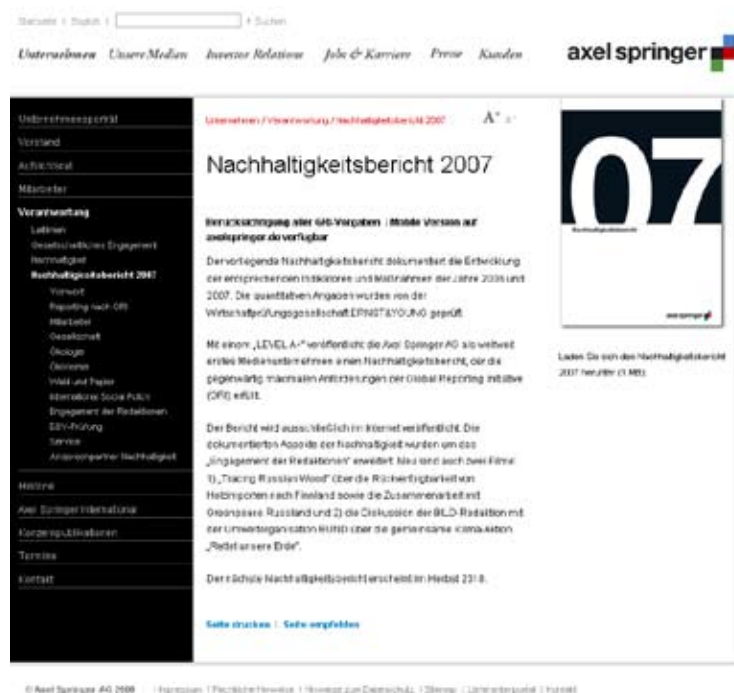


07

Sustainability Report

Sustainability Report 2007

Download the Sustainability Report 2007 here:
www.axelspringer.de



Compliance with all GRI guidelines / Now also available for mobile devices at mobil.axelspringer.de

The present Sustainability Report documents the development of the relevant Indicators and Measures for the years 2006 and 2007. The quantitative information was verified by the ERNST&YOUNG auditing company.

At "LEVEL A+" Axel Springer AG is the first media enterprise worldwide to publish a Sustainability Report which complies with the requirements of the Global Reporting Initiative (GRI) at the highest Application Level.

The Report is published exclusively on the Internet. The documented aspects of sustainability have been extended to include the "Commitment of the Editorial Offices". Two films are also newly available: 1) "Tracing Russian Wood" about the traceability of timber imports to Finland as well as co-operation with Greenpeace Russia, and 2) the discussion between the BILD editorial office and the environmental organization BUND about their joint climate campaign "Save our Earth".

The next Sustainability Report will be published in the summer of 2010.

Content

- Foreword**.....6
- Corporate Principles** 7
- Chronology 1979 - 2007** 9
- Distinctions 2007** 12
 - Axel Springer's vocational training is awarded prize 12
 - IÖW comparison of Sustainability Reports 12
- Objectives 2008/2009** 13
- Achievement of objectives 2006/2007** 14
- Employees**.....16
- Social key figures 2007** 17
 - Number of employees in the Group 17
 - Breakdown of staff figures by gender 18
 - Absence due to illness 18
- Benefits and offerings** 19
 - Qualification and further training 19
 - Leadership principles 19
 - Remuneration and social policy 19
 - Vario Pension 19
 - Axel Springer company health insurance plan 19
 - Health management 20
 - Services for employees 20
 - Child care at Axel Springer 20
- Diversity of openings** 21
- Axel Springer Academy** 23
 - The Axel Springer academy SCOOP! idea contest 23
- 10 Reasons to work for Axel Springer** 24
- The best to Axel Springer!** 26
- Career advancement in Axel Springer AG** 27
- Diversity as a purpose** 28
- Healthy employees for a healthy company** 28
- Contact** 29
- Society**30
- Reconciliation between Jews and Germans** 31
- A Heart for Children** 31
- Charitable initiatives** 32
- Small Change Campaign** 32
- "Hand in Hand for Africa" - Medical Aid for Tanzania** 33
- Environment**34
- Printing and logistics** 35
- Environmental Controlling** 37
- European Environmental Management System (EMAS)** 38
- System boundaries** 39

Waste water	40
Solid waste	41
Greenhouse gases	42
Energy	43
Printing paper	44
Sources of Printing Paper	45
Paper recycling	47
Printing inks	48
Transport	49
Economy	50
Forest and paper	51
Films	52
Forest Use	53
Publication Paper from spruces and pines	53
Project Reports	53
Forestry Standards	54
Ökologische Gütesiegel	54
Fighting Corruption - "From Russia with Transparency"	55
Tracing Imports	56
Stakeholder Management	57
International Social Policy	58
Social Policy	59
Practical Measures	60
Recherche vor Ort über Arbeitsbedingungen	61
Example: Wood from Russia for paper manufacturers in Finland	61
Example: Promotional gifts from China	62
Commitment of the editorial offices	63
BILD AM SONNTAG	64
BILD DER FRAU	65
HAMBURGER ABENDBLATT	66
BILD	67
Record donations at TV Charity Gala	67
Bob Geldof with BILD for Africa	67
EURO AM SONNTAG	68
FUNK UHR	68
Service	69
Frequently asked Questions	69
Studies and Reports	72
Glossary	74
Reporting according to GRI	75
GRI Content Index	76
Strategy and Analysis	76

Organizational Profile	76
Report Parameters	78
Governance, Commitments, and Engagement	79
GRI-Management Approach and Economic Performance Indicators	83
GRI-Management Approach and Environmental Performance Indicators	86
GRI-Management Approach and Indicators to Labor Practice	91
GRI-Management Approach and Social Performance Indicators	94
Human Rights	94
Society	95
Product Responsibility	97
Audit by Ernst&Young	100
Content, procedure and objectives of the Sustainability Audit	100
Assurance Statement of Ernst&Young	103
Contacts	105
Contacts for sustainability	105
Editorial contacts	106
Paper Suppliers 2007	107
Info	109
Feedback	111

Foreword

Dr. Mathias Döpfner
Chairman and Chief
Executive Officer



Ladies and Gentlemen,

in the middle of the year 2008, the Axel Springer company is in very good economic health and is the most profitable German publishing group. We concentrate on what we do best: journalism. As a content-based company we will continue to create the best newspapers, magazines, online and mobile offerings in the future if we use our creativity and passion for quality. Digitization and the internationalization of our business are the two decisive strategic priorities we have set for us to continue to grow profitably. As a German print company backed with more than sixty years of tradition, we are currently well on the way to becoming a leading print, online and moving image company in Europe.

This Sustainability Report concerns itself with Axel Springer's commitment to social responsibility, which comes from a sense of conviction. Sustainable economic management and the safeguarding of social and ecological standards belong to this. Accepting responsibility for the future of our planet – is something which is expected of us by our staff, our customers, it is expected of us by the talented journalists, business administration or technical experts, who consider working for us, and not least, this is something expected of us by our shareholders.

As a result of the international growth curve of our company, we now also want to involve our international subsidiaries more actively in sustainability reporting. Within the framework of the international Convention on the Protection of Biodiversity, we will also add our experience in the ecological optimization of the wood and paper chain through the Business & Biodiversity initiative.

For Axel Springer, this is a question of credibility and consistent customer orientation. The editorial offices of our newspapers and magazines deal with the topics of economic, social and ecological sustainability on a daily basis. They inform, they enlighten, they scrutinize. A new chapter in the report "Commitment of the editorial offices" documents numerous examples of this. As a media company we therefore bear a dual responsibility. We not only want to lead by example in our role as journalists and publisher, but also as an employer, as a printer, as a paper purchaser – simply as a member of society in general.

The guidelines of our corporate culture - creativity, entrepreneurial spirit and integrity, are the foundation of successful economic management.

I wish you an informative read of this report, which for the first time can also be read in mobile devices, and remain

Yours

Dr. Mathias Döpfner

Chief Executive Officer

Corporate Principles

Corporate Principles, Values and Guidelines

The supporting pillars of a unique company - the foundations of Axel Springer

Axel Springer is the only independent media company to have a corporate constitution since 1967. The five preambles serve as the fundamentals for publishing activities. The company has also defined values that distinguish Axel Springer's specific corporate culture. Guidelines for safeguarding journalistic independence at Axel Springer were added in August 2003. The Social Standards published in July 2004 are a binding guideline for social integrity and apply to all the company's activities throughout the world. Axel Springer AG attaches great importance to good Corporate Governance in the management and control of the enterprise. With its first Environmental Report in 1994 the company also published a four-point Environmental Guideline.

Corporate Principles

With five socio-political principles for a liberal system of values

The five socio-political preambles that were written by Axel Springer in 1967, amended in 1990 following German reunification and supplemented in 2001 are part of the articles of association of Axel Springer AG. They paint a liberal picture of the world.

1. To uphold liberty and law in Germany, a country belonging to the Western family of nations, and to further the unification of Europe.
2. To promote reconciliation of Jews and Germans and support the vital rights of the State of Israel.
3. To support the Transatlantic Alliance, and solidarity with the United States of America in the common values of free nations.
4. To reject all forms of political extremism.
5. To uphold the principles of a free social market economy. The corporate constitution defines fundamental sociopolitical convictions but does not offer opinions.

Corporate Culture

Working together creatively and with integrity as a basis for successful enterprise

Axel Springer AG has defined values that distinguish the specific corporate culture of the media enterprise. These values are regarded as the most important basis for success.

Creativity as the decisive prerequisite for success as journalists, and in turn for commercial success;

Sense of enterprise in that members of staff and executives develop fresh ideas on their own and act on their own initiative to achieve their goals;

Integrity vis-à-vis the company, readers, customers, members of staff, business associates and shareholders.

Guidelines of Journalistic Independence

Guidelines as publishing principles in accordance with the German Press Council's press code of conduct

The editors-in-chief and publishing directors of the company developed guidelines to guarantee journalistic independence at Axel Springer and introduced them in August 2003 in agreement with the Management Board.

The guidelines specify and extend the company's understanding of the publishing principles of the press code of conduct issued by the German Press Council. Observance of these guidelines by all the editors in their journalistic endeavors guarantees the general conditions that make independent and critical journalism possible. The editors-in-chief are responsible for observance of the guidelines and for their implementation in day-to-day business.

The guidelines deal with the distinction between advertising and editorial copy as well as between the editors' private and professional interests, prevent the exercise of personal advantage and define a position with respect to the treatment of sources.

The complete guidelines for journalistic independence at Axel Springer can be downloaded here .

International Social Policy

Binding guidelines to guarantee social standards worldwide

In view of the company's growing international presence, Axel Springer AG has adopted a catalogue of social standards. This International Social Policy is a binding guideline for social integrity and applies to all the company's activities throughout the world.

The complete International Social Policy can be downloaded here .

Corporate Governance

Adherence to and implementation of the "German Corporate Governance Code" at Axel Springer

Axel Springer AG has always attached great importance to responsible management and control. So it is that the company follows the principles of good Corporate Governance in management and control as well as adhering to the provisions of German law relating to corporations, the capital market and other relevant fields. Click here for "Corporate Governance " (under "Investor Relations").

Environmental Protection

Practiced perception of the environment for resource sparing production in all sectors

With its first Environmental Report in 1994 Axel Springer AG published a four-point Environmental Guideline. It serves as a practical guide to the many measures introduced by the company in the interests of the environment.

1. To raise environmental consciousness in readers, business associates and members of staff.
2. To promote the environmentally-friendly supply of raw materials by exerting a positive influence on suppliers.
3. To use ecologically-efficient technologies and materials in all corporate sectors to reduce the burden on the environment, use materials sparingly and ensure their recyclability.
4. To avoid or reduce the burden on the environment by reducing energy and water requirements, emissions and waste per unit produced.

Chronology 1979 - 2007

Highlights and Milestones

A review of the development of sustainability management at Axel Springer AG

2007

Health Prize: For the fourth time BILD am SONNTAG - in co-operation with the Technical Health Insurance Company – awards the PULSUS Health Prize. This pays tribute to special achievements in the field of health and social commitment. The prize for the “Healthiest Elementary School of the Year” is awarded to schools which take an active interest in promoting health, for example by integrating Nutrition as a subject into the timetable or also offering many extracurricular sporting activities.

Prize for Committed Women: In the presence of Federal Minister for Family Affairs Ursula von der Leyen, BILD der FRAU awarded the “GOLDEN BILD der FRAU” Prize worth a total of 70,000 Euros for the second time to five socially committed women.

First “Hamburg Children’s Paper”: on the occasion of Universal Children’s Day, the first “Hamburg Children’s Paper” was published in the HAMBURGER ABENDBLATT. For one day 50 children aged between eight and fourteen took over the editorial office of this eight-page special supplement. They were able to determine all of the topics, select the photos and also decide on the layout. Experienced editors from the HAMBURGER ABENDBLATT lend them support as advisers. More than 500 children had applied to take part in the project.

“Save our Earth. Count me in!”: In order to familiarize the public with the complex of problems involved in climate change, the BILD newspaper started a co-operation project with the BUND, Greenpeace and WWF environmental associations. Under the motto “Save our Earth”, BILD publishes information on the background and possible solutions as well as giving tips for personal action.

Distinction: In the critical comparison of Sustainability Reports published by 150 German organizations carried out by the Institute for Environmental Management and Economics (IÖW) in 2007, the 2005 Sustainability Report of Axel Springer AG was rated eighth overall and second in the Environmental Protection segment. In the even smaller group of companies who publish their Sustainability Reports exclusively on the Internet, Axel Springer was rated first. In the rankings carried out over the past ten years, Axel Springer AG’s Sustainability Report, published every two years, has been ranked in the Top 10 five times.

2006

Girls Day: Within the framework of the nationwide “Girls Day” initiative, 180 young people informed themselves about training opportunities and everyday working life at Axel Springer AG. Employees’ children had an opportunity to get to know their parents’ workplace, gain an insight into everyday working life and find out about training opportunities at the company.

Against Violence and Racism in Football Stadiums: Through the distribution of the campaign sticker “STOP No violence in the stadium!” with a part of the circulation as well as an editorial discussion, SPORT BILD is setting an example against violence, racism and Nazi terror in stadiums.

“Green Money”, the publication with the highest circulation by far in the environmental investment sector is published as a special issue in EURO am SONNTAG and EURO.

Nature in Germany is the focus of a new series of books which BILD is publishing along with WWF and the Weltbild publishing group. Each volume costs 5.95 Euros and has 120 pages. The six-volume series is divided into habitats: Life in the Forest, In Streams & Lakes, In the Mountains, On the Coast & by the Sea, In Fields & Meadows and In the Garden.

