – Ein Jahr danach* (Zum Schwarzwälder Hirsch – One year later), a reunion of the Grimme Award-winning inclusive TV documentary in which people with Down syndrome learn how to run a restaurant.

Since 2020, RTL Deutschland has supported the 'Storytellers' competition, in which students from selected film schools are invited to develop and submit a concept for a young-adult series for RTL+. The first winning project of the competition already premiered as an RTL+ original in 2022, while winners of the 2023 edition will realise their projects in 2024. The competition is now supported by the Film- and Medienstiftung Nordrhein-Westfalen (NRW), a leading German funding institution supporting the development of film and TV projects in NRW. In the future, 'Storytellers' will offer a production budget of up to €1.5 million, opening up new possibilities in production.

In 2023, Fremantle continued to make progress towards building an equitable and inclusive culture across its business and content. To attract, develop and retain talent from all backgrounds and experiences, Fremantle has invested in partnerships with specialist organisations dedicated to addressing under-representation in the creative industries. For example, Fremantle continued its partnership with The TV Collective on the Breakthrough Leaders programme in the UK, supporting 150 black, Asian and minority-ethnic future leaders. In Sweden, Fremantle's leadership team is participating in an external mentoring programme, All of Us, for young people of colour in the creative industries and supporting the WomenUp programme – which consists of 40 women and their mentors – to address the female leadership gap. In the US, a partnership with Fresh Films supports 400 young people from under-represented backgrounds based in 27 national locations nationwide.

Inclusive casting and storylines across Fremantle shows continued to provide a platform for different voices and perspectives, influence authentic storytelling, and promote empathy and understanding. The series *Sam – A Saxon*, from Fremantle label Big Window Productions, launched on Disney+ and was recommended by the German Federal Government to be included in the school's national curriculum. The creative team also embarked on a global educational tour across several US states, London and Berlin, hosted by some of the world's leading academic and cultural institutions to help highlight the positive impact the series has had on the Afro-German and Black communities. In October 2023, the release of the Italian drama film *C'è ancora domani* (There's Still Tomorrow) achieved over five million admissions, leading the box office yearly results for an Italian film. The film, which is set in Rome during the aftermath of World War II, deals with issues related to domestic violence, patriarchy and feminism. Alongside its commercial success, *C'è ancora domani* has also become important in the education of students across Italy. Italian cinemas screened the film to students across the country, and the government requested that schools dedicate time and resources to the topic of domestic violence.

The Fremantle series *Fellow Travelers* – a love story and political thriller about two men who meet during the McCarthy era, when being gay meant being in danger – pays tribute to the history of the LGBTIQ+ community and received lots of media attention. Launched in 2023, the series highlights the importance of striving for a more inclusive society. It received two Golden Globe nominations in 2024 and won the Critics' Choice Award for 'Best Supporting Actor in a Limited Series or Movie Made for Television' for Jonathan Bailey.

Society

As a leading media organisation and broadcaster, RTL Group has social responsibilities towards the communities and audiences it serves. These responsibilities are particularly important when it comes to children and young people. The Group complies fully with child-protection laws and ensures its programming is suitable for children – or broadcast when they are unlikely to be watching. RTL Group also strives to give back to its communities by using its profile to raise awareness of, and funds for, important social issues, particularly those that might otherwise receive less coverage or funding.

As part of this support, the Group provides free airtime worth several million Euro to charities and non-profit organisations to help them raise awareness of their causes, as well as donating significant amounts of money to numerous charitable initiatives and foundations. RTL Group's flagship fundraising events (*RTL-Spendenmarathon*/Stiftung RTL in Germany and *Télévie* in Luxembourg) raised €23.3 million for charity in 2023 (2022: €46.0 million, driven by an additional fundraising campaign from Stiftung RTL in Germany for Ukrainian children and families after Russia's attack on Ukraine in February 2022).

Intellectual property and copyright

RTL Group's primary mission is to invest in high-quality entertainment programmes, fiction, drama, news and sports, and to attract new creative talent to help the Group contribute to a vibrant, creative, innovative and diverse media landscape. Strong intellectual property rights are the foundation of RTL Group's business, and that of creators and rights-holders.

RTL Group's Code of Conduct and an Information Security Policy set a high standard 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 appropriate permission is prohibited. Violations can be reported to the Compliance department via its reporting channels, which include a user-friendly speak-up system.

Anti-corruption and anti-bribery

The foundation for sustainable business success is built on integrity and trustworthiness, and RTL Group has zero tolerance for any form of illegal or unethical conduct. Violating laws and regulations – including those relating to bribery and corruption – is not consistent with RTL Group'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.

The 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 Compliance Responsible in charge of addressing compliance issues, including anti-corruption.

For information about RTL Group's Audit Committee see page 89.

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.

The RTL Group Anti-Corruption and Integrity 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.

RTL Group's policies, including anti-corruption and integrity, anti-trust and compliance organisation, were updated and streamlined in 2022. The policies are split into ten categories, with a Business Process Owner for each category, who is the main contact for any questions regarding the respective policy.

Human rights

Respect for human rights is a vital part of RTL Group's Code of Conduct, which includes a decision-making guide that clarifies how to comply with the company's standards in case of doubt. The Group's commitment to responsible and ethical business practices extends to its business partners. In 2017, RTL Group established the RTL Group Business Partner Principles, which sets minimum standards for responsible business relationships. In 2023, RTL Group's Executive Committee adopted RTL Group's Supplier Code of Conduct, that will be rolled out and will replace the Business Partner Principles in 2024. To cover all centrally important aspects of human rights in one place, RTL Group published a specific Human Rights statement in 2022. The statement explicitly refers to the standards of the Universal Declaration of Human Rights and the United Nations' Global Compact and applies to the entire Group. 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.

Environment

RTL Group is a media company with no industrial operations and therefore does not consume significant amounts of raw materials or fossil fuel and is not a major polluter. The Group is mindful that resource conservation and climate protection are key challenges for the 21st century. For this reason – together with employees and stakeholders – RTL Group is committed to minimising its impact on the environment, by reducing its energy use and its direct and indirect greenhouse gas (GHG) emissions. It codified this commitment in February 2018 by issuing its Environmental Statement.

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 was formerly calculated based on each country's average energy mix. To improve data quality, since 2017 it has been calculated based on the emissions associated with the Group's individual electricity supply contracts. This new, more detailed baseline takes into account hotel stays, refrigerant losses, commuting, IT devices and own and commissioned productions, as well as electricity consumption, paper, business travel, water and wastewater.

RTL Group decided to become carbon neutral by 2030, including both company-related emissions (scope 1 and 2) and emissions from the production of its programmes and products (scope 3). The goal is to reduce the Group's total emissions by more than 50 per cent compared to the 2018 baseline. As of 2030, RTL Group will offset all remaining emissions.

The 2018 baseline is the basis against which RTL Group measures progress and target achievements. This basis includes site- and employee-related emissions (scope 1 and 2) and indirect carbon dioxide emissions from video production (scope 3). Compared to the base year 2018, RTL Group has reduced its total emissions by 28 per cent, from 247,900 tCO₂ in 2018 to 178,900 tCO₂ in 2022. Representing almost 80 per cent of the Group's total emissions, indirect emissions from video production (scope 3) make up the largest share and are therefore the greatest lever for achieving the Group's goal. RTL Group will focus on reducing these emissions in the future, particularly in the area of green productions.

Due to the lack of data and the complexity of TV and film productions, carbon data for video productions for corporate reporting purposes are currently calculated based on genre benchmarks derived from the UK carbon calculator Albert. RTL Group will introduce a new Group-wide policy to base its future reporting of emissions from video productions mainly on activity data.