2005

Pilot project: Together with the paper manufacturer Stora Enso (Helsinki), the publishing houses Random House Group (London) and Time Inc. (New York) as well as the packaging manufacturer Tetra Pak (Stockholm), the publishing firm presents the project “From Russia with Transparency” (www.tikhvinproject.ru). One of the main priorities is the promotion of sustainability as well as the fight against corruption in the cross-border timber trade for the manufacture of printing paper.

Distinction: In the critical comparison of the Sustainability Reports published by 150 German organizati-

ons, Axel Springer AG was fourth overall in the CAPITAL ranking, and first in the Environmental Protection segment.

2004

GRI: As the first media organization worldwide, Axel Springer AG publishes a Sustainability Report which complies with the Guidelines of the Global Reporting Initiative (GRI/www.globalreporting.org) and also fulfills the comprehensive catalog of criteria of so-called "in accordance" requirements of the GRI.

International Social Policy: In view of the company's growing international presence, Axel Springer AG has adopted a catalogue of social standards. It lays out the organization's position on issues relating to human rights, the protection of children and young people, the qualification of its workforce and the achievement of a work/family balance.

Tiger Protection: HÖRZU offers new subscribers an interesting bonus offer. In future, everyone who subscribes to Germany's biggest weekly television program guide for one year may instruct HÖRZU to utilize 50 Euros directly for a World Wide Fund For Nature (WWF) Tiger Protection Project in Indonesian Sumatra. The goal is to support the efforts to save the last remaining Sumatran tigers.

Distinction: For its "exemplary Commitment to Sustainable Development", the publishing firm was awarded the Environmental Award 2004 (Major companies category) by the German Environmental Management Association (B.A.U.M.).

2003

German Agro Action: The Small Change campaign raised a donation of EUR 25,000.-, which was given to the private Indian development aid organization "Social Work and Research Centre" (SWRC). In cooperation with German Agro Action, this organization finances educational programs for schoolchildren in 50 villages in the Indian desert State of Rajasthan.

Eldercare: The sudden need of nursing care for an elderly relative can sometimes become a problem for working people. The Family Service therefore offers special advice and assistance when this situation arises.

2002

Distinction: In conjunction with project partners (Otto, UPM-Kymmene) the publishing firm wins the award for "Sustainable Development Partnerships" from the International Chamber of Commerce (ICC) and the United Nations Environment Programme (UNEP) for sustainability initiatives along the paper chain.

Equality of opportunity: For the second time, the publishing firm is singled out for the "Total E-Quality" distinction for equal opportunities for and promotion of female employees. Family Service: Since March of 2002, the "Company Kids" kindergarten, an extension of the corporate Family Service, has been enabling parents to get quick and unbureaucratic assistance in emergency situations. Forestry: Start of a pilot project with Russian forestry firms to improve safety at work in the harvesting of timber.

2001

Distinction: The first audited sustainability report appears. For this, Axel Springer wins the "German Environmental Reporting Award" (2nd place) of the Deutsche Wirtschaftsprüfungskammer (German Chamber of Auditors).

Tracing Russian Wood Imports: Anybody can trace the origin of wood fiber in the Internet.

Distinction: Award of eleven environmental pins by the Studien- und Förderungsgesellschaft der Wirtschaft Schleswig-Holsteins (Society for the Study and Promotion of the Economy of Schleswig-Holstein) to members of staff of the company. Some of the prizewinners had modified water cooling systems in the Ahrensburg rotogravure printing facility to conserve energy.

Distinction: The Bundesvereinigung für innerbetriebliche Kommunikation (German Federal Association for Internal Corporate Communications) awards the "Dr. Martin Nebe Prize" to trainees of the Axel Springer group for their commitment to combating hostility towards foreigners.

2000

Cooperation: In cooperation with the Universities of Lüneburg and St. Gallen, with the companies Bahlsen and VW as well as the large Swiss bank UBS, the research project "Sustainability Balanced Scorecard" is born, the aims of which include investigating the inclusion of environmental management in strategic com-

pany management.

1999

Pilot project to optimize the paper chain: from the family forestry firm in Norway to the finished magazine in the Ahrensburg printing facilities – exemplified by the magazine "Familie&Co".

1997

Rapprochement: Dialog with foresters in Austria, Germany and Scandinavia who had protested against what they presumed would be economic disadvantages resulting from forest certification.

1995

European Environmental Management System (EMAS): Validation of the Ahrensburg newspaper and magazine printing facilities as the first in Europe to be validated according the voluntary EC Eco Audit.

1994

Reporting: The first Environmental Report is published.

1993

Transparency: Publication of the document "Printing paper and the Environment: Questions asked of Paper Suppliers to the Axel Springer publishing company".

1979

Investment: Complete encapsulation of the rotogravure machines to reduce solvent emissions.

Distinctions 2007

2007

Axel Springer's vocational training is awarded prize

Axel Springer AG wins an award for “excellent vocational training performance” from the IHK and the Chamber of Skilled Crafts

The Chamber of Industry and Commerce and the Berlin Chamber of Skilled Crafts awarded prizes to training companies for their “excellent vocational training performance”. These companies also included Axel Springer AG, which offers apprenticeships for printers, media designers and industrial mechanics, as well as various occupations in the business area.

The Institute for Environmental Management and Economics (IÖW): Right up front with the online Sustainability Report

Once again an excellent placing in the IÖW comparison of Sustainability Reports

In the critical comparison of Sustainability Reports from 150 German organizations in 2007 carried out by the Institute for Environmental Management and Economics (IÖW), the Sustainability Report 2005 of Axel Springer AG was rated eighth overall and second in the Environmental Protection segment. In the even smaller group of companies who publish their Sustainability Reports exclusively on the Internet, Axel Springer AG was rated first. In the rankings carried out over the past ten years, Axel Springer AG's Sustainability Report, published every two years, has been ranked in the Top 10 five times.

Objectives 2008/2009

Sustainability management is made up of a large number of projects and measures. A few examples:

Objectives and Programs for Sustainability Management

Field	Objectives for the reporting period 2008 to 2009
Berlin, Hamburg publishing buildings and external editorial offices	<ol style="list-style-type: none"> 1. Installation of stop-buttons and motion detector based light switches in rest rooms. 2. Installation of downlights with electronic ballasts in corridors to reduce energy consumption. 3. Installation of motion detector based light switches in staff kitchens. 4. Integration of the five biggest external editorial offices (Munich, Cologne, Frankfurt, Stuttgart and Düsseldorf) into Sustainability Monitoring.
Spandau newspaper printing facility	The direct non-methane hydrocarbon emissions (NMVOC) from the washing agents used to clean the printing machines are to be reduced. For this the recycling of washing agents in long-term use will be tested until the end of 2008. If results are favorable, NMVOC emissions – compared with 2007 – should be reduced by 40 percent from 2009.
Ahrensburg newspaper printing facility	<ol style="list-style-type: none"> 1. Initiative for co-operation with Ahrensburg schools: Conducting project days on the topics Energy and Environment. 2. Activation of the interdisciplinary working group on Environment carried by employees. 3. The laying out of a wildflower meadow in the grounds surrounding the plant. 4. A reduction of the heating energy consumption by 20 percent compared to 2007 through residual heat use as well as an optimisation of plant parameters and life spans.
BILD Group and Magazines Distribution	Deployment of a hydrogen-powered test vehicle for regional distribution in Berlin with the objective of gaining practical experience in the use of CO ₂ -reducing mobility technology.
Paper Procurement	Business and Biodiversity Initiative: As “nature conservation pioneers” Axel Springer along with 33 international companies was invited by the Federal Environment Ministry, to help win over further companies to initiate activities for the Preservation of Biological Diversity. The objective is the implementation and documentation of success criteria in the “Business&Biodiversity” field. A new project on the environmental optimization of the wood and paper chain is to be introduced in order to do this.
Axel Springer Poland	Setting up of Sustainability Management at Axel Springer Poland
PACE Paparazzi Catering & Event GmbH, operator of the Axel Springer AG company restaurants at several locations.	Introduction of fair trade and organic coffee in the employee catering service locations just as in event catering at all of the PACE operated outlets at Axel Springer AG, including the publishing companies in Berlin and Hamburg.
CO ₂ co-operation with the Association of German Magazine Publishers (VDZ)	Participation in the development of a CO ₂ calculator suitable for the processes in a newspaper and magazine publishers within the scope of the Sustainability working group of the Association of German Magazine Publishers (VDZ).

Achievement of objectives 2006/2007

The environmental statements of the printing locations published within the scope of the voluntary European Eco Audit (EMAS) outline the extent to which an objective has been achieved. A concrete example also clarifies the consideration processes, which play an important role in sustainability management.

Achievement of Objectives in the 2006 and 2007 reporting period

Field	Objectives for 2006 + 2007	Objectives for 2006 + 2007 Were these objectives achieved?
Energy management in the Ahrensburg newspaper printing facility	Reduction of specific energy consumption by five percent on the new rotary printing machines through the introduction of individual drives on the printing units	ACHIEVED: Through the installation of a new generation of machines with individual drives in the printing units it proved possible to reduce the specific energy consumption in comparison with printing machines driven by a main motor as intended.
Energy management in the Essen-Kettwig newspaper printing facility	Introduction of Energy Management for all types of energy to optimize processes (savings target approx. 300 MWh)	Halfway ACHIEVED. Through the installation of new cooling towers for the machine cooling rotation, 155 MWh refrigerating capacity and 5884 m ³ water were saved.
Noise control in the Ahrensburg newspaper printing facility	Successive reduction of the noise level in the rotary area of approx. 3 dB(A) through the replacement of the old rotary printing machines and the installation of noise barriers.	Successive reduction of the noise level in the rotary area through the replacement of the old rotary printing machines and the installation of noise barriers.
Noise control in the Essen-Kettwig newspaper printing facility	Reduction of the sound emissions from the rotary printing machines by the introduction of a rubber blanket plate.	NOT ACHIEVED: The project was not put into practice due to technical problems with the rubber blanket plate as well as quality and durability problems
Resource management in the Essen-Kettwig newspaper printing facility	Reduction of the consumption of dummy plates by 50 percent.	ACHIEVED: The consumption of dummy plates was reduced from 6208 pieces/month in 2005 down to only 1750 pieces/month in 2007.
Reduction of waste products requiring particular monitoring. This waste should be reduced by about 30 percent by decreasing the water content of the photochemicals used.	Reduction of waste products requiring particular monitoring. This waste should be reduced by about 30 percent by decreasing the water content of the photochemicals used.	ACHIEVED: Mid 2006 the maintenance procedure of the computer-to-plate-equipment was adapted. In 2007 the quantity of used photochemicals was 30 tons and by that 49 percent lower than the 59 tons of the year 2005.
Energy management in the Berlin and Hamburg publishing houses	The use of electrical energy is to be reduced by ten percent in office buildings. This will be achieved through the following and other measures: 1. Energy minimization through selective shut-downs of the air conditioning systems. 2. Replacement of lighting and lamps with more efficient T5 lamps fitted with electronic ballasts. 3. Outside light dependent control in the corridors. 4. Motion detectors in rest rooms and garages. 5. Time control equipment in technology rooms.	ACHIEVED: The objective of reducing energy consumption in the Berlin and Hamburg publishing houses by ten percent was achieved by the measures mentioned. The reduction amounted to 10.53 percent.

Field	Objectives for 2006 + 2007	Objectives for 2006 + 2007 Were these objectives achieved?
Corporate Volunteering (Human Resources Development)	Trainees in the Human Resources Development sector want to involve themselves within a social institution in Berlin.	ACCOMPLISHED: To do this, 18 trainees with children in the Pettenkofer Elementary School in Berlin-Friedrichshain produced ideas, photos, drawings and texts for a newspaper. Their partner was the association "Children from next door", which dedicates itself specifically to youth work in the school in Friedrichshain.
Safeguarding social standards in the wood and paper chain (Paper Purchasing + Corporate Sustainability Office)	The prevention of industrial accidents in Russian forestry enterprises which supply wood to paper mills in Finland. Awareness among participants in the supply chain is to be increased.	ACCOMPLISHED: For this, three information visits to Russian forestry enterprises were undertaken: Once to the Petrosavotsk (Karelia) region and twice to the Leningrad Oblast region. (See also the video documentary.)
Transparent traceability in the wood and paper chain (Paper Purchasing + Corporate Sustainability Office)	Reliable and easily accessible documentation of the origin of timber imports to Finnish paper mills from Russia.	ACCOMPLISHED: For this purpose the "Tracing Russian Wood" project was discussed and continued on site in co-operation with the paper manufacturer UPM-Kymmene and Greenpeace Russia. (See also the video documentary.)

Employees



The lights for healthy food are green for Rüdiger Stein. Christa Lemke (on the exercise ball), Director of the Axel Springer health insurance plan, and Astrid Westermann from Human Resources Development, are campaigning with him for the wellbeing of the employees.

Health care campaigns are conducted every year: The motto in 2004 was “Healthy back”, followed by the focus on “Prevention of cardiovascular disease” in 2005, and “Stress management” in 2006, before Axel Springer AG offered its employees comprehensive skin screening in 2007 as part of the “Prevention of skin cancer” campaign. In addition there have been courses on giving up smoking as well as various special action campaigns, e.g. intestinal cancer check-ups.

In co-operation with our subsidiary PACE, the Health Management 2008 campaigns are being run under the heading of “Nutrition and Exercise”.

Social key figures

Axel Springer employed an average of 10,348 employees in continuing operations in 2007 (excluding apprentices and journalism students/trainees).

7,783 people were employed in the market-orientated sectors (publishers, electronic media and marketing), 1,335 in the service sectors and 1,230 in the technical sectors. The number of editors rose by 163 to a total of 3,529 employees mainly as a result of the publishing operations in Switzerland, Russia and Spain. There were 452 more salaried staff and industrial employees than in the previous year among the 6,819 people employed.

The average length of service with the company was 12.5 years; 48.1 per cent of staff had been at Axel Springer for more than ten years. The proportion of severely disabled employees averaged 4.61 percent for the year (Axel Springer AG: 5.19 percent). Thus the requirements of the German Disabled Persons Act in the fiscal year 2007 were essentially complied with.

Number of Employees in the Group

Average number of employees			
Occupational groups	2005	2006	2007
Editors	3,224	3,366	3,529
Salaried staff	5,357	5,244	5,771
Specialist staff	1,006	740	687
Auxiliary specialist staff	579	383	361
Total	10,166	9,733	10,348
Domestic	7,867	7,232	7,444
Foreign	2,299	2,501	2,904
Total	10,166	9,733	10,348

* as per Annual Report 2005

Number of employees	2005	2006	2007
Domestic locations			
Hamburg	3,296	3,220	3,207
Ahrensburg/Offset	524	521	495
Essen-Kettwig	490	360	329
Berlin	1,672	1,699	1,986
Spandau	403	391	366
Munic	333	342	359
External domestic locations	1,149	699	702
Domestic locations total	7,867	7,232	7,444
Foreign subsidiaries			
Czech Republic	78	71	74
Russia	170	185	203
Switzerland	101	106	339
Poland	538	757	778
Hungary	927	898	912
Spain	137	159	179
France	327	296	318

China		10	27
ZANOX abroad		0	49
Employees abroad, directly employed by Axel Springer AG	21	19	25
Foreign total	2,229	2,501	2,904
Total	10,166	9,733	10,348

Breakdown of staff figures by gender

	2005		2006		2007	
Employees	m	f	m	f	m	f
Editors	2,034	1,190	2,104	1,262	2,210	1,319
Salaried staff	2,456	2,901	2,381	2,863	2,715	3,056
Commercial	1,445	140	1,016	107	946	102
Total	5,935	4,231	5,501	4,232	5,871	4,477
Sum		10,166		9,733		10,348

Absences due to illness

	2003	2004	2005*	2006	2007
Editors	2.90%	3.00%	3.20%	3.20%	3.70%
Salaried staff	4.00%	3.80%	4.10%	4.00%	4.30%
Specialist staff	6.40%	6.10%	6.70%	6.80%	7.70%
Auxiliary Specialist staff	8.80%	9.00%	9.70%	7.40%	8.00%
Total	4.50%	4.30%	4.50%	4.20%	4.60%

* Figures for the second half year 2005 refer to staff numbers excluding the disincorporated rotogravure facility.

Benefits and Offerings

Axel Springer offers its employees an attractive benefits package.

Qualification and further training: Investment in the future

Creative, competent and committed employees are one of the essential foundations for entrepreneurial success. For this reason initial and further vocational training plays an important role at Axel Springer – as an investment in the successful future of the company. Support has many faces at Axel Springer beginning from the first working day: The Onboarding Program allows new employees to get to grips with their jobs quickly. This education initiative is an extensive qualification program for all Axel Springer employees. Success also requires contacts – various networks exist for this purpose. In this way a targeted exchange of information and the team concept is promoted throughout the whole company.

Leadership principles: Actively shape change

In 2008 leadership principles are introduced at Axel Springer. Leadership at Axel Springer means: to actively exemplify enthusiasm and maximum performance, to create space for creativity and to shape change. The principles shall give managers scope for action, providing transparency with regard to the demands and expectations of the leadership role. The principles are based on the company values of creativity, entrepreneurial spirit and integrity and are to develop the competence to adapt to change, promote communication between managers and employees, and continue to lead Axel Springer to entrepreneurial success through resoluteness, courage and consistency.

Remuneration and social policy: Attractive payment and high social standards

Axel Springer combines the values of a social company steeped in tradition with the dynamism of a modern, innovative and internationally expanding media enterprise. A lot is expected of the employees – in return Axel Springer offers attractive payment packages and high social standards. Axel Springer was awarded the Top Employer prize by the geva Institute in 2007.

Vario Pension: Supplementary company pension plan

With the Vario Pension, Axel Springer offers employees a future-oriented company pension plan through deferred compensation. The principle is simple: Each employee sets something aside for his or her pension every year which is added to by Axel Springer. In this way employees are given an opportunity to build up a stock of capital and to make provisions for their retirement.

Axel Springer company health insurance plan: Extensive service package

Axel Springer offers its employees its own health insurance plan, attractive due to an extensive package of services as well as high-quality service. At the same time the Axel Springer BKK operates

very economically thus avoiding unnecessary expenditure for administration, resulting in premiums being significantly lower than those of the health insurance companies.

Health management: Healthy employees for a healthy company

The health of the employees is very important to Axel Springer. In co-operation with the Axel Springer company health insurance plan, a program was developed in 2004 to promote health in the company. Since then health care campaigns have been carried out annually.

Services for employees: A wide range of offerings at attractive rates

As a part of the Axel Springer building, the Axel-Springer-Passage in Berlin offers a large selection of services with shops and restaurants as well as a medical consultants' and a conference center. Likewise in the heart of Hamburg, the Axel-Springer-Passage invites employees and visitors to enjoy a diverse selection of gastronomic services at attractive prices.

Child care at Axel Springer: Active support of an improved work/family balance

In addition to the emergency kindergarten and support with care for the elderly, a company child care service has been in operation for the Berlin employees since April 2008. The "Wolkenzwerge" ("Cloud dwarves") daynursery in the immediate vicinity of the workplace offers plenty of space for fun, games and creative learning. Media skills play a central role for Axel Springer as a modern media enterprise. For this reason the qualified pedagogic work focuses on promoting the children's specific learning and language acquisition. Besides an above-average child care ratio, the institution also offers flexible opening times and an emergency service, thereby making an active contribution to the work/family balance.

Diversity of openings

Axel Springer offers applicants multiple entry opportunities.

Direct job entry: Newcomers are always welcome at Axel Springer. Applicants with in-depth media experience are equally welcome, as are those from different backgrounds, who wish to contribute to the success of Axel Springer with their knowhow, talent and creativity. Information on vacancies can be found on the Jobs & Career section.

The **Axel Springer Academy** in Berlin is the most progressive school of journalism in Germany. It offers a new type of vocational training for journalists focusing on crossmedia. Alongside a classical journalist's trade, the students spend two years learning everything they need to know to be fit for the digital media age. In addition to this vocational training, the Academy offers advanced vocational training for editors, is the new development unit for the organization, and is furthermore the creative think tank of the publishing company. www.axel-springer-akademie.de

Attendance in the editorial departments enables students with a strong interest in journalism to gain initial experience in the everyday work of editing.

The 18-month **Junior-Executive-Program** is a management trainee program for young professionals with 2 to 3 years vocational experience. Structured as a general management program, it comprises assignments and projects both in the operative areas as well as in central departments. The program is rounded off by modular seminars and intensive networking along with a sponsorship program.

Axel Springer's 18-month **Trainee-Program** is aimed at highly motivated and performance-oriented university graduates who have a particular interest in the media industry. Individual vocational training and systematic induction into different business areas provides goal-oriented and sound "learning by doing" offering numerous ways of taking on responsibility in specialist departments and in management.

Axel Springer's Sales Academy develops talented salespeople in the selling of print and online advertising in a 14-month program. Participants get to know the central specialist departments as well as the regional sales offices. In addition to a basic sales orientation, we are above all looking for talent, a readiness to learn and motivation.

Axel Springer offers **student internships** to students of all disciplines in almost every division of the company. Interns are integrated into the daily business for a period of between two and six months, where they take on their own projects thus gaining valuable experience for their future careers.

Axel Springer offers school leavers a variety of **vocational training opportunities**.



Young people who know where to go: apprentices at Axel Springer.

Commercial professions:

- Publishing clerk for digital and print media (male/female)
- Office communication clerk (male/female)
- Media and information services technician, specialised in information and documentation (male/female)
- Commercial clerk (male/female)
- Media designer for digital and print media (male/female)

Technical professions:

- Printer (male/female)
- Energy electronics specialist (male/female)
- Industrial mechanic (male/female)
- Mechatronician (male/female)

Axel Springer apprentices, who would like to study after passing their examinations, are eligible to apply for a **scholarship**. Scholarship holders who maintain close contacts to the company during their studies have the best prospects to subsequently gain specialist and management positions.

A **Dual Course of Study** offers an ideal combination of practical vocational training in the company and a degree as a Bachelor of Science in Business Management at the Nordakademie Elms-horn. The entire program runs for a period of three and a half years.

You may find a lot more, including application tips , in the Jobs & Career section.

Axel Springer Academy

The Axel Springer Academy in Berlin is the most progressive school of journalism in Germany. It offers a new type of vocational training for journalists focusing on cross-media.

Alongside a classical journalist's trade, the students spend two years learning everything they need to know to be fit for the digital media age. In addition to this vocational training, the Academy offers advanced vocational training for editors, is the new development unit for the organization, and is furthermore the creative think tank of the publishing company.

More detailed information can be found on the website of the Axel Springer Academy.

The Axel Springer Academy SCOOP! idea contest

Axel Springer Academy announced its SCOOP! idea contest in July 2007. Wanted: A new media project, of any type, which distinguishes itself through its creativity and originality.

Around 2,000 talented young journalists, seasoned media professionals and other creative types submitted their ideas. At the end of October 2007 the 14 prominent jurors, which included Oliver Berben, Mirko Borsche, Florian Henckel von Donnersmarck, Max Hollein, Jette Joop, Tanja Kinkel and Michael Michalsky, met to select the best media project.

The prize was awarded to the magazine concept HUMANGLOBALER ZUFALL from Dennis Buchmann. The 30 year old junior journalist immediately took up the development and implementation as "Global Editor" directly at the Axel Springer Academy. Accompanied by freelance writers and photographers he went off in search of people and their stories in the networked world. The Axel Springer Academy, which publishes the magazine, is putting the SCOOP! project into practice with an one-off development contribution of up to 500,000 euros.

More detailed information on HUMANGLOBALER ZUFALL can be found at www.humanglobalerzufall.de (information available in German only).

10 Reasons

... to work for Axel Springer

1. You want to design your career

Your start with us offers the best conditions for a successful career. It doesn't matter whether you are at the beginning of your professional life or already have successes to your credit. We combine the values of a social company steeped in tradition with the dynamism of a modern, innovative and internationally expanding media enterprise. We expect a lot of you and offer attractive payment packages and high social standards in return. Design your career with us to be as unique as you are yourself!

2. You want to be part of a success story

We at Axel Springer are passionate entrepreneurs and are ranked among the profitable market leaders in almost everything we do. Innumerable success stories have been written in decades gone past under the umbrella of Axel Springer. We will continue to work hard in future to occupy the top journalistic and economic positions. You are invited to play an active role in this success story!

3. You want to work with the best

What we want: The best of the best at Axel Springer! And we don't make compromises. Those who work for Axel Springer are among the best in their field. Whether in the editorial offices, in the business sector, in technology or in the service sector – we reward performance and passion. Show us that you belong and come and work with the best!

4. You want to discover your potential

If you work at Axel Springer, you will be both challenged and supported at the same time. We place great emphasis on Human Resources Development. Because we at Axel Springer know that only well-trained and satisfied employees can make a lasting contribution to the success of the company. From the very first working day you are involved in networks and development programs which are oriented to individual needs. Discover your potential with us!

5. You want to design change

Media are undergoing major changes worldwide. We do not perceive the market developments associated with digitization and changes in media use as a threat, but rather as a challenge and opportunity. This is because the origins of such changes are not to be found in technology – they begin in the consciousness of those who want to design the change. Join us and design change actively!

6. You are looking for creative competition

Here you get a sense where you are working from the very first day. As a media enterprise we survive on the best ideas. That is why creativity, along with entrepreneurial spirit and integrity, is one of our corporate values and can be experienced everywhere. Everyone who works for us is called upon to participate in the daily competition for the best creative ideas. Take up the challenge!

7. You're in the heart of activity

Working for us means to feel the pulse of time – firsthand. Our business is excellent journalism – topical, informative and entertaining. We tackle the issues which everyone else is discussing shortly afterwards. To do this we are located in the most attractive major cities in Europe. Join us in the heart of activity!

8. You want to take on responsibility

At Axel Springer we stand up for our successes. We also know however, that great responsibility arises from a position of great strength. For Axel Springer we therefore see ourselves obliged to be active on behalf of the community and our environment. Numerous support initiatives are involved in social projects. Moreover we rely on durable added value and responsible corporate management. Take us at our word and take on responsibility with us!

9. You love freedom

We at Axel Springer are proud of the history of our organization and the values associated with it. The five socio-political essentials originally formulated by the publisher Axel Springer in 1967 still serve as the foundation for our publishing operations today. Come and join us if you want to work with people who have their own opinions and love freedom!

10. You like surprises

For many people Axel Springer is and remains the BILD newspaper. But did you also know that not only does Europe's biggest daily newspaper belong to us, but that we also own a total of 170 newspapers and magazines, more than 50 online-offerings and holdings in television and radio stations in 33 countries? There is much more to discover than many people think. Experience it yourself and be surprised!

The best to Axel Springer!

Axel Springer AG stands for entrepreneurial spirit, creativity and integrity in all areas. If you rank among the best professionally, you possess human integrity and are also a creative thinker and team-oriented, then you belong at Axel Springer.

We want you to develop your own ideas, take over responsibility and accomplish objectives – become a part of the success.

Through the Junior Executive Program we offer highly-qualified Young Professionals promising perspectives. The Trainee Program is directed towards university graduates and comprises goal-oriented “learning by doing” along with an individual induction to responsibility in specialist departments and in management. If you would like to inform yourself about the possibilities of direct entry, then please get in touch with our contact persons.

The Axel Springer Academy, one of the biggest private institutions of its kind in Germany, offers a sound vocational training course for a career in journalism.

Talented salespeople can take part in a 14-month practice-oriented program at the Axel Springer Sales Academy in which, among other things, media-related know-how is communicated.

As interns, students have the opportunity to convert theoretical knowledge into practical and seminal experience. Ideally they will also complete their dissertation in-house and become an Axel Springer AG trainee.

Attendance as a guest student in the editorial offices enables those with a strong interest in journalism to gain initial experience in the everyday work of editing.

Your heart beats for the media industry? In that case perhaps a vocational training course in a commercial or technical occupation is just the thing for you. The training courses – from Management Assistant in Digital and Print Media, Media Designer, Industrial Mechanic to Printer right up to Mechatronician – can be taken at the various publishing and printing locations.

Career advancement in Axel Springer AG

The employees are the core of a company. In order for you to be able to develop new skills and build up existing strengths, you need an employer that encourages you and supports you in your occupational advancement. This is precisely the goal that we have set ourselves and for this reason put together an extensive development program for our employees. This will ensure our mutual success.

Advancement has many faces at Axel Springer and begins on the first working day: The Onboarding Program extends a warm welcome to our new employees. The education initiative is our extensive qualification program for all company staff. Moreover we support colleagues who further qualify themselves through in-service advanced vocational training and want to take on new challenges.

Success also requires contacts – various networks exist for this purpose. In this way the targeted exchange of information and the team concept is promoted throughout the whole company. A successful element of the advancement measures at Axel Springer AG is the Mentoring Program, which is an important point of departure for the development of junior staff in specialist and management positions in the context of equality of opportunity.

Finally we regularly invite our junior staff in specialist and management positions to the young professionals conference.