To reduce carbon emissions, RTL Deutschland has been striving for more sustainable TV productions since 2020. Since mid-2022, minimum ecological standards adopted throughout the industry by broadcasters and production companies in Germany have been applied to selected productions. RTL Deutschland aims to produce 50 per cent of its fictional content according to those standards. These standards are used to strive for environmentally and resource-friendly production methods. In 2023, 20 productions meeting those standards were produced. One series, that was also certified with the green motion label, was *Pumuckl's New Adventures*. On average, around 50 per cent of emissions were saved (compared to a genre-specific baseline) across 20 productions. RTL Deutschland plans to produce 50 productions meeting those standards in 2024³⁶. With the acquisition of Gruner+Jahr in 2022, the carbon footprint of print products also plays an important role. By setting up a 'Green Productions Print' committee, RTL Deutschland is now working on a structured approach to decrease the product carbon footprint of its magazines.

In France, *Top Chef*, which has been broadcast on Groupe M6's channels since 2010, was the first prime-time entertainment programme in France to receive an Ecoprod Label in 2023. The label is an important recognition of the work and commitment towards sustainable production practices of Studio 89, a subsidiary of Groupe M6. In February 2023, the channels and platforms of Groupe M6 raised awareness of climate change issues during the campaign week 'Semaine Green' (Green Week), offering a wide range of news and entertainment programmes focusing on topics such as waste, housing, biodiversity and responsible consumption.

In February 2023, Ufa, a German production company owned by Fremantle, won the Eisvogel prize for Sustainable Film Production with its series *Irgendwas mit Medien* – a prize introduced by the German Federal Government to promote more sustainable productions of audiovisual content. In May 2023, the daily series *Unter uns* was the second Ufa production to earn a green motion label from the Green Shooting working group. Some of the green measures implemented by Ufa include the use of electric cars, generators powered by green electricity, digital instead of printed filming plans, and reusable and recyclable materials. The company has not used plastic bottles on set since 2017 and switched to green electricity for productions in 2020. *Unter uns* is Germany's second-longest-running daily soap opera and the first daily series to be awarded a green motion label.

In May 2023, *The Farm*, produced by Fremantle-owned Strix in Norway, won the Best Sustainable Production Award at the Inaugural Global Production Awards in Cannes.

For RTL Group's environmental indicators according to GRI standards, please visit rtl.com.

³⁶ The 'Green Shooting' working group, founded and led by MFG Filmförderung in 2017, is working on the transformation towards a more ecologically sustainable production method. The working group includes the production companies Bavaria Fiction, Constantin, Ufa, We Are Era and Ziegler Film, the broadcasters ARD, RTL Deutschland, ProSiebenSat1, Sky, SWR and ZDF, the streaming services Disney+ and Netflix and further industry associations

Innovation

Innovation at RTL Group focuses on three core topics: continuously developing new, high-quality TV formats; using all digital distribution channels; and better monetisation of the Group's audience reach using personalisation, recommendations and the addressing of target groups increasingly via artificial intelligence (AI).

In December 2023, Groupe M6 launched the new adventure reality format *Destination X* on M6 in France. In addition to the new format, which originates from Belgium, Groupe M6 has also launched a digital interactive platform on *6play.fr* and the *6play* app to allow audiences to actively participate in the adventure. UFA Serial Drama, part of Fremantle, produced *Der kleine Unter uns Weihnachtsfilm* (The little 'Among us' Christmas film) with the help of AI for content, language and visualisations. In the short film, AI was used to create a storyline inspired by Charles Dickens' *A Christmas Carol*.

In August 2023, RTL Deutschland launched Germany's first all-inclusive entertainment app. Comprising video, music, podcasts, radio, audiobooks and digital magazines, RTL+ is a unique selling proposition in the German-speaking market. The service's innovative recommendation algorithm, based on intelligent text, audio and video analysis, ensures that users are offered personalised content suggestions across all media types. RTL Deutschland is also investing in its publishing business, in particular the development of digital paid offer Stern+.

Another innovative focus point is addressable TV advertising, which combines the broad reach of linear TV with targeted digital advertising. RTL Group continuously develops its advertising technologies or acquires the necessary technology in this area. RTL Group's European ad-tech business Smartclip has launched technology to substitute the advertising breaks in linear TV streams with addressable TV (ATV) advertising, while ensuring an uninterrupted viewing experience for the audience. This innovative technology was first implemented on RTL Up, and since May 2023, the ad replacement technology in the linear TV stream is available for programmatic buying on the German market. In addition, Smartclip's French subsidiary Realytics has introduced BEE (Brand Exposure Engagement) in April 2023. BEE measures and compares spot exposure from the first second across all major distribution channels (linear TV, ATV and CTV). The tool also detects duplicates and avoids measuring the same household as an individual contact – even if the household is addressed on both linear and digital channels.

The Group's advertising sales houses continue to introduce innovative and award-winning advertising formats. In Germany, Ad Alliance launched CrossOver Evolution – a large-scale innovation project in the area of cross-channel marketing. With the xMedia spot launched in May 2023, advertisers in Germany can book spots for ATV, connected TV (CTV), desktop, tablets and smartphones in one place. The new product bundles the entire video inventory of

Ad Alliance's portfolio, while reducing the complexity of booking and managing ads. In addition, Ad Alliance is increasingly using artificial intelligence (AI) technology internally to increase the efficiency of its pricing processes. Externally, AI is used in multi-award-winning video tagging to play ads with exactly the right message or at the right emotional moment. In France, M6 Publicité, the advertising sales house from Groupe M6, has developed 6scan range – an engaging and immersive advertising solution based on the QR code. A QR code is added to the advertiser's TV advert, providing viewers with additional information or a call-to-action – such as an augmented reality projection, or the opportunity to interact with chatbots.

AI was a significant driver in RTL Group's innovative projects in 2023. In July 2023, RTL Deutschland bundled its various AI activities together in a newly founded AI Circle. The group focuses on five strategically relevant value levers: strengthening content, optimising advertising sales, engagement and discovery, increasing efficiency, and risk minimisation and innovation. In 2023, AI was applied prominently in the production of a new series based on the classic German children's series *Pumuckl*. The original voice of the red-haired goblin, Hans Clarin (who died in 2005), was recreated using AI for the series *Pumuckl's New Adventures*. AI technology has also been used by RTL News to develop synthetic voices, making it possible to transform written text into natural-sounding speech. In France, Groupe M6 has embarked on a 24/7 transcription initiative for its radio content. Transforming audio content into text enables the team to create more content, easily edit it in the CMS, and generate new editorial products, summaries, metadata, tags and even legal reports. The transcription initiative not only streamlines the content creation process, but also paves the way for more dynamic and diversified digital content offerings in the near future. Fremantle is also increasingly relying on AI, for example with upscaling old video from the 70s-80s by using AI to interpolate the pixels. Fremantle also uses graphics generation tools like Midjourney or Dall-E to create pitch documents and reimagine creative ideas.

Significant litigations

Provisions for litigations correspond to the Group's best estimate of the expected future cash outflow related to disputes arising from the Group's activities (see notes 6.5.2 and 6.14.1 to the consolidated financial statements in the RTL Group Annual Report 2023).

RTL Group is party to legal proceedings in the normal course of its business, both as defendant and claimant. The main legal proceedings to which RTL Group is a party are disclosed below.

Several subsidiaries of RTL Group are being sued by the broadcaster RTL 2 Fernsehen GmbH & Co KG and its sales house, El Cartel Media GmbH & Co KG, before the regional court in Düsseldorf, Germany, seeking disclosure of information to substantiate a possible claim for damages. The proceedings follow the imposition of a fine in 2007 by the German Federal Cartel Office for abuse of market dominance with regard to discount scheme agreements (share deals) granted by Ad Alliance GmbH (formerly IP Deutschland GmbH) and SevenOne Media GmbH to media agencies. The German Federal Cartel Office argued that these discounts would foreclose small broadcasters from the advertising market. In 2014, the regional court of Düsseldorf decided to order an expert report. The expert concluded in February 2018 that the likelihood of damages cannot be proven with certainty. In July 2018, RTL 2 Fernsehen GmbH & Co KG filed a motion claiming that the expert was not impartial, with the aim of getting the court to obtain a new expert opinion. Ad Alliance GmbH has rejected the motion of lack of impartiality as unfounded. Due to his unexpected death in February 2020, the court expert could not submit his response to the allegation of impartiality. On 4 September 2023, the regional court rendered two decisions: First, it rejected the allegation of the expert's impartiality. Second, it dismissed the claims for disclosure of information in their entirety. On 16 October 2023, RTL 2 Fernsehen GmbH & Co KG and El Cartel Media appealed the regional court's decisions. The case will now continue before the Düsseldorf Appeal Court. A hearing has been scheduled for September 2024. Similar proceedings from other small broadcasters, initiated in different courts, were unsuccessful or have been withdrawn.