Astrid Westermann
Leiterin Koordination Personalentwicklung
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77306
astrid.westermann@axelspringer.de

Diversity as a purpose

We promote the diversity of our employees; for this reason Axel Springer AG has developed a comprehensive program on equality of opportunity. The program is controlled by the Equal Opportunities Working Group .

The Program includes various measures such as the promotion of an improved work/family balance, the development of the Mentoring Program for the selective promotion of junior executives, as well as the development of various in-house networks and furthermore the participation in "Girls' Day".

In addition to this Axel Springer AG has, as the first media organization, been a member of the Women in the Economy Forum since 1999.

Axel Springer AG has been singled out many times for its personnel policy oriented towards equality of opportunity: the company was awarded the "Total E-Quality" distinction in 1999. This distinction was awarded again in 2001 for the continuation and further development of this personnel policy. Over and above that, in 2005 Axel Springer AG was awarded the Special Prize in the "Success Factor Family 2005" competition by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth for its cooperation with other major companies within the framework of the "Women in the Economy" Forum.

Healthy employees for a healthy company

The health of our employees is very important to us. That is why we have developed the in-house health management system.

Human Resources Development began to promote health within the company in co-operation with the company health insurance plan in August 2004. Since then health care campaigns have been carried out annually: The motto in 2004 was "Healthy back", with the focus on "Prevention of cardiovascular disease" in 2005, and "Stress management" in 2006, before Axel Springer AG offered its employees comprehensive skin screening in 2007 as part of the "Prevention of skin cancer" campaign. In addition there have been courses on giving up smoking as well as various special action campaigns, e.g. on precautions against intestinal cancer.

In co-operation with our subsidiary PACE, the Health management 2008 campaigns are being run under the heading of "Nutrition and Exercise".

In addition Axel Springer AG has arranged a co-operation with a psychological consultancy: This offers anonymous, short notice, external consultation free of charge for personal, family and also occupational problems. Our external provider's team is made up of experienced consultants, who are naturally subject to medical confidentiality. Those seeking advice are thus guaranteed anonymity from their employer.

Contact

Please find below a list of your contact persons:

Berlin

Bernd Schroers

Head of Commercial Vocational Training Berlin
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 72283
bernd.schroers@axelspringer.de

Hamburg

Uta Bendixen

Head of Commercial Vocational Training
Axel-Springer-Platz 1
20350 Hamburg
Tel: +49 40 347 22530
uta.bendixen@axelspringer.de

Berlin

Marina Schwarz

Head of Technical Vocational Training
Berlin-Spandau
Brunsbütteler Damm 156-172
13581 Berlin
Tel: +49 30 2591 74071
marina.schwarz@axelspringer.de

Hamburg

Uta Bendixen

Head of Commercial Vocational Training
Axel-Springer-Platz 1
20350 Hamburg
Tel: +49 40 347 22530
uta.bendixen@axelspringer.de

Berlin

Dr. Christian Wein

Head of Talent Development
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77309
personalentwicklung@axelspringer.de

Christina Seifert

Team Assistant Human Resources Development
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77308
personalentwicklung@axelspringer.de

Berlin

Dr. Tilmann Knoll

Head of Management Development
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77330
personalentwicklung@axelspringer.de

Hamburg

Felicitas Heyden

Axel Springer Academy
Axel-Springer-Platz 1
20350 Hamburg
Tel: +49 40 347 22345
felicitas.heyden@axelspringer.de

Berlin

Jan-Eric Peters

Head of Axel Springer Akademie
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 78800
info@axel-springer-akademie.de

Berlin

Frank Schäffler

Head of Human Resources Berlin
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 72217
Direkteinstieg-Berlin@axelspringer.de

Hamburg

Wolfgang Wilmes

Head of Human Resources Hamburg
Axel-Springer-Platz 1
20350 Hamburg
Tel: +49 40 347 23815
Direkteinstieg-Hamburg@axelspringer.de

Essen-Kettwig

Heinz Bernsdorf

Head of Human Resources Essen-Kettwig
Im Teelbruch 100
45219 Essen-Kettwig
Tel: +49 2054 101 400
heinz.bernsdorf@axelspringer.de

Berlin

Jürgen Schuster

Head of Human Resources Berlin-Spandau
Brunsbütteler Damm 156-172
13581 Berlin
Tel: +49 30 2591 74501
juergen.schuster@axelspringer.de

Ahrensburg

Ulf-Joachim Friese

Head of Human Resources Ahrensburg
Kornkamp 11
22926 Ahrensburg
Tel: +49 41 0271 1433
ulf-joachim.friese@axelspringer.de

Society



A FUNK UHR project makes it possible to run training courses as well as purchase medicines and equipment in Tanzania.

A publishing house that is committed to critical journalism must itself stand up to closer scrutiny. Commitment to sustainable economic management, to the safeguarding of social and ecological standards, and to society as a whole is not only a matter of social responsibility for Axel Springer but also one of journalistic credibility.

Reconciliation between Jews and Germans

Bound together in friendship: Commitment to the reconciliation between Jews and Germans

Axel Springer, who founded his company in 1946, had a very close friendship with the State of Israel and the Israeli people. The reconciliation between Jews and Germans and standing up for the vital rights of the Israeli people were fundamental convictions for him, which governed his actions and which became manifest in the Essentials of his publishing house.

The company and its employees remain true to these principles even today and continue the traditional friendship with multifarious commitment.

Thus in 2003 for example, the “Ernst-Cramer-Fellowship” was established, which grants young German journalists a working stay in Israel and young Israeli journalists a working stay in Germany. More Information on the Ernst Cramer Fellowship can be found at the website of the International Journalists’ Programmes.

Moreover Axel Springer supports institutions and projects to cultivate Jewish life in Germany and to intensify contacts between Germany and Israel.

The Spree-Aviv.de website illustrates how even young Axel Springer employees live the commitment to Israel as a matter of course: For this tribute was paid to young trainee journalists from the Axel Springer Academy in May 2008 for the web project www.spree-aviv.de which they had initiated and designed themselves. The independent jury of experts in the Internet category of the Axel Springer Prize for young journalists valued their project as an “outstanding service”, because the website brings the user closer to Jewish life in Germany in a particular appealing and entertaining way at the same time making an important contribution to the reconciliation between Germans and Jews.

A Heart for Children

“Ein Herz für Kinder” (A Heart for Children): The major aid organization from BILD

It started in 1978 when Axel Springer heard on the radio that nearly 1,500 children in Germany lose their lives in traffic accidents every year. The publisher decided to act and set up “Ein Herz für Kinder” (A Heart for Children).

The BILD’s major aid organization was initially occupied with the safety of children in traffic, today this has been extended to include aid in fields such as education, health, fighting poverty and environmental protection.

The big “Ein Herz für Kinder” Charity Donation Gala in mid-December 2007 alone collected a total of 12.2 million euros for charitable projects.

Charitable initiatives

Supporting people in need

Again and again people suddenly find themselves in difficulties through no fault of their own. It is good to have some support when you find yourself in such a situation.

For the Axel Springer editorial staff it is an everyday matter of course, to see to the needs of their own readers or users. For this reason other Axel Springer titles in addition to BILD have initiated their own charitable campaigns.

Whether through initiatives such as “Berliner helfen e.V.” (Berliners help) by the BERLINER MORGENPOST or “Von Mensch zu Mensch” (From Person to Person) by the HAMBURGER ABENDBLATT – Axel Springer media look after people in need.



Small Change Campaign

Employees donate to developing countries

As long ago as 1987 Axel Springer supported projects in developing countries with the “Small Change Campaign”.

Axel Springer employees can declare their willingness to donate the amount following the decimal point on their monthly pay slip. The company generously rounds up the sum collected.

The sum donated to date amounts to a total of some 525,000 euros.

Hand in Hand for Africa

Medical Aid for Tanzania

Donations of 135,000 Euros make training courses as well as the purchase of medicines and equipment possible.

Naturally it is neither possible nor necessary to know every last corner of the earth, but at the same time none of them may be forgotten. That is why FUNK UHR called "Hand in Hand for Africa" into being in 2006 and has since been bringing aid to one of the poorest regions in the world that is not found in the daily headlines: south-west Tanzania.

The idea came about as a result of an earlier success story: In 2004, FUNK UHR along with 20 celebrities and the German relief coalition "Aktion Deutschland Hilft" (including "World Vision", "Johanniter", "Malteser", etc.) collected donations for the refugees in Sudan. Following this successful co-operation, FUNK UHR wanted to set up a long-term relief project and along with "Aktion Deutschland Hilft" found a third strong partner for "Hand in Hand for Africa" in the pharmaceutical company Merck with its product "Kohle Compretten". Merck has provided an initial donation to give the project a solid financial basis. Editor-in-chief Jan von Frenckell, explains that "The aim of the campaign is to clearly demonstrate to our readers what donations can achieve and to allow them to share in the project by providing regular news coverage which shows: It does good to do good!"

Through "Hand in Hand for Africa" medical care is being improved in a region in which drugs had previously been only sporadic, of poor quality or too expensive. There is in particular a lack of painkillers, antibiotics and diarrhea medicines. Currently two dispensaries are being constantly supplied with drugs and medical equipment; additionally training courses are provided for staff. One of the dispensaries with a first aid post attached is located in Mbinga, a town of 20,000 inhabitants – ten further outposts are supplied with medicines from there; the other is 30 kilometers away in the bush hospital in Litembo. In this way a total of 300,000 children, women and men can be reached.

"Aktion Deutschland Hilft" looks after implementation together with the medical aid organization "action medeor". The experienced partners purchase the drugs on site in good quality at reasonable prices – this ensures there are no expensive transport costs. Merck has provided an initial donation, upon which the readers of FUNK UHR are building. In addition, "Hand in Hand for Africa" is being supported by 3500 pharmacies throughout Germany. A total of more than 155,000 Euros has been collected so far.

Alone in the first year following the launch of the campaign in October 2006, 24 consignments were supplied to Mbinga and Litembo by truck; since October 2007 there have been a further ten deliveries. It is important that the aid continues; that the foundation is further developed. After a time the dispensaries should be self-sufficient, but there is still a way to go until then, and further assistance is urgently required.

FUNK UHR reports regularly on the project. An editorial team was on site in both 2006 and 2007, in order to gain an impression of progress. In addition there is close contact with the people in charge in Tanzania, who play a major role in the effective implementation.

Aktion Deutschland Hilft, Account No. 102030, Bank für Sozialwirtschaft Köln, Bank Code 370 20 500, Reference "Tanzania"

Environment



In the Corporate Controlling department, Dr. Stefan Giersch co-ordinates the important internal reconciliation of the figures on the environmental, social and economic aspects of sustainability.

In this area, you may view our environmental indicators, find out about controlling at Axel Springer and familiarize yourself with the environmental standards of our printing facilities.

Printing and Logistics

Investments in technology, logistics and distribution guarantee flexibility, quality and independence.

Axel Springer operates three state-of-the-art printing facilities in Ahrensburg near Hamburg, Berlin-Spandau and Essen-Kettwig to print its newspapers. These guarantee the company the highest degree of quality, flexibility and publishing independence. The technical capacities have been adapted to meet the publishing company's own needs. To increase the efficiency and therefore the profitability of the operations titles from other publishing companies are also printed on a subcontractual basis.

Following the successful completion of the largest technical reinvestment program in the history of Axel Springer AG, the newspaper printing facilities are among the most modern in Europe. Our printing facilities are also pioneers in ecological efficiency.

In the 2007 fiscal year, the paper throughput for the company's own titles was lower and the contract printing revenue was slightly lower than the respective figures from the previous year. In terms of paper throughput, the contract printing business increased by 9 percent and now accounts for nearly 27 percent (previous year: 24 percent). Axel Springer succeeded in renewing a larger printing contract for several more years.

The paper throughput of the German printing facilities was approximately 203,000 tons in 2007 (previous year: 206,000 tons). With the aim of securing the long-term success of their rotogravure printing operations in the highly competitive European illustration printing market, Axel Springer, Arvato and Gruner + Jahr combined their five German rotogravure printing plants in the 2005 fiscal year.

Moreover, a sixth printing plant was built in Great Britain. Axel Springer AG holds a 25.1 percent share in the joint venture PRI-NOVIS.

The Logistics and Distribution Division includes logistics, the postal and delivery business, market analysis, cooperation with trading partners as well as holdings in press wholesale businesses, import companies in eastern Europe, the 55 percent subsidiary ims and the wholly-owned subsidiary asv vertriebs gmbh.

The subsidiary ims Internationaler Medien Service GmbH & Co. KG is one of the largest service providers for large domestic and foreign clients from industry, the economy and public institutions for the procurement of newspapers, magazines, books, CD-ROMs, online subscriptions and many other media in Germany and abroad and combines services from the areas of book selling, logistics and subscriptions.

The subsidiary was formed in the fourth quarter through the fusion of the ims International Media Service division of the asv Vertriebs GmbH company with the Subscriptions business division of PVG KG. As discount stores have added a press section in their branches throughout Germany, for example Penny in 2005 and Lidl in 2006/07, the trend towards a reduction in the distribution network of press products was almost completely compensated for.

In the past year, following a trial run in the press distribution market which lasted several months, we managed to supply a current assortment of newspapers and magazines to all of the approx. 2,500 ALDI Nord branches in Germany. Deliveries to the branches will be introduced successively and will be in full operation by the end of March 2008. This means that 9,100 of a possible 15,000 discount store branches will be offering Axel Springer press products in their assortment. In this way, the retail network will be adapted to meet changing customer demands. At the end of 2007, around 120,000 sales outlets in Germany included press products in their assortment.

Environmental Controlling

A basis for comparisons of the efficient use of resources and an early warning system to detect weaknesses

In addition to their function of controlling and providing information, the generation of specific environmental indicators is one of the essential tasks of environmental controlling. These figures condense the many ecological data into a manageable overview, rendering it possible to plan improvements and detect weaknesses in the system at an early stage. If, for example, the quantity of waste in a printing facility increases in comparison with the previous year, the reason can immediately be sought, and measures for improving the situation can be implemented. Environmental indicators thus also fulfill the function of an early warning system, and the effectiveness of the measures implemented can be compared between the various production facilities.

In the formula used to calculate the specific environmental indicators (resource efficiency) for the printing facilities of Axel Springer the specific resource (water, energy, paper, emissions, waste) is calculated in relation to a square meter of printed paper.

Material and energy flows divided by

$$\text{-----} = \text{Ressource efficiency}$$

printed paper area

Indicators for material and energy flows: The indicators for efficiency in material and energy flows show how much paper, printing ink, energy, and water are used for each square meter of paper printed during the reporting period, by printing facility. These indicators are also recorded for waste and air emissions.

EDP for the materials and energy balance sheet: The EDP systems used to present environmental data are referred to as Umweltinformationssysteme (UIS, Environmental Information Systems). Axel Springer has used the data provided by SAP/R3 for its materials and energy balance sheet. All essential master data concerning the raw materials as well as the auxiliary materials and supplies are allocated to an environmental account in the operating statement. Incoming material is entered into the UIS on a monthly basis.

European Environmental Management System (EMAS)

Three printing facilities have been validated

The EU Eco-Audit System EMAS has also been established in Germany since 1995. This involves the voluntary supervision of the operational measures taken to protect the environment as required by environmentally relevant demands upon production locations. The facilities validated according to EMAS publish an environmental program every three years in which they set forth the areas in which they intend to improve their performance. The implementation of these programs is monitored by independent experts. The first printing facility in Europe to be validated, in November 1995, was the Druckzentrum Ahrensburg. The registration bears the number DE-S-150-00001. Our printing facilities in Spandau and Essen-Kettwig (1997) have also been validated.

The EMAS System

- Environmental Policy: Determination of and adherence to basic principles according to which the manufacture of the group's products shall be optimized according to ecological demands.
- Effects on the environment: Gathering all inputs relevant for the environment (raw materials, energy, water) and outputs (products, waste, emissions) in order to create a balance sheet and to recognize potentials for improvement.
- Ecological operations audit: External supervision of environmental management and the achievement of objectives.
- Environmental program: Determination of new goals and measures, including a time schedule, until the next audit.
- Environmental Statement: Publication of the development and implementation of items 1 through 4 (generally, this takes place every three years).

Download Environmental Statements as pdf files (in German only):

„Aktualisierte Umwelterklärung Druckzentrum Ahrensburg 2007“
www.axelspringer.de/downloads/26459/UE_Ehrensburg_07.pdf

„Aktualisierte Umwelterklärung Offsetdruckerei Essen-Kettwig 2008“
www.axelspringer.de/downloads/21700/Umwelterklaerung_2008_Unterschrift_Juni_1.pdf

„Umwelterklärung Druckhaus Spandau 2005“
www.axelspringer.de/downloads/26482/umwelterklaerung-dhs-2008.pdf

The Environmental Statements of the validated Axel Springer AG
nachhaltigkeit@axelspringer.de.

System boundaries

What comes within the scope of this Sustainability Report?

A definition of accounting boundaries is necessary for the external assurance of the statements

All of the data and explanations presented in the Environment chapter on environmental effects refer exclusively to our own newspaper printing facilities - "own plants" - (in Germany: Ahrensburg, Berlin-Spandau, Essen-Kettwig; in Hungary: Pécs, Kecskemét), as well as the publishing locations Berlin und Hamburg (only publishers' own buildings).

Explanations of specific system boundaries for individual environmental indicators follow:

Energy

Consumption of externally procured electricity, district heating, fuels for heating and cooling buildings as well as fuels for example for fork lift trucks

Water

Waste water which is discharged into the sewerage system both in the printing facilities and in the publishing buildings.

CO2 emissions

Greenhouse gas emissions: Direct emissions from the combustion of fossil energy sources for heating buildings. Emissions were calculated with the aid of an emissions model drawn up by Infrac AG (Zürich). The emissions model was updated in 2001 and 2004, resulting in the representation of emissions being not directly comparable with that of earlier reports.

Indirect emissions (CO2 equivalents) refer to externally supplied energy sources, in particular electricity and district heating. The calculation of indirect CO2 emissions resulting from purchased electricity is based on conversion factors provided by the Federal Environment Agency for the year 2006 (2007 factors not available by the submission deadline). The calculation of indirect CO2 emissions from purchased district heating is based on suppliers' statements.

Solid waste

Total amount of waste produced, including recyclables

Paper

The paper consumption and the "printed surface" indicator refer to the amounts of paper used in our own printing facilities, including paper supplied by customers for printing external titles. Details concerning the volume of paper purchased, the quality of the paper and the transport of the paper refer to the total amount of printing paper purchased by Axel Springer AG, including the provision of paper for printing our own titles in external printing facilities.

Waste water

Quantity per m² of paper has dropped by 32.8 percent

Waste water has been reduced by a total of 19.7 percent

The waste water which drains into the sewerage system could be reduced both in our printing facilities and in the publishing buildings.

By implementing measures for reducing water consumption, such as installing stop-buttons in the rest rooms, the waste water quantities at the publishing locations in Berlin and Hamburg was reduced by 9.4 percent.

In our printing facilities in Germany and Hungary, waste water quantities were reduced by 35.7 percent. This decrease is not only due to improved water efficiency in the printing process, but also lower production.

Specific indicators

The waste water volumes per square meter of printed paper surface were reduced by 32.8 percent.

Cooling water and water loss

Cooling water is water that is used to cool refrigerators and other equipment and which evaporates into the atmosphere from cooling towers. Another factor in the hydrological balance is the production-specific water losses that leave the printing facilities mainly in the form of damping water in the printed newspapers.

In a comparison of the years 2005 and 2007, printing facilities and publishing buildings also reduced the quantity of cooling water and water loss by around 12.3 percent.

The modernization of the refrigeration systems in the Essen-Kettwig printing facilities (cooling water savings = 30 percent) and the renewal of the cooling tower at the Ahrensburg printing facilities were the main contributing factors to this reduction.

Solid waste

Solid waste per m² of paper dropped by 9.7 percent

Mill broke on the decrease / More solid waste in publishing locations

Even taking the most economical handling of resources into consideration, solid waste arises in a company as a result of production processes and administrative activities.

With a total of 20,486 tons in 2007, the company produced around 9.3 percent (= 2,090 tons) less solid waste than in 2005.

Of the total quantities of solid waste produced, 72.7 percent (= 14,899 tons) was due to mill broke in printing facilities which is fed straight into the paper recycling system.

Specific mill broke indicator:

For each m² of printed paper surface, mill broke dropped by 8.7 percent in a comparison of the years 2005 to 2007.

In the printing facilities in Germany and Hungary, the total quantity of solid waste dropped by 13.5 percent (= 2,624 tons) in a comparison of the years 2005 to 2007.

As a result of extensive reconstruction work carried out (due to the relocation of the BILD editorial office from Hamburg to Berlin, among others), the quantity of solid waste at the publishing locations increased by 16.8 percent (= 534 tons).

Specific solid waste indicator

The amount of solid waste caused per square meter of printed paper surface dropped by 9.7 percent.

This was mainly due to the continued reduction of the mill broke quota.

Comment: The new classification of types of solid waste introduced in 2005 separates solid waste into "hazardous" and "non-hazardous" waste.

From the total quantity of solid waste produced in the Berlin and Hamburg publishing locations and in the printing facilities in Germany and Hungary in the year 2007, 96.5 percent were classified as "non-hazardous" waste products (2005: 95.8 percent).

Greenhouse gases

CO₂ emissions per m² of paper have fallen by 6.5 percent

Climate-effecting emissions reduced by 13.4 percent.

A differentiation is made in the emission of greenhouse gases (CO₂ equivalents) between direct and indirect emissions. Direct emissions are produced primarily through the operation of separate furnaces for the production of heat or power (example: combined heating and power plant in the Berlin-Spandau printing facility). Indirect emissions result from externally supplied electricity and district heating.

The company emitted 13.4 percent (= 8,954.68 tons) less direct and indirect CO₂ in 2007 than in 2005.

The direct emissions, caused by the combustion of natural gas in the company's own plants in the printing facilities were reduced by 55.5 percent. Thus, for example, a reduction of direct CO₂ emissions from the gas-burning combined heating and power plant in the Berlin-Spandau printing facility of 78.7 percent was achieved between 2005 and 2007. With measures introduced through installation and control engineering, it has proved possible to make use of "wasted" heat from the production and technical systems, thus making a large part of the "fuel gas combustion" unnecessary.

53.5 percent of the direct and indirect CO₂ emissions in 2007 originated from the four printing facilities and 46.5 percent from the two publishing locations.

The greater proportion of all CO₂ emitted by the company is made up of so-called indirect emissions, which are released during the generation and supply of purchased electricity and district heating for our locations: They made up 89.4 percent of our CO₂ emissions in 2005, then 92.7 percent in 2006 and 94.6 percent of all greenhouse gas emissions caused by the company in 2007.

Through the massive reduction in district heating (cf. "Energy") at the two publishing locations in Berlin and Hamburg alone, indirect emissions have fallen by 8.5 percent.

Specific indicators

Direct and indirect CO₂ emissions per square meter of printed paper from our own printing facilities in Germany and Hungary dropped by 6.5 percent between 2005 and 2007.

You can find further information on emissions (as a PDF file) here: www.axelspringer.de/downloads/83215/EMMISSIONEN.pdf

Energy

Energy requirements per m² of newspaper have dropped by 18.1 percent

Total energy requirements have dropped by 20 percent

The company's energy requirements (for printing locations in Germany and Hungary as well as publishing locations in Germany) were reduced by 20 percent from 159,003 to 127,214 MWh between 2005 and 2007. The reduction in the energy consumption of 21.6 percent at the printing facilities is due to both higher energy efficiency and also lower production.

This underconsumption of 31,789 MWh altogether roughly corresponds - following own estimations - to the heating, warm water and electricity consumption of about 1,450 private households.

All locations were able to make energy savings in double figure percentages during this period. 54.2 percent less gas and 25.8 percent less district heating were used and electricity consumption was reduced by 3.9 percent. The huge reduction in district heating - which is only used by the two publishing locations in Berlin and Hamburg - was achieved by combining several measures at once with respect to the heating systems. In addition to this, operating periods and room temperatures were optimized and the heating was regulated more efficiently; at the publishing location in Hamburg, the provision of heating was converted from steam to the more energy efficient warm water.

The total energy consumption of the company was broken down as follows in 2007: electricity 66.5 percent, district heating 20.7 percent and gas 12.8 percent.

Specific indicators

The energy consumption of the printing facilities per square meter of printed surface area has been reduced by 18.1 percent in 2007 compared to 2005. The strongest contribution in this respect was made by the printing facility in Essen-Kettwig, which was able to reduce this factor by 33.5 percent from 8.6 to 5.7 MWh/m² of printed paper. In addition to investments in the air conditioning and refrigerating technology, this was achieved by introducing optimized operation of the technical supply equipment. One important contributing factor was the conversion from gas-powered absorber-based refrigerators to electrical compressor-based refrigerators to take care of the cooling requirements.

You can find further information on Energy development (as a PDF file) here: www.axelspringer.de/downloads/83103/Energie.pdf

Printing Paper

Decreasing mill broke increases paper efficiency

A million m³ of marketable newspapers require 22.93 tons of printing paper.

Changes in paper demand are greatly influenced by the economic situation. The paper throughput in our own printing facilities in Germany and Hungary (incl. that provided by print customers) dropped from 223,120 to 211,660 tons in a comparison of the years 2005 to 2007. This is equivalent to a reduction of 5.1 percent.

Specific indicators

This indicator should demonstrate the efficiency (printed surface per ton of paper) in the use of paper raw material. The indicator in this case shows how many square meters of printed newspaper pages per ton of paper have been produced.

As such, in the year 2005, 23.02 tons of paper were required to produce 1 million square meters of printed newspaper pages - in 2007, this was only 22.93 tons. This corresponds to an increase in paper efficiency of 0.4 percent.

Environmental and economic advantages: For every million printed square meters, around 0.09 tons of paper were saved. Looking at the printed paper surface as a whole, this means paper savings of around 830.73 tons. With an average price for standard newsprint paper of 547.50 Euros per ton (source: EUWID), this means cost savings of 454,824.68 Euros. In addition to the improved ecological efficiency of resources, there is also an economic advantage.

This positive trend (reduction in the amount of mill broke) is mainly based on the modern technical condition of the printing machinery as well as the high level of qualification and attentiveness of our employees. In the past years, a reduction in the weights of paper (GSM values) also had an influence on this development.

Sources of Printing Paper

The supply of Printing Paper

The following table gives an overview of the countries from which printing paper is centrally sourced. This paper tonnage is processed in the company's three own printing plants (Ahrensburg, Essen-Kettwig Spandau and Hungary) as well as in 26 external printing plants both in Germany and abroad. The Forestry Standards developed by the publisher have been valid since 1995. The contact partners on environmental issues from the individual paper suppliers are listed in the "Contacts for sustainability" section.

Sources of Axel Springer AG print media paper in 2007 (including commercial printing)

Country	Tons	Percent
Germany	239,609	45.6 %
Sweden	77,193	14.7 %
Finland	73,789	14 %
Netherlands	37,552	7.2 %
France	19,619	3.7 %
Norway	13,330	2.5 %
Poland	5,000	1 %
Czech Republic	13,288	2.5 %
Russia	15,032	2.9 %
Switzerland	10,350	2 %
Slowenia	2,834	0.5 %
Austria	7,104	1.4 %
Canada	3,577	0.7 %
Belgium	2,450	0.5 %
Spain	4,269	0.8 %
Total	524,996	100 %

Forest Certification

In order to be able to guarantee verifiable ecological quality to timber or paper clients, the FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification) certification systems have been established internationally. An estimate based on its own investigations indicates the percentage shares of the total forest area in the countries where the publisher sources its printing paper.

Share of certified forests (own estimation)

Country	FSC	PEFC
Germany	6.5 %	66 %
Sweden	38 %	25 %
Finland	0.05 %	96 %
France	0.1 %	26 %
Netherlands	50 %	-
Norway	0.06 %	99 %
Canada	6 %	24 %
Russia	1.2 %	-
Austria	0.2 %	99 %
Switzerland	37 %	26 %
Belgium	1 %	46 %
Czech Republic	1 %	75 %

Forestry Standards

Since 1995 six clear and comprehensible sustainability indicators have been considered when purchasing printing paper. In addition to criteria of product quality, reliable supply and competitive prices, suppliers of paper to Axel Springer AG are selected according to ecological and social principles. Six Forestry Standards were agreed as criteria in 1995:

Sustainability: Harvesting more timber than will re-grow is prohibited.

Biodiversity: Forestry shall not endanger animal or plant species.

Control: The paper manufacturer must perform eco-controls as a purchaser of timber.

Training: The paper manufacturer must ensure that the necessary ecological knowledge is conveyed to personnel (for example, forest workers).

Indigenous population: The paper manufacturer must take the indigenous people (for example the Sami in Northern Scandinavia) into consideration.

Information: The paper manufacturer must keep the public informed of the advances made and problems encountered in environmental protection.

Paper recycling

66 percent of paper contains recycled fibre

At more than 88 percent, the recycling quota for used graphic paper is particularly high in Germany compared to other EU countries. The publishing company supports the objectives of AGRAPA (Graphic Paper Alliance) to achieve a higher recycling quota for graphic paper.