In June 2016, the main competitors of Fun Radio alleged that a host of the morning show had influenced Fun Radio's results by encouraging his listeners to give favourable treatment to Fun Radio in the Médiamétrie surveys. In response to these allegations, Médiamétrie decided to remove Fun Radio from its surveys. Following a legal procedure initiated by Fun Radio, Médiamétrie was required to reinstate Fun Radio in the audience results surveys as of September 2016. Nevertheless, Médiamétrie decided to lower Fun Radio's audience results in its published surveys, alleging the existence of a 'halo effect'. Following a procedure initiated by Fun Radio, a judicial expert was appointed in December 2017 to examine

Médiamétrie's assessment of the alleged 'halo effect'. In September 2019, the judicial expert issued his final report which confirmed the 'halo effect' but assessed that Fun Radio's results were over-corrected. As of September 2017, Médiamétrie has again published the full audience results for Fun Radio. In parallel to the above procedure, the main competitors of Fun Radio also filed, in December 2016, a claim for damages, before the Paris Commercial Court claiming unfair competition, but this procedure was suspended until the end of the judicial expertise. In the meantime, four of the six claimants withdrew their claim from the proceedings. On 23 January 2023, the Paris Commercial Court decided to award damages for unfair competition. Fun Radio appealed the Court's decision on 26 January 2023 and is confident to achieve a favourable decision before the Court of appeal.

In November 2019, the Spanish Competition Authority (CNMC) arrived at a decision in disciplinary proceedings imposing a fine on Atresmedia and Mediaset and barring both operators from specified courses of conduct. The parties were ordered to take steps to align their commercial and contractual relations to the requirements of the decision. The fine imposed on Atresmedia amounts to €38.2 million. In 2020, Atresmedia challenged the decision by filing an application for judicial review with the Administrative Chamber of the Audiencia Nacional, Spain's national court. The application was found admissible. Consequently, Atresmedia will proceed with an appeal in the aforementioned court. The directors and legal advisors of Atresmedia believe that the application for judicial review against the CNMC's decision is likely to succeed.

No further information is disclosed as it may harm the Group's position.

Corporate governance

Principal risks and uncertainties

Principal risks and uncertainties are disclosed in note 7 to the consolidated financial statements for the risks linked to financial instruments, and in the Corporate Governance section on *rtl.com* for the external and market risks.

Corporate governance statement

The RTL Group Board of Directors is committed to high standards of corporate governance. RTL Group has applied the principles of good governance for years, even before the Ten Principles of Corporate Governance were implemented by the Luxembourg Stock Exchange – principles that RTL Group is in line with and submitted to.

More information on this topic can be found in the Investor Relations section on *rtl.com*, which contains RTL Group's corporate governance charter, and regularly updated information, such as the latest version of the company's governance documents (including articles of incorporation, statutory accounts, and minutes of shareholders' meetings), and information on the composition and mission of the RTL Group Board of Directors and its committees. The Investors section also contains the financial calendar and other information that may be of interest to shareholders.

Shareholders

RTL Group's current share capital is set at €191,845,074 divided into 154,742,806 fully paid-up shares with no par value.

As at 31 December 2023, Bertelsmann held 76.28 per cent of RTL Group shares, and 23.72 per cent were publicly traded.

General Meetings of Shareholders will be held at the registered office or any other place in Luxembourg indicated in the convening notice. A General Meeting of Shareholders must be convened on the request of one or more shareholders who together represent at least one tenth of the company's capital, and the Annual General Meeting of Shareholders is held within six months following the end of the financial year at the place and on the date set by the Board of Directors.

Resolutions will be adopted by the simple majority of valid votes, excluding abstentions. Any resolution amending the Articles of Incorporation will be adopted by a majority of two thirds of the votes of all the shares present or represented.

The Annual General Meeting will examine the reports of the Board of Directors and the auditor and, if thought fit, will approve the annual accounts. The meeting will also determine the allocation of profit and decide on the discharge of the directors and the auditor from any duties.

Board and management

Board of Directors

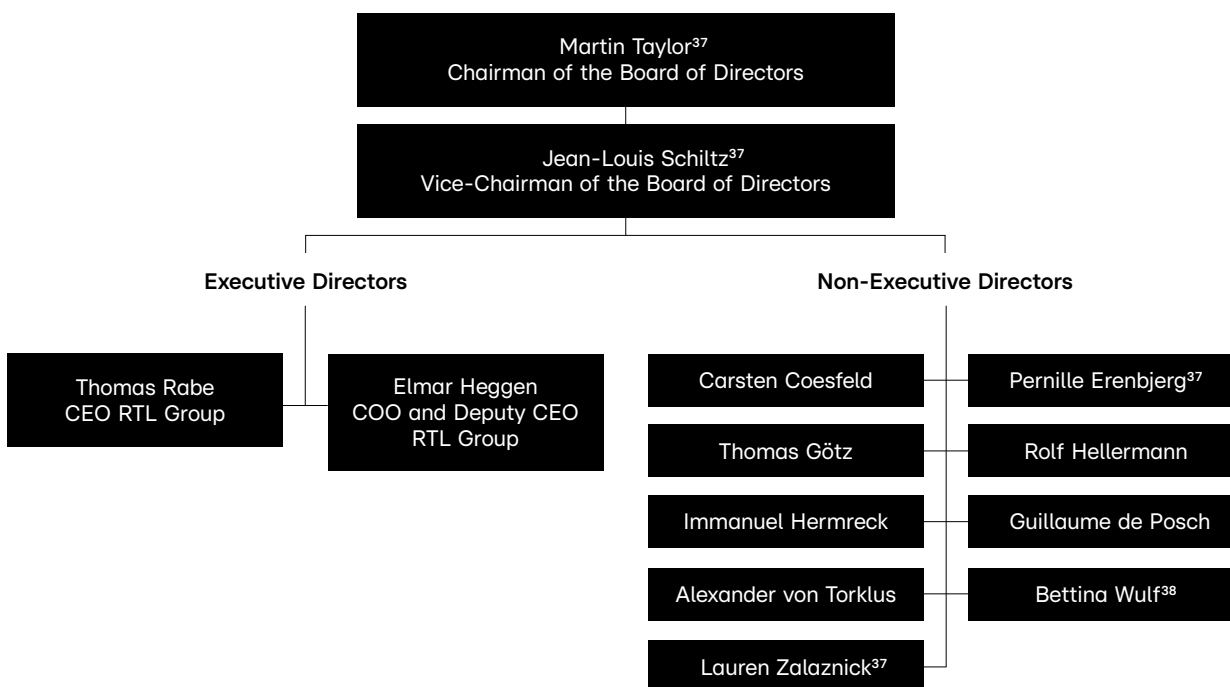
The Board of Directors has the most extensive powers to take, in the interests of the company, all acts of administration and of disposal, that are not reserved by law or the Article of Incorporation to the General Meeting of Shareholders.

On 31 December 2023, the Board of RTL Group had 12 members: two executive directors and ten non-executive directors. Bettina Wulf resigned as a non-executive director with effect on 26 April 2023. At the Annual General Meeting (AGM) on 26 April 2023,

Carsten Coesfeld and Alexander von Torklus were appointed as non-executive directors, with a term of office of one year expiring at the end of the Annual General Meeting of shareholders ruling on the 2023 accounts.