In recent years, a series of new paper machines that process used paper have been put into operation in Europe.

When recycling used paper in the paper mill, a proportion of the paper fibers cannot be used and are separated off. About 120 to 125 kg of used paper is needed to produce 100 kg of newsprint paper. For this reason the fiber cycle only functions if the overall mixture of fresh and used fibers is right. That is why the supply of fresh fibers is of central importance in maintaining this cycle (the collection and processing of used paper is explained in this video).

Some 66 percent of the printing paper used by Axel Springer contains used paper.

Recycling content of various paper grades

Percentage	SZO	AZO/ HAZO MFS	SC magazine paper	CMR magazine paper
0%	24	81	34	73
up to 15 %	1		8	7
20 % - 35 %	5		43	20
40 % - 54 %	9	6	4	
55 % - 69 %	8	13		
70 % - 89 %	12		5	
90 % - 100 %	41		6	

Printing inks

Printing ink efficiency per m² of newspaper has improved

Lower production leads to lower printing ink needs

In a comparison of the years from 2005 to 2007, ink usage in our own newspaper printing facilities in Germany and Hungary has gone down by 9.9 percent from 4,325 to 3,896 tons. The reasons for this lie in the lower print production and increased efficiency in the use of printing inks.

Specific key data for offset printing

The ink usage per square meter of printed surface has dropped by 5.9 percent in our newspaper printing facilities. This positive development has been enhanced by using printing inks with more mileage.

The details on printing ink usage are based on the assumption that 93 percent of the purchased quantities are used.

Transport

Increase in use of truck transport

Increase in paper supplies from Central Europe reduces transport by sea

In 2007, only one percent of the paper supplies were still sourced from Canada (2005 = 3 percent). Paper supplies from Finland, Sweden and Norway have also dropped. As a result, the paper supplies from Central European paper mills have increased. This has led to a reduction in the percentage of transport by sea and rail while leading to a proportional increase in the number of kilometers for the delivery of paper rolls which are covered by truck transport.

Our printing facilities are generally supplied with printing paper by at least two paper suppliers to guarantee production even when there may be problems with quality and deliveries. The distances from paper factory to printing facility can range from 35 kilometers (Eilenburg – Leipzig) to almost 7,000 kilometers (Canada – Munich).

The following shows the proportional share of the different methods of transport for the delivery of paper rolls to our own and subcontracted printing facilities:

Transport shares in percent

	1998	2000	2002	2003	2005	2007
Ship	67	62	69	61	48	44
Train	17	21	15	20	31	23
Lorry	16	17	17	19	21	33

Economy

On this page you will find information about the economic development of the company.

Axel Springer AG pressed further ahead with the strategy of market leadership in its core business, internationalization and digitization in the 2007 fiscal year and generated record earnings for the fourth time in succession. The group strengthened its position as one of the most dynamic companies in the media sector, which continues to be characterized by structural challenges. Axel Springer achieved in part considerable increases in turnover in the newspapers, magazines and digital media segments as well as continually high profit increases.

Axel Springer increased group turnover in comparison to the previous year by 8.5 percent to 2,577.9 million Euros (PY.: 2,375.9 million Euros). Adjusted for acquisition effects, group turnover increased by 1.2 percent. Advertising revenues increased by a significant 14.6 percent compared to the previous year, sales revenues recorded growth of 1.8 percent. Pro forma online revenues rose by 38.6 percent to 221.7m Euros thereby amounting to 8.6 percent of group turnover. With a share of 20.8 percent (PY.: 16.1 percent) our international activities contributed more than a fifth of the group turnover for the first time at an annual rate.

Forest and Paper



A forest visit in Russian Karelia: Forestry contractor Andrey Pladov (pictured left) explains the implementation of the forestry standards to Director of Sustainability Florian Nehm.

In addition to criteria of product quality, reliable supply and competitive prices, suppliers of paper to Axel Springer AG are selected according to ecological principles. Six Forestry Standards were agreed as ecological criteria in 1995.

- 1. Sustainability:** Harvesting more timber than will re-grow is prohibited.
- 2. Biodiversity:** Forestry shall not endanger animal or plant species
- 3. Control:** The paper manufacturer must perform eco-controls as a purchaser of timber.
- 4. Training:** The paper manufacturer must ensure that the necessary ecological knowledge is conveyed to personnel (for example, forest workers).
- 5. Indigenous population:** The paper manufacturer must take the indigenous people (the Sami in Northern Scandinavia for example) into consideration.
- 6. Information:** The paper manufacturer must keep the public informed of the advances made and problems encountered in environmental protection.

Films

- 1) **“Tracing Russian Wood”** demonstrates methods of tracing wood using an example in Leningrad Oblast near St Petersburg. The stakeholders include the paper manufacturer UPM-Kymmene, the timber supplier Zao Vist, the paper clients OTTO Group and Axel Springer AG, as well as the environmental organization Greenpeace. (2007 / 14 minutes).
- 2) **“Bild Climate Protection Campaign”** documents a discussion between Florian von Heintze from the BILD chief editorial office, and Dr. Gerhard Timm, Managing Director of the environmental organization BUND in the context of the annual Berlin Conference of the Council for Sustainability (2007 / five minutes).
- 3) **“Clean timber imports”** shows approaches to reducing the risk of corruption as well as the prevention of industrial accidents based on the example of timber imports from Russia for paper manufacturing in Finland. The stakeholders include the paper manufacturer Stora Enso, timber suppliers Shuyales and Ruskiy Les, paper clients Time Inc., Random House, Tetra Pak and Axel Springer. (2005 / 13 minutes).
- 4) **“The Wood and Paper Chain from Sweden to Ahrensburg”** documents the sustainable method of economic management of Swedish paper suppliers as well as the processes in the publishers' own Ahrensburg newspaper printing facility from the viewpoint of the TV show “zdf umwelt” (2005 / 6:33 minutes).
- 5) **“Ecological Optimization of Printed Papers”** documents a co-operation project between Norwegian forest owners, the paper manufacturer Norske Skog, the Ahrensburg rotogravure printing facility, the environmental organization WWF as well as the paper clients OTTO Group and Axel Springer. (1999 / three minutes).
- 6) **“Collection and Processing of Used Paper”** shows the processes from the consolidated container to used paper sorting right up to the paper mill from the viewpoint of the TV show “zdf umwelt”. (2005 / two minutes).
- 7) **“Paper Recycling”** summarizes the individual production steps starting with used paper as a raw material through the cleaning of the “fiber pulp” right up to the completion of new paper reels. (2000 / one minute).

Forest Use

Publication Paper from spruces and pines

Transparency of the origin as an important prerequisite for safeguarding ecological and social standards

Renewable raw materials: Publication paper for newspapers and magazines is made from the fiber of spruces and pines. These conifers used for our publication paper grow in the green belt of the Northern hemisphere – nurtured by water, nutrients and the sun's energy.

Printed products such as papers, magazines and catalogues are collected after their use as used paper and then utilized as the raw material for new publication paper for newspapers, for example. In Germany, approximately 80 percent of publication paper (this includes newspapers and magazines) is re-used. Thus a large part of the wood fiber is used several times.

One spruce yields more than 37,000 pages of publication paper

A model calculation shows that using the fiber gained from an average spruce originating from Swedish forestry (aged between 30 and 60 years) will produce a total of 37,440 pages of newspaper (weight of the paper: 42.5 g per m², format 40 x 57 cm). 13,440 pages are produced from the fresh wood fiber alone and a further 24,000 pages are the result of the use of recycled paper.

Project Reports

"From Russia with Transparency" (2006)

This report documents the first phase of a cooperation between the paper manufacturer Stora Enso with the publishing houses Time Inc. (New York), Random House Group (London) and Axel Springer (Berlin) as well as the non-governmental organization "Transparency International". One of the main priorities is the promotion of sustainability as well as the fight against corruption in the cross-border timber trade for the manufacture of printing paper.

www.axelspringer.de/inhalte/pdf/wald_papier/Tikhvin_Project_Report_2005.pdf (PDF, 1,2 MB)

"Tracing Russian Wood Imports" (2002)

In a joint project, Axel Springer, together with the Finnish paper manufacturer UPM-Kymmene and Otto Versand (mail order), has made the wood chain transparent from the forest in Russia to the paper mill in Finland. The project report "Tracing Russian Wood Imports" shows how imports of wood from Russia are ecologically audited. Critical voices from the Russian forestry administration and the environmental organization Greenpeace Russia are also given space here.

www.axelspringer.de/inhalte/pdf/wald_papier/tracing_wood_imports_klein.pdf (PDF, 152 KB)

"Ökologische Verbesserungen in der Papierkette" (Ecological improvements in the Paper Chain, 1998)

This report describes the background, goals and realization of the cooperation between Otto Versand and Axel Springer with 8,900 Norwegian family-owned forestry enterprises and the paper manufacturer Norske Skog (in German)..

www.axelspringer.de/inhalte/pdf/wald_papier/opti_short_long12.pdf (PDF, 74 KB)

Forestry Standards of Axel Springer

Since 1995 six clear and comprehensible sustainability indicators have been considered when purchasing printing paper.



The suppliers of paper to Axel Springer AG are selected, in addition to criteria of product quality, reliable supply and competitive prices, according to ecological and social criteria. Six Forestry Standards were agreed as criteria in 1995:

- Sustainability:** Harvesting more timber than will re-grow is prohibited.
- Biodiversity:** Forestry shall not endanger animal or plant species
- Control:** The paper manufacturer must perform eco-controls as a purchaser of timber.
- Training:** The paper manufacturer must ensure that the necessary ecological knowledge is conveyed to personnel (for example, forest workers).
- Indigenous population:** The paper manufacturer must take the indigenous people (for example, the Sami in Northern Scandinavia) into consideration.
- Information:** The paper manufacturer must keep the public informed of the advances made in environmental protection – and also of the problems encountered.

Ecological certification labels

In order to be able to guarantee good ecological quality for timber or paper clients, respectively, two ecological certification labels for wood products have been established in Europe – after considerable debate. In the meantime, they have become relatively similar. Axel Springer AG supports certification of forests and the development of talks about mutual recognition of FSC and PEFC. .

Ecological labels for wood products

FSC	PEFC
	
Info: www.fsc-deutschland.de	Info: www.pefc.de

Fighting Corruption

Project „From Russia with Transparency“

Implementing corporate sustainability values in the supply chain of wood and paper

In a joint pilot project, the forest and paper producer Stora Enso in cooperation with publishers Axel Springer, Random House Group and Time Inc. as well as liquid carton producer Tetra Pak combined forces to improve the transparency of the wood supply chain. Transparency International, the leading international NGO devoted to combating corruption, reviewed the Project Report (2005).

For the first time, some of the largest international players in the supply chain of wood and paper have combined forces in order to improve the transparency of social and ecological conditions of wood supply from Russia. The Tikhvin Project focuses particularly on the legality and probity of wood, working conditions, welfare generation in the local community and environmental issues in Russia.

Until 2007, wood from European Russia today made up some 20 percent of the fresh fibre used at Finnish pulp and paper mills. Since the introduction of a special tax, the export of wood from Russia to Finland has decreased. Stora Enso's ambition is that all wood fibre used globally for the Group's products meet Stora Enso's high sustainability requirements.

Paper customers like Axel Springer, Time Inc. and Random House Group and Tetra Pak do continuously express their interest in the tangible (e.g. printability, strength) as well as the intangible (e.g. supply chain integrity, social and ecological conditions) quality of the products they purchase.

„One important innovative aspect of this approach is that potential competitors work together in this task instead of seeking short-term PR advantages for their individual companies“, says Cobus de Swardt from Transparency International.

In order to implement Stora Enso's Code of Ethics and sustainability agenda, the Group has installed a set of management and internal and external verification systems for the supply chains of wood raw material.

The project report "From Russia...with transparency" can be downloaded here.

www.axelspringer.de/downloads/82747/Tikhvin_Projekt_Report_2005.pdf

Tracing Imports

Maps with red dots / New project film

Pilot project documents origin of timber on the Internet - Critical accompaniment by Greenpeace Russia

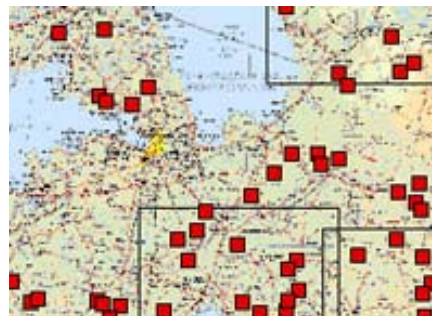
A film documents innovative options to follow the origin of wood from forests in Russia to the production of printing paper in Finland.

The internet site www.upm-kymmene.com/traceit shows how UPM-Kymmene, a modern paper producing company in Finland, carries out its wood sourcing operations in Russia. The site is the result of cooperation with leading German and UK partners; Axel Springer, Otto and the Guardian Media Group.

The site is the continuation and development of a United Nations award winning project that aims to increase transparency in the paper supply chain. The new site contains features such as:

- Stakeholder video clips from Greenpeace, Russian Ministry of Natural Resources and the auditor Det Norske Veritas. These video clips provide views on the current situation in Russia, how UPM is performing and ideas on how to improve wood sourcing operations
- Flash presentations showing the path of a log from the Russian forest to the magazine shelf, and UPM's specialist carrying out a supplier audit in Russia
- An interactive TraceIT mapping system where you can click on the map to see real photos and logging site information from audits carried out in Russia

The process to develop the traceIT site has provided a valuable forum for a wide range of stakeholders to openly give feedback on how UPM operates. As a result, all of the participants have developed a greater understanding of the issues involved in ensuring sustainable and legal wood supply from Russia.



Stakeholder Management

Focus on the Wood and Paper Chain

As a customer of printing paper manufacturers in many countries, Axel Springer AG is not only interested in the technical and economic, but also the ecological and social conditions surrounding wood and pulp and paper production. In this, the critical voices of the so-called “Non-Governmental Organisations” (NGOs) play an important part. They have high profile in the media and in public opinion and are able to influence the opinion-forming of governments and companies. Here are five current examples of this:

Dialog with “Non-Governmental Organisations” (NGOs)

Organisation/Country	Concern
Transparency International (Russia / Finland)	Fighting corruption through cooperation between the state, industry and civil society. The project “From Russia with Transparency” deals among other things with the fight against corruption in the cross-border timber trade.
Greenpeace (Germany / Finland / Russia / Canada)	The Greenpeace issues include the extension of the protected areas of virgin boreal forests in Scandinavia, Russia and Canada.
Forest Ethics (Canada)	The conservation of forests in certain regions in the provinces of British Columbia, Ontario and Quebec. The Association of German Magazine Publishers (VDZ), as a part of the paper chain, has successfully helped to initiate a dialog between the environmental organizations, the forestry industry, the provincial governments, the trade unions and representatives of the indigenous peoples.
WWF (Germany, Sweden, Finland, Norway, Russia)	Environmental certification of the forestry industry.
Suomen Luonnonsuojeluliitto (Finland)	Protection of forests with “virgin forest characteristics”.

As a practical example, the documentation of exploratory talks with stakeholders in the Canadian provinces of Quebec and Ontario - in co-operation with the Association of German Magazine Publishers (VDZ) - from December 2007 can be downloaded here.

http://www.axelspringer.de/downloads/83071/Stakeholder-Sondierung_am_Bispiel_Kanada.pdf

International Social Policy



The Corporate Sustainability Officer Florian Nehm keeps himself informed of social standards at a suppliers': In the Chinese city of Wuxi north of Shanghai Li Jifeng (29) and his colleague Wang Quian (21) inspect the seams of wrist warmers.

In this section you can read about our International Social Policy and inform yourself about practical measures for its implementation.

International Social Policy

In view of the company's growing international presence, Axel Springer AG has adopted a catalogue of social standards. This International Social Policy is a binding guideline for social integrity and applies to all the company's activities throughout the world.

Preamble

Axel Springer is an internationally operating media company.

The core business of Axel Springer is information and entertainment disseminated in newspapers, magazines and in digital media.

The central values of our corporate culture are creativity, integrity and entrepreneurship.

Our work is focused on people: readers, business associates, shareholders and our employees.

Motivated, competent employees produce good products. The quality of our products provides the basis for our company's economic independence and its future.

Social responsibility in our company management has always been of major importance for Axel Springer AG.

The company is distinguished not only by good corporate governance but also undertakes to comply with internationally recognised social standards.

1. Human Rights

Axel Springer acknowledges and supports the United Nations' "Universal Declaration of Human Rights" and does not tolerate any behaviour that disregards it.

2. Compliance with the Law

Axel Springer observes the laws and ordinances of countries in which the company operates as well as the principles of its International Social Policy.

3 Child Protection

Axel Springer does not accept the illegal employment of children or young people – either within its own company or by its business associates. The legal employment of children and young people must also not be detrimental to their physical and mental development.

4. Treatment of Employees

Axel Springer is committed to treating every employee with dignity and respect and to ensuring that he/she can work in an environment that is free from physical restrictions and sexual, psychological or verbal harassment. All indications of infringements will be investigated – subject to the protection of the interests of victims and witnesses.

5. Equality of Opportunity

Axel Springer offers equality of opportunity to every member of staff.

In this connection ethnic origin, skin colour, sex, age, marital status, disability, religion, nationality, sexual orientation or social background is immaterial.

We expect our staff to declare their belief in democratic principles and to tolerate people with differing opinions.

6. Right of Association

Axel Springer respects the right of its employees to create an association to represent their rights and to join this and participate in it actively.

The company works with the employees' associations fairly, constructively and in a spirit of trust.

7. Health and Safety

At all its places of work, Axel Springer will take such measures as required to avoid accidents and damages to health.

The company expects its staff to comply with the rules on health and safety at work.

8. Wages and Welfare Benefits

Axel Springer pays wages and salaries and grant welfare benefits that at least match the relevant national statutory minimum standards.

9. Employee Qualification

Within the context of its operational requirements, Axel Springer assists in developing the professional capabilities of its employees through suitable education and training measures.

10. Work/Family Balance

Within the context of its operational requirements, Axel Springer supports its staff in balancing their professional and private interests and, in particular, in achieving an appropriate work/family balance and complies with statutory requirements.

11. Cooperation based on Trust

Axel Springer expects integrity, loyalty and cooperation based on trust from its staff. Our actions are characterised by respect for the opinion of others and fairness in dealing with each other.

12. Expectations of our Business Associates

Axel Springer expects its suppliers to comply with the following principles described above:

1. Human Rights
2. Compliance with the Law
3. Child Protection
4. Treatment of Employees
5. Equality of Opportunity
6. Right of Association
7. Health and Safety at Work
8. Wages and Welfare Benefits

Practical Measures

Sensitization of Business Associates

Priorities for the procurement of printing paper and advertising media as well as for the sale of title licenses

The implementation of the “International Social Policy” is primarily concerned with the exchange of information as well as the raising of consciousness towards business associates from non-OECD countries. This is particularly valid for the procurement of advertising media and product additions, for merchandising, for the sale of title licenses and for the procurement of wood from pulp and paper manufacturers.

The practical measures include visits on location, contact with NGOs and pioneer companies as well as the adaptation of contracts.

Example: Wood from Russia for paper manufacturers in Finland



Logging work is hard work. The cold and wet in winter. Heat and mosquitoes in the summer.



The ice is soon broken however. A few complementary remarks about his extremely powerful upper arms relax the atmosphere. "These muscles come from working with the power saw": Ivan Alexejev jokes about his superior physical condition.



The logger Ivan Alexejev (32) spends the rest periods between shifts in a rustic trailer provided by his employer. He sleeps and cooks here. And for the cold winter months there is even a tiny Russian sauna – a banya. The visitor interrupts his afternoon nap. Somewhat incredulously and reservedly Ivan Alexejev takes note of the fact that a German paper client of a Finnish timber customer wants to know something about his working conditions.



Then he tells us more about his work and how he and his colleagues protect themselves from accidents when logging.

Example: Promotional gifts from China



January 2007 Visit to a Chinese manufacturer of accessories and promotional gifts in Wuxi, about 140 kilometers northwest of Shanghai in January 2007. The products made by this small factory in Chinese Wuxi range from slippers for international hotel chains to sleep masks for international airlines. The publisher's youth magazine YAM! has had a small bag sewn here for its adolescent readers, for them to keep for example a cell phone, a bunch of keys or simply a few coins in.



The production manager Zhén Jùn gives the visiting customer a tour of the production area, where about forty young women are working on sewing machines.



Li Jifeng (29) and his colleague Wang Quian (21) are from the Henan province. They are inspecting the seams of wrist warmers for a customer in Europe.



The visitor's eye falls on an inadequately insulated power supply line. This could lead to a dangerous electric shock. This fact is brought to the management's attention.



Sales manager Ning Huang and production manager Zhén Jùn explain the conditions in the labor contracts. Chinese labor law requires a copy of the labor contract to be handed to the local job center as well as to each employee. Asking the employees a few questions indicates that they have evidently received their copy of the contract.



Lunch break in the small staff canteen. To the visitor's surprise, spoons are used here instead of chopsticks.



After discussing a number of measures for improvement deemed necessary by the customer, there is a goodbye photo with leading employees from the production, design, personnel and administration departments.

Commitment of the Editorial Offices



March 2007: In order to familiarize the public with the complex of problems involved in climate change, the BILD newspaper started a co-operation project with the BUND, Greenpeace and WWF environmental associations.

The newspapers and magazines of Axel Springer AG dedicate themselves to the concerns of sustainable development with numerous initiatives for providing information about and raising awareness of social and environmental issues.

BILD AM SONNTAG

Wim Wenders receives PULSUS, the health prize from BILD am SONNTAG

BILD am SONNTAG and the German health insurance company Techniker Krankenkasse awarded the PULSUS health prize for the third time in February 2007. At the official award ceremony in the Axel Springer Building in Berlin, the guests paid their tribute to exemplary achievements and social commitment in the area of healthcare.

BILD am SONNTAG readers and the health insurance clients of Techniker Krankenkasse were called upon to vote on the "Celebrity of the Year", the "Campaigner of the Year" and the "Physician of the Year". Around 12,000 votes were submitted.

The filmmaker Wim Wenders was voted "Celebrity of the Year". The 61 year old and his wife Donata are active in helping sexually abused children. Wenders made a film with children of various ages who have been victims of abuse to help them come to terms with their terrible experiences more easily.

In the category "Physician of the Year", the PULSUS went to Katja Hilgenstock. The 33 year old doctor dedicated herself for more than two and a half years to working with the international organization "Doctors without Borders" in Uganda and in the Democratic Republic of the Congo. As the team leader of a project, she cared for AIDS patients.

Sabine Schnau, 42, was the winner in the category "Campaigner of the Year". Her two sons Jan-Hendrik (12) and André (19) suffer from the rare metabolic disorder neuronal ceroid lipofuscinosis (NCL) which kills nerve cells. This results in a physical and mental degeneration which leads to the death of the patient in most cases before they have reached the age of 25. Sabine Schnau has set up the registered association "Nächstenliebe e. V." (www.naechstenliebe-ev.de) with her partner. "I want to see my children's laughter for as long as possible", she says.

In addition to the readers' vote, a jury of five celebrities decided on two further awards:

The PULSUS in the category "Elementary School of the Year" went to the Franzosenkoppel Elementary School in Hamburg. The school offers special projects for children who are aggressive or prone to violence in order to discover and remedy the causes of violent behavior. What is more, under psychological guidance, the children can take part in self-discovery and relaxation trips or attend courses on psychomotor activity. "We want to become involved before the children become outsiders", says advisory teacher Anne Hausschild.

The "Health Campaign of the Year" award goes to "ohrenkuss" (ear kiss). This project, which publishes a bi-annual magazine and a calendar with impressive colour photographs, aims to encourage more cooperative involvement between people with and without Down's Syndrome. Eleven members of the project who have Down's Syndrome meet every two weeks for an editorial meeting and put together the magazine "ohrenkuss" (ear kiss). Their motto: "A lot goes in one ear and out the other. But some of it is important and stays in your head – in which case, it is an ear kiss."

The members of the jury are: TV presenter Vera Cordes, Prof. Dagmar Schipanski, President of German Cancer Aid, Dr. Thomas Wessinghage, Medical Director of the Rehabilitation Clinic at Damp and the German Center for Preventive Medicine, the Chairman of the Board of the health insurance company Techniker Krankenkasse Prof. Dr. Norbert Klusen and BILD am SONN-TAG Editor-in-Chief Claus Strunz.

You can find more information on PULSUS at www.pulsus-award.de.

BILD DER FRAU

Award for exemplary women

"Strong women for a strong country" : This was the motto of the "GOLDEN BILD der FRAU" award ceremony which Germany's biggest women's magazine celebrated for the second time in 2007 in the Berlin publishing house. Every year the prize is awarded to five women fighting with competence and passion for a non-profit, socially-relevant project. It is not important whether these "Power Frauen" devote their energies to people in distress, environmental protection or better health care: Their concern is always to make our world a little warmer, fairer, or better – in the long term! The highlight of the Women's Award with a total value of EUR 70,000 was the announcement of the winner of the reader's award by the Federal Minister for Family Affairs Ursula von der Leyen. The gala was hosted by TV star Kai Pflaume, five celebrity women sponsors paid tribute to the dedication of the award recipients. BILD der FRAU brings the "golden women" together far beyond the day of the award ceremony thus creating a unique network – of "strong women for a strong country".

The GOLDEN BILD der FRAU will be awarded again in November 2008, this time the total value of the award will be EUR 80,000.

HAMBURGER ABENDBLATT

First "Hamburg Children's Paper"

On the occasion of Universal Children's Day, the first "Hamburg Children's Paper" was published in the HAMBURGER ABENDBLATT. For one day 50 children aged between eight and fourteen took over the editorial office of this eight-page special supplement. They were able to determine all of the topics, select the photos and also decide on the layout. Experienced editors from the HAMBURGER ABENDBLATT lend them support as advisers. More than 500 children had applied to take part in the project.

BILD

“Save Our Earth. Count me in.”

In order to familiarize the public with the complex of problems involved in climate change, the BILD newspaper started a co-operation project with the BUND, Greenpeace and WWF environmental associations. Under the motto “Save our Earth”, BILD publishes information on the background and possible solutions as well as giving tips for personal action.

Nature in Germany is the focus of a new series of books which BILD is publishing along with WWF and the Weltbild publishing group. Each volume costs 5.95 Euros and has 120 pages. The six-volume series is divided into habitats: Life in the Forest, In Streams & Lakes, In the Mountains, On the Coast & by the Sea, In Fields & Meadows and In the Garden.

Record donations at TV Charity Gala: More than 12 million Euros for “Ein Herz für Kinder” (A Heart for Children)

12,232,404 Euros were collected by midnight: That was the result of BILD’s “Ein Herz für Kinder” charity donation gala, which was held on 15 December 2007 in the Ullstein Hall of the Axel Springer building in Berlin. The sum donated significantly exceeded the approx. nine million Euros collected the previous year. The monies collected will be used primarily for aid projects for needy children in Germany. 4.56 million viewers watched the Charity Gala hosted by Thomas Gottschalk live on the ZDF TV channel, which corresponds to a market share of 16.8 percent (AGF/GfK).

Thomas Gottschalk provided the biggest surprise of the evening with his spontaneous donation of 200,000 Euros. As he was sitting on his sofa with Katarina Witt, who gave a laudatory speech, the nun Sister Frumentia and the nursery nurse Susanna Kovacs, he suddenly promised the two women a spontaneous donation for their institutions: “I’ll give you each 100,000.”

“Ein Herz für Kinder” (A Heart for Children) was launched by Axel Springer 29 years ago. The aid organization has until today collected well over 100 million Euros which it uses to help needy children in Germany and throughout the world. Every cent donated without deductions directly benefits the needy children.

Account for donations: Bild hilft e.V. (Bild helps) / “Ein Herz für Kinder” (“A Heart for Children”) Account No. 067 67 67, Bank code 200 700 00, Deutsche Bank AG

Bob Geldof with BILD for Africa

The singer and Africa campaigner Sir Bob Geldof took over the job of editor-in-chief of the BILD newspaper for a day on Thursday, 31 May 2007. With the BILD editorial staff, he designed an edition on the occasion of the G8 summit focussing on Africa, which was then published on 1 June 2007.

BILD editor-in-chief Kai Diekmann: “Bob Geldof has been campaigning by peaceful means for more than two decades for a good and just cause. We are glad to be able to support his exceptional commitment and his campaign for a better future for the African continent.”



EURO AM SONNTAG

"Green Money"

The "Green Money" special issue was published again by the Axel Springer Finanzen Verlag in 2006 and 2007. "Green Money" uses its 40 pages to cover all types of ecological capital investment. The spectrum ranges from environmental shares and eco funds through wind, sun and bioenergy investments right up to environmental pension plans. The selection is rounded off with articles on micro finance institutes, green banks and ecological building. The special issue is produced in close co-operation with Öko-Invest in Vienna and is published as a supplement both in the business magazine Euro and the weekly publication EURO AM SONNTAG, resulting in a total circulation of about 400,000 copies.