Among the non-executive directors, Pernille Erenbjerg, Jean-Louis Schiltz, Martin Taylor and Lauren Zalaznick are independent of management and other outside interests that might interfere with their independent judgement.

RTL Group's Board of Directors



Martin Taylor was appointed under the criteria of independence of the London Stock Exchange, before RTL Group adopted the Ten Principles of the Luxembourg Stock Exchange. Pernille Erenbjerg, Jean-Louis Schiltz and Lauren Zalaznick are independent directors, and all meet the current criteria of independence of the Ten Principles of the Luxembourg Stock Exchange.

The Board of Directors has to review, with expert help if requested, that any transaction between RTL Group or any of its subsidiaries on the one hand, and any of the shareholders or any of their respective subsidiaries on the other hand, is on arm's-length terms.

The responsibility for day-to-day management of the company is delegated to the Chief Executive Officer (CEO). The Board of Directors has a number of responsibilities, which include approving the Group's annual budget, overseeing significant acquisitions and disposals, and managing the Group's financial statements. The Board of Directors met five times in person or online in 2023 – with an average attendance rate of 98.3 per cent – and adopted some decisions by circular resolution.

³⁷ Independent Director
³⁸ Until 26 April 2023

Individual attendance of the members of the RTL Group Board of Directors	Participation in meetings	Attendance
Martin Taylor (Chair)	5/5	100%
Carsten Coesfeld	4/4	100%
Guillaume de Posch	5/5	100%
Pernille Erenbjerg	5/5	100%
Thomas Götz	5/5	100%
Elmar Heggen	5/5	100%
Rolf Hellermann	5/5	100%
Immanuel Hermreck	5/5	100%
Thomas Rabe	5/5	100%
Jean-Louis Schiltz	5/5	100%
James Singh	1/1	100%
Alexander von Torklus	4/4	100%
Bettina Wulf	1/1	100%
Lauren Zalaznick	4/5	80%

The Executive Committee updates the Board on the Group's activities and financial situation. At each meeting, representatives of the Executive Committee brief the Board on ongoing matters, and on possible upcoming investment or divestment decisions.

In 2023, a total of €1.4 million (2022: €1.3 million) was allocated in the form of attendance fees to the non-executive members of the Board of Directors of RTL Group SA and the committees that emanate from it (see note 10.4 to the consolidated financial statements in the RTL Group Annual Report 2023).

Neither options nor loans have been granted to Directors.

Appropriate measures were taken by the company to ensure compliance with the provisions of the European market abuse regulation, and with the Circulars of the Commission de Surveillance du Secteur Financier (CSSF) concerning the application of this legislation.

The following Board Committees are established:

Nomination and Compensation Committee

The CEO consults with the Nomination and Compensation Committee and shall obtain prior consent on the appointment and removal of executive directors. The Nomination and Compensation Committee makes a proposal to the General Meeting of Shareholders on the appointment and removal of the non-executive directors, and establishes the Group's compensation policy.

The Nomination and Compensation Committee comprises four non-executive directors, one of whom is an independent director (who also chairs the meetings) and meets at least twice a year. The committee's plenary meetings are attended by the CEO, the COO/Deputy CEO and the Executive Vice President Human Resources. The Nomination and Compensation Committee may involve other persons to help the committee fulfil its tasks. The Chair of the Nomination and Compensation Committee reports on the discussions held and conclusions made by the committee to the subsequent Board of Directors meeting. The Nomination and Compensation Committee met four times in 2023, by telephone/video conference, with an average attendance rate of 94 per cent.

Individual attendance of the members of the Nomination and Compensation Committee	Participation in meetings	Attendance
Martin Taylor (Chair)	4/4	100%
Thomas Götz	4/4	100%
Immanuel Hermreck	4/4	100%
Lauren Zalaznick	3/4	75%

Audit Committee

The Audit Committee monitors the financial reporting process, the statutory audit of the legal and consolidated accounts, the independence of the external auditors, the effectiveness of the Group's internal controls, the compliance programme, and the Group's risks. The Audit Committee reviews the Group's financial disclosures and submits a recommendation to the Board of Directors regarding the appointment of the Group's external auditors.

The Head of Internal Audit and the external auditors have direct access to the Chairman of the Audit Committee, who is an independent director.

The Audit Committee is composed of at least four non-executive directors – two of whom are independent – and meets at least four times a year.

The committee's meetings are attended by the CEO, the COO/Deputy CEO, the Chief Financial Officer (CFO), the Head of Internal Audit, the external auditors and other senior Group finance representatives. The Audit Committee may invite other persons whose collaboration is deemed to be advantageous in helping the committee fulfil its tasks. Twice a year, the Head of Compliance is invited to provide an update on the compliance programme and to report on the compliance cases raised in the period under review, as well as on their remediation.

The Audit Committee met five times in 2023 in person or online, with an average attendance rate of 100 per cent. The Chairman of the Audit Committee reports on the discussions held and conclusions taken by the Audit Committee to the subsequent Board of Directors meeting.

Individual attendance of the members of the Audit Committee

	Participation in meetings	Attendance
Pernille Erenbjerg (Chairman)	5/5	100%
Thomas Götz	5/5	100%
Rolf Hellermann	5/5	100%
Jean-Louis Schiltz	5/5	100%
Martin Taylor	5/5	100%

The Committee assists the Board of Directors in its responsibility with respect to overseeing the Group's financial reporting, risk management and internal control, and standards of business conduct and compliance.

CEO

Responsibility for the day-to-day management of the company rests with the CEO, who – on a regular basis and upon request of the Board – informs the Board of Directors about the status and development of the Group.

The CEO is responsible for proposing the annual budget, to be approved by the Board of Directors. He is also responsible for determining the ordinary course of the business.

Executive Committee

The Executive Committee comprises the two executive directors – the CEO and the COO/Deputy CEO – and the CFO. The Executive Committee is vested with internal management authority.

In 2023, a total of €6.2 million (2022: €7.8 million) was allocated in the form of salaries, non-cash benefits and a post-employment benefit plan to the members of the Executive Committee (see note 10.3 to the consolidated financial statements of the RTL Group Annual Report 2023).

External auditor

In accordance with the Luxembourg law on commercial companies, the Company's annual accounts and consolidated financial statements are certified by an external auditor, appointed at the Annual General Meeting of Shareholders. On 26 April 2023, the shareholders appointed KPMG Audit Sàrl as statutory auditor for a term of one year, expiring at the end of the Annual General Meeting of Shareholders ruling on the 2023 accounts.

Dealing in shares

The company's shares are listed on the Frankfurt and Luxembourg Stock Exchanges. Applicable German and Luxembourg insider dealing, and market manipulation laws prevent anyone with material non-public information about a company from dealing in its shares and from committing market manipulations.

A detailed Dealing Code contains restrictions on dealings by directors and certain employees of RTL Group and its subsidiaries, or associated companies.

Restrictions apply to:

- members of the Board of Directors
- all employees of RTL Group SA, and directors and employees of any subsidiary or affiliated company of RTL Group who, because of their position or activities, may have access to unpublished price-sensitive information.

Code of Conduct

Basic guidelines for responsible behaviour and for conducting business at RTL Group are governed by the Code of Conduct, which outlines binding minimum standards for behaviour towards business partners and the public, and for behaviour within the company. The latest update of the Group's Code of Conduct was in 2021. A speak-up system is available in multiple

languages, both online and via phone, to internal and external stakeholders. The Group has a training programme in place to ensure all employees are fully aware of the code and its principles.

The Code of Conduct is available under the Compliance section on *rtl.com*.

Internal controls over financial reporting

RTL Group's Internal Control System (ICS) over financial reporting aims to provide reasonable assurance on the reliability of external and internal financial reporting, and its conformity with the applicable laws and regulations. It helps to ensure that financial reporting presents a true and fair picture of the Group's net assets, financial position and operational results. The ICS for the accounting process consists of the following areas:

Standards and rules

The rules governing the Group's financial reporting environment and critical accounting policies are set out in the Group's internal rules for accounting and the preparation of financial statements (such as IFRS manuals, guidelines and circulars), which are immediately available to all employees involved in the accounting process. Standards of a minimum control framework for key accounting processes at the level of RTL Group's fully consolidated subsidiaries are formalised in a set of expected key controls. RTL Group's centralised treasury and corporate finance activities are governed by dedicated policies and procedures. Hedging of exposure in non-functional currency of the company is governed by a strict policy. All internal and external financial reporting processes are organised through a centrally managed reporting calendar. The Code of Conduct requires the Group's companies to manage record-keeping and financial reporting with integrity and transparency.

Systems and related controls

Locally used (ERP, treasury applications) finance systems are largely centrally managed through a few common system platforms to ensure a consistent set-up of system-embedded controls. Segregation of duties, access rights and approval limits are regularly reviewed by the local data owners for all reporting units whose finance systems are centrally maintained. Internal and external financial reporting is transmitted through a centrally managed integrated finance system – from budgeting and trend year analysis, monthly internal management reporting, and forecasting of financial and operational KPIs, to consolidation and external financial reporting, and finally **risk management** reporting (see **Risk management** on pages 91 to 95).

Extensive automatic system controls ensure the consistency of the data in the financial statements. The centrally managed integrated finance system is subject to ongoing development through a documented change process. Systemised processes for coordinating intercompany transactions serve to prepare the corresponding consolidation steps. Circumstances that could lead to significant misinformation in the consolidated financial statements or internal management reporting are monitored centrally and verified by external experts as required. Specific system-embedded controls support the consolidation process, including the reconciliation of intercompany transactions.

IT General Controls (ITGCs) are regularly assessed by external experts or Internal Audit. Control objectives are defined for all RTL Group central applications and interfaces (the referenced applications) and their related IT infrastructure. The description of the control environment and the effectiveness of these controls are subject to an annual ISAE3402 (Type 2) third-party assurance report. The Group's consolidation scope is constantly updated, both at the level of financial interests captured in the consolidation system, and at the level of legal information through a dedicated legal scope system.

Analytics and reporting

All internal and external local and consolidated financial reporting is systematically reviewed by local finance staff or by finance teams within the Corporate Centre. Typical analyses include comparisons with previous years, budget and forecast, financial and operational KPIs, flows of key captions on the income statement, statement of the financial position, changes in equity, and cash flow statement. The finance teams of the Corporate Centre and business units are also integrated into the internal management reporting. Internal and external reporting are reconciled during the segment reconciliation process.

Regular communication between RTL Group's operations and the Corporate Centre's finance departments ensures that any issue that could affect the Group's financial reporting is immediately flagged and resolved. Both the Group as a whole and the individual business units are in continuous contact with subsidiaries to ensure IFRS-compliant accounting as well as compliance with reporting deadlines and obligations.

Full-year and half-year reporting to the financial market is reviewed by the Audit Committee and approved by the Board of Directors. Q1 and Q3 quarterly statements are approved by the Audit Committee upon delegation by the Board of Directors.

Risk management

RTL Group defines its risk management as a continuous process at both business unit and Group level to prevent, protect, mitigate and leverage risks when executing RTL Group's strategy. RTL Group's risk management system aligns with international risk management standards (such as the COSO framework).

Transparency

RTL Group's policy on the reporting of significant compliance incidents requires business units to immediately report fraud or other significant compliance incidents to the Group. Identified control weaknesses that could affect the reliability of financial reporting – reported by either external auditors or Internal Audit – are brought to the attention of management and the Audit Committee, and are part of a follow-up process.

Each year, the business units self-assess the maturity level of their local internal controls over financial reporting. Results of this self-assessment are reviewed by the Risk Management team and reported to the Audit Committee. At each meeting the Audit Committee is updated on the key accounting, tax and legal issues within the Group.

The Corporate Centre constantly promotes the importance of sound internal controls – not only over financial reporting, but also for operational processes – through dedicated workshops with RTL Group's business units, and the work of the Internal Audit department.

Like the Risk Management System, each ICS cannot guarantee with absolute certainty that significant misinformation in the accounting process can be prevented or identified.

RTL Group's risk management process is designed to meet the following main objectives:

- **Embedded culture:** promote and embed a common risk management culture in the daily work of all RTL Group employees.
- **Consistent policy:** develop consistent risk policies on key matters, to be tailored and implemented at business unit level with consideration for local challenges and environment.
- **Harmonised response:** ensure harmonised risk management prevention, detection and mitigation measures across RTL Group and its business units against key risks, as well as a continuous related monitoring and improvement programme.

RTL Group's robust risk management processes are designed to ensure that risks are identified, monitored and controlled, and its risk management system is based on a specific policy and a clear set of procedures. Policies and procedures are reviewed on a regular basis by the Internal Audit department and/or external consulting companies. Risk management and risk reporting are coordinated by the Head of Enterprise Risk Management (ERM).

Risk matrix

Type of risk	Description and areas of impact	Mitigation activities
External and market risk		
Change in market environment	<p>Digitisation has significantly transformed the TV market, offering various ways of reaching viewers. Higher competition for audience attention and programme acquisitions as well as accelerated audience fragmentation due to streaming services, new channels, and expansion of platform operators may adversely affect RTL Group's position.</p> <p>The advertising landscape for streaming services has evolved, driving growth and revenue in challenging conditions when platforms such as Disney and Netflix introduced ad-funded programming in exchange for cheaper subscriptions and with increased costs of content licensing. This could increase competition within the advertising markets, especially for RTL Group's hybrid streaming services.</p> <p>The production business also shows a consolidation trend as increasing demand for talent – such as authors, scriptwriters, showrunners, actors – leads large production businesses to merge or acquire smaller production companies.</p>	<p>RTL Group embraces new digital opportunities by ensuring its channels and stations are platform-neutral (that is, available on the widest possible choice) and by developing families of channels and streaming services, based on its leading brands.</p> <p>By forming alliances and partnerships, RTL Group aims to counteract the dominance of global tech platforms. Examples include RTL AdAlliance (combining RTL AdConnect, G+J iMS and the media division of Smartclip). RTL Group's European ad-tech business, Smartclip, fully integrated the French ad-tech company Realytics, complementing the group's ad-tech stack.</p> <p>In TV advertising, RTL Group expands its addressable TV offerings, which connect precise, data-driven targeting with premium content in a brand-safe environment, delivered via traditional linear TV. Thereby, addressable TV offers the opportunity to compensate for potential future declines of classic TV advertising revenues. RTL Group intends to secure or improve its share in the resulting total TV advertising market.</p> <p>Within its global content business, Fremantle, RTL Group established a buy-and-build strategy – next to organic growth – to expand its global content business and to gain market share.</p>
Cyclical development of economy	<p>The cyclical development of the economy is highly correlated with the development of the advertising markets and therefore impacts RTL Group's revenue.</p> <p>2023 had seen a light recovery from the deteriorated macroeconomic conditions in 2022, regarding inflation and supply chain issues, and a sharp reduction of Covid-related risks. However, advertising markets remain difficult to predict following the lack of visibility of macro-economic trends.</p>	<p>Continuous monitoring of market conditions, scenario planning and strict cost control allow RTL Group to react to economic downturns. RTL Group aims to further diversify its revenue base by introducing new products and services that generate non-advertising revenue.</p>
Legal	<p>Local and European regulations are subject to change. Some changes could alter businesses and revenue streams (for example, a ban on certain types of advertisements on alcohol and high in fat and sugar foods), changes to data protection legislation as well as a limitation of advertising minutes.</p>	<p>RTL Group aims to anticipate any changes in legislation and to act accordingly by developing and exploiting new or alternative revenue sources.</p>

Type of risk	Description and areas of impact	Mitigation activities
Risks in key business		
Strategic decisions	Strategic decisions are associated with risks. The resource allocation based on the strategic direction could become disadvantageous to RTL Group's revenue and ultimately lead to a potential loss of revenue. This particularly relates to portfolio changes if acquired assets do not perform in line with assumed business plans and an impairment of goodwill may be triggered.	Investment policies are followed, underpinned by realistic business planning. Approval procedures are followed to ensure relevant risk assessment and management sign-off. A regular review of strategic options is undertaken.
Audience share and advertising market share performance	A decrease in audience and/or advertising market share due to entrance of global operators (such as Netflix, Amazon Prime and Disney+) may have a negative impact on RTL Group's revenue and profitability.	New talents and formats are developed or acquired. Performance of existing shows is under constant review with the aim of improving audience share performance and hence future revenue. RTL Group's strategy is to extend and enhance the diversity and quality of its programmes – especially on its streaming services. Budget processes on subscriber revenue undergo ongoing maturation.
Customers	Bad debts or loss of customers may negatively affect RTL Group's profits. Advertisers may change behaviour by switching to alternative advertising platforms or to inhouse advertising planning.	Credit analysis of all new advertisers is systematically undertaken. Depending on the customer's creditworthiness, insurance may be used. This risk is also mitigated by broadening the advertiser base. To match the customer evolution, RTL Group is evolving by exploring alternative advertising market platforms, matching customer behaviour changes.
Suppliers	Strong competition may lead to increased costs and/or less profitable programmes. There may also be a strong reliance on key suppliers.	The Group aims to diversify its sources of supply wherever possible, partly by producing content in-house. RTL Group benchmarks purchasing terms and conditions to identify best practices with the aim of reducing costs by, for example, joint purchasing.
Inventories	There is a risk of over-accumulation of stock that could become obsolete. This may lead to write-offs or impairments.	RTL Group has strict commercial policies, very close follow-ups of existing inventories, and strict criteria for approval of investment proposals for rights.
Pricing/discounting	There is potential price erosion either at broadcaster level or at production level, or in the digital environment, where competition could impact margin levels.	RTL Group aims to satisfy customer needs by providing unique, tailored proposals through alliances and the company's unique network position as well as the evolution of the business model.
IT infrastructure	Potential vulnerabilities within RTL Group operation systems and infrastructure may compromise business activities.	RTL Group entities use approved processes to continually monitor IT infrastructure and to update operating systems, if necessary, in line with the Group's IT policies. Increase of the compliance rate has decreased the risk.
Financial risks		
Foreign exchange exposure	The operating margin and programme costs are affected by foreign exchange volatility, especially if there is a strong increase of the USD against the EUR (such as feature films, sports and distribution rights, and scripted programmes).	RTL Group has in place a strict policy regarding foreign exchange management, which is monitored and followed up by Group Treasury, using hedging instruments and applying hedge accounting principles to mitigate volatility on the income statement.
Interest rate risk	The risk of increased cost of funding due to increase of interest rates.	RTL Group has entered into 3 new term loans based on 3-, 4- and 5-year horizons, leaving room for medium-term reimbursement while partially securing fixed interest rates.

Watchlist

On the RTL Group risk watch list composed of unquantifiable risks, management is very attentive to artificial intelligence deployment and evolution, its opportunities but also related risk.

The introduction of two new IT referenced applications, being SAP S/4HANA as ERP and Quantum as Treasury Management System, is to be carefully followed.

Finally, changes in the tax environment will also draw management attention to ensure all risks related to changes are integrated and properly addressed.

Risk management organisation

The risk management organisation is the combination of structures and relationships (see diagram on the following page), which enables a proper risk governance environment.

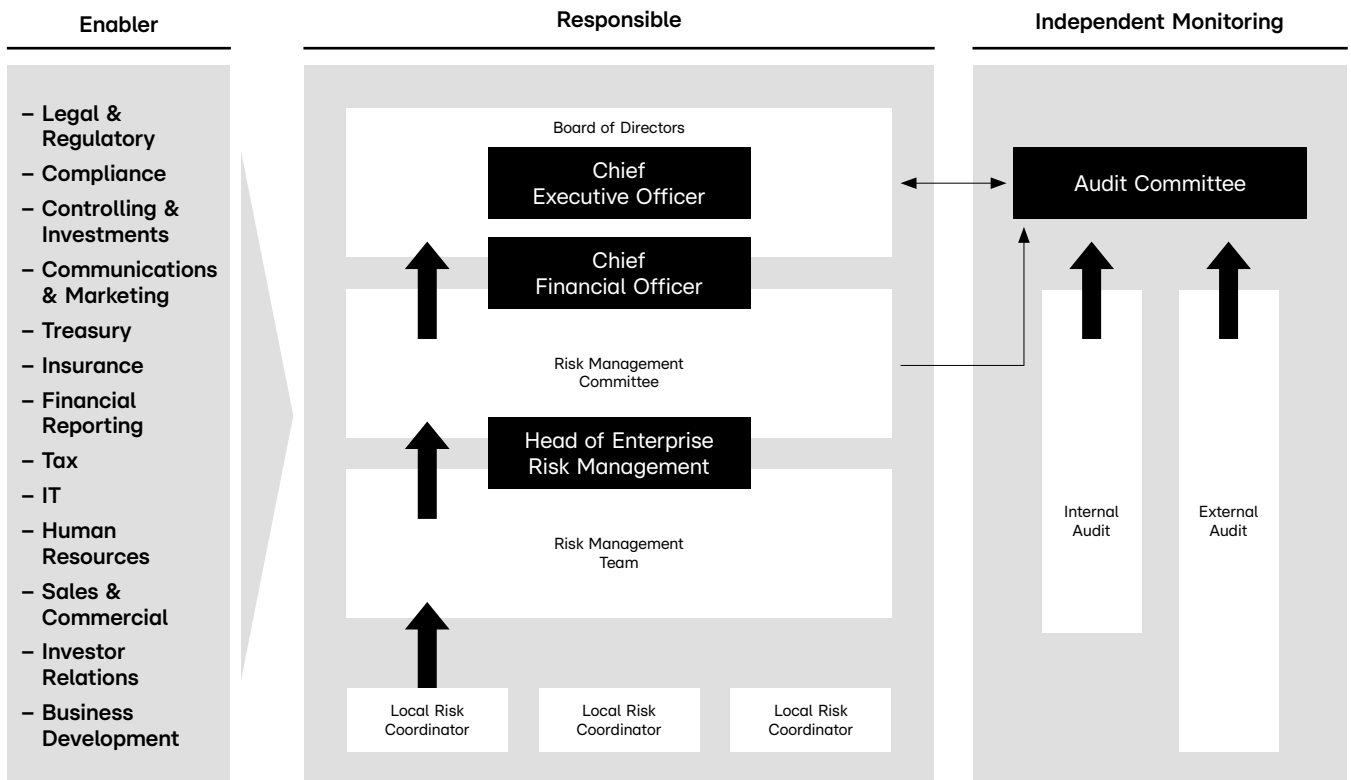
RTL Group's risk management governance model has a strong vertical component – from the Board of Directors and Executive Committee to the Audit and Risk Management Committees, to the executive responsible (CEO, CFO and Head of ERM), down to all levels of the dedicated risk management functions, including local entities.

This backbone is enabled by related control functions carried out by Group Risk Management and Internal Control, the Legal and Regulatory, Compliance, Business Development, Controlling and Investments, Communications and Investor Relations, Treasury, Insurance, Group Financial Reporting, Tax, IT, Human Resources, and Sales and Commercial departments. Independent monitoring is also carried out by Internal Audit and External Audit.

The Board of Directors is responsible for ensuring RTL Group maintains a sound system of internal controls, including financial, operational and compliance risks.

The Risk Management Committee meets twice a year and is composed of the following permanent members:

- RTL Group Chief Financial Officer
- RTL Group Senior Vice President Internal Audit
- RTL Group Senior Vice President Compliance
- RTL Group Senior Vice President Treasury and Enterprise Risk Management
- RTL Group Senior Vice President Controlling and Investments
- RTL Group General Counsel
- RTL Group Senior Vice President Group IT
- RTL Group Senior Vice President Financial Reporting
- Media Assurances' Chief Executive Officer
- Additional guests may be invited to participate in Risk Management Committee meetings as subject matter experts, based on the topics to be addressed.



Risk reporting framework

A risk is defined as a potential future development or event that can negatively affect the achievement of the Group's strategic, operational, reporting-related and compliance-related objectives.

RTL Group has developed a framework for reporting risks, in line with good corporate practice, which is based on several key principles:

- **1. Comprehensive scope of risk assessment:** risks are assessed within a framework of defined key risk categories. Regular risk assessments include a

description of the risk, an indication of the potential financial impact, and steps taken to mitigate the risk. These steps are performed throughout RTL Group, consolidated by the Head of Enterprise Risk Management and ultimately summarised in a dedicated risk management report. Results are presented to the Audit Committee.

- **2. Regular and consistent reporting:** RTL Group's system of internal controls ensures that risks are addressed, reported and mitigated when they arise. All significant risks are comprehensively assessed

within the risk-reporting framework and reported to RTL Group management twice a year. This ensures that necessary actions are undertaken to manage, mitigate or offset risks within the Group. The risks are reported using a common reporting tool to ensure consistency in scope and approach.

- **3. Bottom-up approach:** RTL Group assesses risks where they arise in its operations. All business units assess themselves according to the three parts of the risk management report:
 - Risk Management System: risk assessment and quantification of residual risks if applicable
 - Internal Control System: self-assessment on internal controls in place
 - Information Security Management System: risk assessment and quantification of IT-related risks

- **4. Consolidated Group matrix:** Group Risk Management and the Internal Control team aggregate a comprehensive view of significant risks for the Group by consolidating local risk assessments.

The Risk Management Committee evaluates and reviews this consolidated Group risk matrix and:

- advises on the control and reporting process for any major risks, and recommends mitigation strategies to the Group CFO
- monitors follow-up of risks and ensures mitigation measures have been taken
- increases risk awareness within the Group
- identifies potential optimisation opportunities in processes

The following risks and their classifications were reported for 2023:

Risk classification

Priority	Type of risk	Risk classification (potential financial loss in three-year period)				
		Low (<€50million)	Moderate (<€100 million)	Significant (<€250 million)	Considerable (<€500 million)	Endangering (>€500 million)
1	Changes in market environment			■		
2	Audience and market share (RTL)			■		
3	Cyclical development of economy		■			
4	Legal risks		■			
5	Customer risks		■			
6	Supplier risks	■				
7	IT and infrastructure	■				
8	Strategic risks	■				
9	Pricing/discounting	■				
10	Risks without cash impact	■				

For the first time, in line with EU legislation, the ESG risks (environmental, social and corporate governance data) were presented by a working group. From 2024, these risks will be a fixed part of regular Group reporting.

- **5. Audit approach:** both the process of local risk assessments and the consolidated Group risk matrices are regularly reviewed by Internal and External Audit.

Internal control framework

Internal controls are policies and procedures implemented by an organisation to ensure their financial reports are reliable, operations are efficient, and activities are compliant with applicable laws and regulations. The internal control system at RTL Group is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations, and the optimal use of the Group's resources
- Integrity and reliability of financial and operational information
- Reliability of financial reporting
- Proper identification, assessment, mitigation and reporting of material risks
- Compliance with applicable laws, regulations, standards and contracts.

Throughout RTL Group, the risks are assessed within a framework of defined key risk categories. To each risk, internal control / controls are assigned as a measure to make sure risk is monitored and mitigated.

All internal controls are assessed once a year by all Group entities, locally in one reporting tool, evaluated and aggregated by Group Risk Management and the Internal Control team and presented to the Risk Management Committee together with the risks.

The backbone for internal controls is a Minimum Control Policy that is reviewed at least once a year.

During 2023, as part of the SAP S/4HANA implementation project, the RTL Group focused on the continuous improvement of internal control processes by harmonising processes across the Group, strengthening tools, procedures and policies. Also, to ensure uniform risk reporting, all Group entities were migrated to one internal controls, and risks reporting tool. In 2024, the Group continues to raise awareness of risk management and internal controls, and to harmonise processes and policies as part of the SAP4Hana project.

Risk management in the future

RTL Group's risk management framework is constantly challenged – at both operational and Group level – through the Risk Management Committee, to ensure it reflects the risk profile of the Group at any time.

To ensure RTL Group's Enterprise Risk Management process and reporting requirements are consistently implemented throughout the Group, it holds regular workshops to update staff and to introduce new tools available to assess risk.

General Management Statement on Risk Evaluation

RTL Group is committed to high-risk management standards and applies principles endorsed by local and European regulations and expected by market authorities. Consequently, RTL Group has developed a risk management system integrated into an enterprise-wide process, as outlined in the previous section.

RTL Group defines its risk management process as a continuous process at business unit and Group level to prevent, protect, mitigate and leverage risks considering the execution of the Group's strategic objectives and values. RTL Group's risk management strategy is a holistic and enterprise-wide process, aligned to the definition and execution of the Group's strategy. RTL Group may have to make strategic decisions involving a new set of risks or reassessment of existing risks that need to be addressed within the risk management framework.

As of the date of this report, management considers the overall risk position of the Group to be stable, though there has been significant deterioration in macroeconomic conditions, reflected in lower economic sentiment and growth expectations, due to the war in Ukraine, inflation, energy supply and supply chain issues. Changes in the industry – in particular due to new technologies and increasing competition with US platforms – will continue to affect the Group.

There are currently no risks that, individually or in combination with other risks, could have a material or lasting adverse effect on the revenue, earnings, financial position or performance of RTL Group over the projection period of three years.

Opportunity management

Opportunity-management system

An efficient opportunity-management system enables RTL Group to secure its success in the long term, and to exploit its potential in the best possible way. Opportunities are defined as future developments or events that could result in a positive change from either the Group's outlook or from strategic objectives. RTL Group's Risk Management System (RMS) is an important part of the company's business processes and decisions. Significant opportunities are identified from profit-centre-level upward, during the Group's annual strategy and planning process.

This largely decentralised system is coordinated by central departments to identify opportunities for cooperation across the Group and within the business units. Experience is shared within divisions, and this collaborative approach is reinforced by regular senior management meetings.

Opportunities

The Group has strategic, financial and regulatory opportunities. These could result from a better-than-expected performance of streaming services and advertising technology; from higher demand for content; from a better-than-expected macro-economic development, leading to higher advertising market growth; from higher market shares resulting from programme successes; and from changes in the laws regulating the Group's businesses, such as advertising. In addition, RTL Group's strategy to form cross-media champions could create significant value through the synergy potential of creating RTL AdAlliance to satisfy the demand of ad-buying opportunities. RTL Group continues to develop its business model, to rethink its operational processes and to set the path for more open and agile collaboration across countries, departments and functions. AI opens many opportunities as a driver to increase efficiency and personalised output to support creative processes.

Luxembourg Law on Takeover Bids

The following disclosures are made in accordance with article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

a) Share capital structure

RTL Group SA has issued one class of shares which is admitted to trading on the Frankfurt Stock Exchange and the Luxembourg Stock Exchange. No other securities have been issued. The issued share capital as at 31 December 2023 amounts to €191,845,074 represented by 154,742,806 shares with no par value, each fully paid up.

b) Transfer restrictions

At the date of this report, all RTL Group SA shares are freely transferable but shall be subject to the provisions of the applicable German and Luxembourg insider dealing and market manipulation laws, which prevent anyone who has material non-public information about a company from dealing in its shares and from committing market manipulations. A detailed Dealing Code contains restrictions on dealings by directors and certain employees of RTL Group SA and its subsidiaries.

c) Major shareholding

The shareholding structure of RTL Group SA as at 31 December 2023 is as follows: Bertelsmann Capital Holding GmbH held 76.28 per cent, and 23.72 per cent were publicly traded.

d) Special control rights

All the issued and outstanding shares of RTL Group SA have equal voting rights and no special control rights attached.

e) Control system in employee share scheme

RTL Group SA's Board of Directors is not aware of any issue regarding section e) of article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

f) Voting rights

Each share issued and outstanding in RTL Group SA represents one vote. The Articles of Association do not provide for any voting restrictions. In accordance with the Articles of Association, a record date for the admission to a general meeting is set and certificates for the shareholdings and proxies shall be received by RTL Group SA the 14th day before the relevant date at 24 hours (Luxembourg time). Additional provisions may apply under Luxembourg law.

g) Shareholders' agreement with transfer restrictions

RTL Group SA's Board of Directors has no information about any agreements between shareholders that may result in restrictions on the transfer of securities or voting rights.

h) Appointment of Board members, amendments of the Articles of Association

The appointment and replacement of Board members and the amendments of the Articles of Association are governed by Luxembourg Law and the Articles of Association. The Articles of Association are published under the Investor Relations section on *rtl.com*.

i) Powers of the Board of Directors

The Board of Directors is vested with the broadest powers to manage the business of RTL Group SA. It may take all acts of administration and of disposal in the interests of RTL Group SA. The Board of Directors has set up several committees whose members are Directors. The responsibilities and functionalities of the Board of Directors and its committees are described in the Articles of Association and the Corporate Governance Charter, published under the Investor Relations section on *rtl.com*.

The Company's Annual General Meeting of shareholders held on 26 April 2019 renewed the authorisation granted at the Company's Annual General Meeting of shareholders of 16 April 2014 to the Board of Directors, to acquire a total number of shares of the company not exceeding 150,000. This renewal of authorisation is valid for five years and the purchase price is fixed at a minimum of 90 per cent and a maximum of 110 per cent of the average closing price of the RTL Group share over the last five trading days preceding the acquisition.

j) Significant agreements or essential business contracts

The Board of Directors is not aware of any significant agreements to which RTL Group SA is party and which take effect, alter or terminate upon a change of control of RTL Group SA following a takeover bid.

k) Agreements with Directors and employees

The Executive Committee members are entitled to contractual severance payments in the case of dismissal, except in the case of dismissal for serious reasons.

Declaration of Conformity with recommendations C.10, D.3, D.9 and D.11 of the German Corporate Governance Code for use by foreign companies

RTL Group SA is a public limited liability company under Luxembourg law. The German Corporate Governance Code (GCGC) does therefore not apply to RTL Group SA and RTL Group SA does not have to issue a Declaration of Conformity with the GCGC under section 161 of the German Stock Corporation Act (Aktiengesetz).

Solely for purposes of section 4.1.1.1 of the Guide to the DAX Equity Indices of STOXX Ltd., RTL Group SA declares that it does not deviate from recommendations C.10 (with sole reference to its applicability to the Chairman of the Audit Committee), D.3, D.9 and D.11 of the GCGC, in each case applied accordingly to a public limited liability company with a one-tier governance system under Luxembourg law.

RTL Group's Board of Directors or its audit committee arranges for RTL Group's external auditors to inform it and note in the audit report if, during the performance of the audit, the external auditors identify any facts that indicate an inaccuracy in adhering to the recommendations in C.10, D.3, D.9 or D.11 of the GCGC in each case applied accordingly to a public limited liability company with a one-tier governance system under Luxembourg law.

Luxembourg, 13 March 2024
The Board of Directors
RTL Group SA

Subsequent events

In February 2024, Fremantle reached an agreement with Oaktree Capital Management, subject to customary closing conditions, to fully acquire Asacha Media Group, a European production group based in France that owns interests in eight production companies in France, Italy and the UK. The multi-award-winning slate of international IP in this portfolio includes *Death in Paradise* for BBC One and *Scènes de ménages* for M6. Asacha Media Group is diversified in geography, genre and its customer base, complementing Fremantle's footprint in Europe and strengthening Fremantle's position as home to top and new talent. The transaction will be accounted for as a business combination in accordance with IFRS 3. At the time the consolidated financial statements were authorised for issue, the purchase price allocation considering the preliminary estimated consideration of €125 million was at a very preliminary stage.

In February 2024, Fremantle acquired an 80 per cent interest in the Asian production company Beach House Pictures. The Singapore-based company has a base in China and partners in Southeast Asia, Korea, Japan and India. They specialise in creating and co-financing original IP across non-scripted content but also scripted, entertainment and brand-funded programming for all major regional and international platforms. Most recent productions include the Emmy-nominated Netflix lifestyle series *Mind Your Manners* and the Netflix Global Top 5 true crime documentary series *Missing: The Lucie Blackman Case*. The transaction will be accounted for as a business combination in accordance with IFRS 3. At the time the consolidated financial statements were authorised for issue, the purchase price allocation considering the preliminary estimated consideration of €11 million was at a very preliminary stage.

In March 2024, Groupe M6 presented its investment plan for its streaming service M6+ (previously 6play). The additional investments of €100 million in content, technology and marketing will build up over time. The service will be primarily financed by advertising (AVOD), complemented by a premium subscription tier (SVOD). It will feature exclusive local content accessible from all screens alongside offering innovative experiences for the viewers and a higher value proposition for advertisers. The service will run on the technology platform provided by Bedrock and is set to launch in May 2024.

In March 2024, Groupe M6 announced that it acquired the exclusive free-to-air TV rights for the majority of the matches of the FIFA World Cup in 2026 and 2030 – representing 54 matches for each tournament. This significant acquisition strengthens Groupe M6's event-based, free-to-air sports offering and its streaming service M6+.

Outlook

The geopolitical and macroeconomic environment remains volatile, and the impact on RTL Group's businesses continues to be hard to predict. On the basis of a slight recovery of the German TV advertising market and broadly stable advertising markets in the Group's other territories,

- RTL Group expects its full-year **revenue** to increase to around €6.6 billion, based on higher revenue from RTL Deutschland (mainly driven by strong growth in streaming revenue) and Fremantle (mainly driven by a recovery in the US market and acquisitions).

- RTL Group expects its **Adjusted EBITA** for 2024 to be around €750 million, with a variance of plus/minus €50 million, depending on the development of the German and French TV advertising markets in 2024. This Adjusted EBITA outlook includes higher content costs, primarily for the broadcast of Euro 2024 matches in France and Germany, and higher streaming start-up losses (2023: €176 million) primarily due to the investments in M6+ in France.

- RTL Group's **dividend policy** remains unchanged: RTL Group plans to pay out at least 80 per cent of the adjusted full-year net result.

	2023	2024e
Revenue	€6,234m	~€6.6bn
Adjusted EBITA	€782m	~€750m (+/- €50m)
thereof streaming start-up losses	€176m	~€200m

Strategic targets for RTL Group's streaming services

	2023 ³⁹	2026e ⁴⁰
Paying subscribers	5.6m	~9m
Streaming revenue	€283m	~€750m
Content spend per annum	€270m	~€500m

Profitability is expected by 2026⁴¹.

Fremantle targets

Fremantle targets full-year revenue of €3 billion by 2025/2026.

To achieve this goal, RTL Group is investing significantly in Fremantle – both organically and via acquisitions – across entertainment, drama and film, and documentaries.

After integrating its acquired labels/production companies into the Fremantle network and reducing overhead, Fremantle's Adjusted EBITA margin is expected to increase to 9 per cent by 2026.

13 March 2024
The Board of Directors

³⁹ RTL+ in Germany, 6play in France and RTL+ in Hungary

⁴⁰ RTL+ in Germany, M6+ (previously 6play) in France and RTL+ in Hungary

⁴¹ Total of Adjusted EBITA from RTL+ in Germany and Hungary, M6+ in France and Bedrock as consolidated on RTL Group level. The Adjusted EBITA of RTL+ in Germany and Hungary and M6+ includes synergies with TV channels at business unit level. For the definition of Adjusted EBITA please see

Key performance indicators on pages 57 to 59