FUNK UHR

"Hand in Hand for Africa"

FUNK UHR called into being the "Hand in Hand for Africa" campaign in 2006 and has been bringing aid to one of the poorest regions in the world which does not appear in the daily headlines: south-west Tanzania.

The idea came about because of a previous success: In 2004, FUNK UHR together with 20 celebrities and the German relief coalition "Aktion Deutschland Hilft" (including "World Vision", "Johanniter", "Malteser", etc.) collected donations for the refugees in Sudan. Following this successful cooperation, FUNK UHR wanted to set up a long-term relief project and, together with "Aktion Deutschland Hilft", has joined forces with the pharmaceutical company Merck and its product "Kohle Compretten", the third strong partner in "Hand in Hand for Africa". Merck has provided an initial donation giving us a solid financial basis. Editor-in-chief Jan von Frenckell, explained that "The aim of the campaign is to clearly demonstrate to the FUNK UHR readers what donations can achieve and to allow them to share in the project by providing regular news coverage which shows that: It does good to do good!"

Service

Frequently Asked Questions

What does the term "sustainability" mean?

The term "sustainability", which is in international use today, refers to the balance between the protection of the environment, economic well-being and the preservation of basic social rights both now and in the future.

Why do companies report on their commitment to sustainability?

The economic, social and ecological conduct of companies, that is, their contribution to "sustained development", is closely monitored by a globally networked public. That is why more and more companies are interested in presenting their activities in a transparent and verifiable way.

What international standards are there for sustainability reporting?

There are the recommendations made by the "Global Reporting Initiative" (GRI). Reports following the GRI are comparable (www.globalreporting.org). A German translation of the GRI can be downloaded from www.globalreporting.org.

What is the history of GRI?

The GRI came about in 1997 as the result of a joint initiative of the United Nations Environmental Programme (UNEP) and the "Coalition for Environmentally Responsible Economies" (CERES). Today, experts from many fields and continents confer with each other within the framework of the GRI. It is based in Amsterdam.

What are the so-called GRI sustainability indicators?

The GRI indicators relate to the three areas of social conditions, ecology and economy. The aim is to describe the contributions made by companies in these areas, supplemented wherever necessary by facts and figures.

Must all of the sustainability indicators required by the GRI be covered?

The so-called "core indicators" should be taken into account as a minimum. But not all companies have all of the information asked for, or they may wish not to publish it. What is important is that the reasons for non-publication are stated. In general, the more indicators that are documented the better.

Why is Axel Springer committed to the ecological quality of its products?

Axel Springer acknowledges its responsibility towards the environment. The reason is simply that a company that is actively committed to protecting the environment can write better and more credibly about environmental issues.

What are Axel Springer's main ecological objectives?

The company's environmental guidelines and objectives include primarily raising the environmental consciousness of readers, business associates and employees while continuously reducing energy and water consumption, emissions and waste per newspaper and magazine produced.

What do Axel Springer's social guidelines look like?

At the heart of the Axel Springer corporate culture is the human being. Motivated and competent employees will work at making good products. Axel Springer has a long and good tradition of social responsibility. The Board of Management feels itself duty-bound by this tradition: "There will be no social isolation at Springer. Anybody who has served the company with loyalty and commitment for many years and is one day no longer able to, or no longer should continue working with the firm, must be treated decently." says the CEO Manfred Döpfner.

What sustainability activities does Axel Springer pursue in the economic field?

The certification of printing facilities under the Eco-Management & Audit Scheme (EMAS) and the introduction of Environmental Controlling were important steps. Pilot projects serving to make the paper chain transparent as well as our environmental and sustainability reports have repeatedly won awards. For Axel Springer, active sustainability management is an indicator of success-oriented corporate management.

What is publication paper?

All paper types that can be printed on which carry information. In order to satisfy the requirements of printers, publishers and advertising customers, they must offer good printability (such as, for example, even and quick ink acceptance, a smooth surface and adequate opacity – which means that the print must not appear on the other side). In Germany, papers for printing and the press, including newspaper publication paper, are grouped together. They constitute some 50 % of the entire production of paper, cardboard and paperboard, which amounted to some 18 million tons in 2001.

Where does Axel Springer purchase its publication paper?

The main countries of origin are Sweden, Finland, Germany and Norway. Smaller quantities come from France, Austria, England, Russia and Canada. The list of suppliers

How environmentally friendly is the printed paper?

Optimization of the paper chain: around 455,000 tons of printing paper were purchased in 2002 for printing newspapers and magazines. The publishing house advocates a policy of continuous environmental optimization of the production process vis-à-vis the forestry industry and its suppliers of paper, printing machines and printing inks.

Does the huge need for paper not destroy a great amount of forest?

In order to be better able to guarantee the ecological quality of its newspapers and magazines, Axel Springer introduced forestry standards for its suppliers as long ago as 1995. Adherence to these is monitored locally through random checks. In addition, ecological quality certificates for forestry products are gaining in importance today.

How many spruces are processed for a newspaper?

In order to make paper recycling work, fresh fibers must continuously be added, as used paper cannot be reused endlessly.

One spruce yields more than 37,000 pages of publication paper: A model calculation shows that using the fiber gained from an

average spruce originating from Swedish forestry (aged between 30 and 60 years) will produce a total of 37,440 pages of newspaper (weight of the paper: 42.5 g per m², format 40 x 57 cm). 13,440 pages are produced from the fresh wood fiber alone and a further 24,000 pages are the result of the use of recycled paper.

Is it possible to use an even greater share of used paper?

All papers produced in Germany are based in the meantime on an average of 65 percent used paper. The collection of used paper is practically exhausted and can hardly be increased. Besides, the quality of the paper would suffer from an even greater share of used paper – and this would reduce printability and tear resistance (important for rotary printing).

In Germany, there is an efficient used paper collection system. Some 80 percent of the newspapers and magazines read are already recycled for the manufacture of paper and cardboard.

How many kinds of paper are there?

Some 3,000 different kinds of paper, cardboard and paper-board. There are four main production groups: graphic papers; packaging cardboard and paper; sanitary papers; and special papers.

Can paper also be made from synthetic fibers?

It is possible to produce something from polyamide or polypropylene that looks and feels like paper. It is particularly tear-resistant, water-repellant and long-lasting. These synthetic papers are used for things like long-lasting documents such as driving licenses or maps. The disadvantage is that synthetics are oil products – a non-renewable resource.

Is there any tropical wood in the newspaper?

No. Tropical wood fibers are too short or too hard for press media paper. No tropical wood is used in Europe for manufacturing press publication paper.

Is newspaper sterile?

Almost. Because of the high temperatures (up to 130 degrees Celcius) in the paper machine, most germs are killed off.

Further Information:

- German Pulp and Paper Association (www.vdp-online.de)
- Confederation of European Paper Industries (www.cepi.org)
- International Association of the Deinking Industry (www.ingede.de)

Studies and Reports

Sustainability Management at Axel Springer

1. Sustainability Report 2005

www.axelspringer.de/downloads/83225/sustainability_report_2005.pdf

2. Printing ink and Sustainability (2006)

Printing methods, printing inks and raw materials are presented in general and under the aspect of sustainability on 25 pages (in German).

www.axelspringer.de/downloads/83225/farben_nachhaltigkeit.pdf

3. From Russia...with Transparency (2005)

This report is about the so-called "Tikhvin-Chalna-Project" and the cooperation of the paper manufacturer Stora Enso with paper customers Axel Springer AG, Random House Group and Time Inc. in order to increase transparency in the cross-border timber supply chain. The critical review is carried out by Transparency International, the leading NGO on fighting corruption.

www.axelspringer.de/downloads/83225/Tikhvin_Project_Report_2005.pdf

4. Sustainability Balanced Scorecard (2003)

In this research project Axel Springer cooperated with the Universities of Lüneburg and St. Gallen as well as with companies such as Bahlsen, Volkswagen and the Swiss UBS Bank. The project focussed on value-driven options of sustainability management and integration of environmental issues in strategic planning documents. The results of this work sponsored by the Federal Ministry of Education and Science (BMBF) are published in book form by the Gabler publishing house (in German).

www.axelspringer.de/downloads/83225/SBSC_balanced_scorecard.pdf

5. Tracing Russian Wood Imports (2001)

In a joint project, Axel Springer, together with the Finnish paper manufacturer UPM-Kymmene and Otto Versand (mail order), has made the wood chain transparent from the forest in Russia to the paper mill in Finland. The first project report "Tracing Russian Wood Imports" shows how imports of wood from Russia are ecologically audited. There is also room for critical voices from the Russian forest management and the environmental organization Greenpeace Russia.

www.axelspringer.de/downloads/83225/service/tracing_wood_imports_klein.pdf

6. Ecological Learning Processes in the Paper Chain (2000)

This study was written at the university of St. Gallen in Switzerland. Among other things, it describes how companies integrate ecological insights into their decision-making processes, using Axel Springer as an example (in German).

www.axelspringer.de/downloads/83225/Oekolog_lernprozesse_papierkette.pdf

7. Ecological Improvements in the Paper Chain (1999)

This report, available in German only, describes the background, goals and realization of the cooperation between Otto Versand and Axel Springer with 8,900 Norwegian family-owned forestry enterprises and the paper manufacturer Norske Skog (in German).

www.axelspringer.de/downloads/83225/Oekolog_verbesserung_papierkette.pdf

8. Evaluation of the Ecological Life Cycles of Newspapers and Magazines (1998)

This analysis researches the environmental aspects of pulp and paper production using data gathered in Sweden, Germany, and Canada. It was prepared in conjunction with the StoraEnso and Canfor companies.

www.axelspringer.de/downloads/83225/LifeCircle_NewspaperMagazine_lca_studie_e.pdf

Glossary

Explanation of Abbreviations and Terms

AZO: see ION

AZT: see IGN

Benzol: Hydrocarbon contained in petrol. Small amounts get into the atmosphere in exhaust fumes.

Bio-diversity: Diversity of species of flora and fauna.

Carbon dioxide (CO₂): Colorless, odorless and tasteless gas. It is formed by, among other things, combustion of substances containing hydrocarbons (such as, for example, wood, oil, petrol).

Carbon monoxide (CO): Odorless, non-irritant but highly toxic gas, formed by incomplete combustion of fossil fuels.

Combined heating and power plant: Gas-powered generator for producing power, heating and cooling.

Chlorine: Greenish-yellow, toxic gas with an acrid odor. It is still used sometimes for bleaching textiles, cellulose and paper.

Dioxin: Toxic hydrocarbons. They are released, for example, in the production of pesticides.

ECF: "Elemental Chlorine-Free" – cellulose bleached with chloride compounds instead of pure chlorine.

Emission: Liquid, solid (dust) or gaseous substances released from technical plants into air and water.

Fossil energy: Also known as primary energy: naturally formed gaseous, liquid and solid fuels such as natural gas, oil and coal.

Fresh fiber: Also known as primary fiber: paper fiber obtained from the resource wood.

Highly-volatile non-methane hydrocarbons: Odorless, non-irritant but highly toxic gas, formed by incomplete combustion of fossil fuels.

IGN: Improved Gravure Publication paper.

ION: Improved Offset Publication paper.

Life Cycle Assessment (LCA): Analysis of the life-cycle of a product.

LWC: "Light Weight Coated", lightweight rolling press paper, coated on both sides, for magazines, envelopes and catalogues.

Nitric/Nitrous Oxides (NOX): Toxic combustion gases – result in smog formation, over-thinning effects and "acid rain".

Printing inks: Comprise pigments, binding agents (for the adhesion of the pigment to the paper) and solvents (to keep the printing ink liquid until it is applied to the surface of the paper).

Regenerative energy: Renewable energy sources such as sun, geothermal energy, water, wind and wood.

Resources: Raw materials such as wood, oil, coal, clean water and clean air.

SC: Super-calandered paper, magazine paper smoothed between the rollers of a calandering machine in the rotogravure process.

SBT: see SRP

SRP: Special Rotogravure Paper

SON: Standard Offset Newspaper publication paper

SOZ: see SON

Sulphur Dioxide (SO₂): Colorless, highly-toxic gas with an acrid odor, formed in the combustion of fossil fuels. The major cause of "acid rain".

TCF: "Totally Chlorine Free", cellulose bleached without chlorine or chlorine compounds.

Toluol: Solvent present in the printing inks used in newspaper and catalogue rotogravure.

Waste paper: Printed or non-printed scrap paper

Reporting according to GRI

This Sustainability Report fulfils the GRI requirements at the highest application level



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” und “product responsibility” are disclosed.

The determination and further development of these indicators is the result of detailed consultation involving non-governmental organizations, governments as well as large and medium sized organizations.

The secretariat of the Global Reporting Initiative is based in Amsterdam. The organization sees itself as an ongoing international dialog involving a large number of stakeholders. The objectives of reporting according to GRI are transparency, standardization and comparability.

Four principles apply to GRI Sustainability Reports.

1. **Materiality:** There is an emphasis on information that reflects the organization’s significant economic, environmental, and social impacts, or that would substantively influence the assessments and decisions of stakeholders.
2. **Completeness:** Essential topics should be adequately covered to permit an assessment of economic, environmental, and social performance.
3. **Stakeholder Inclusiveness:** The reporting organization should identify its stakeholders and explain in the report how it has responded to their reasonable expectations and interests.
4. **Sustainability Context:** The report should present the organization’s performance in the wider context of sustainable development.

Which requirements must be complied with for GRI to recognize a Sustainability Report at “LEVEL A+”?

1. Provision of all Profile Disclosures
2. A Management Approach is disclosed for every Indicator Category
3. All Indicators are provided
4. The information declared in the report has been externally verified by a third party

GRI Content Index



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” and “product responsibility” are disclosed.

Strategy and Analysis

1.1 Statement from the most senior decisionmaker of the organization about the relevance of sustainability to the organization and its strategy.

Axel Springer is one of the leading media enterprises in Europe. With over 170 newspapers and magazines, more than 50 online offerings for various different interest groups, as well as holdings in television and radio stations, Axel Springer AG, founded in 1946 by the publisher of the same name, is active today in a total of 35 countries. Its broad media portfolio encompasses successfully established multimedia brand families such as the BILD and WELT Groups.

International activities in Eastern Europe are centered on Poland, Hungary, Russia and the Czech Republic; in Western Europe the focal points are Switzerland, France and Spain. Axel Springer is the largest newspaper publisher and third-largest magazine publisher in the German domestic market. Furthermore, many of Axel Springer’s magazines also appear outside Europe as licensed editions.

The core competence of Axel Springer is excellent journalism: topical, informative and entertaining. The company dedicates itself with creativity and passion to freedom and success.

Axel Springer’s strategic priorities are market leadership in the core business of German-language publications, internationalization, and digitization. The objective: to be a leading multimedia integrated print, online and moving image company in Europe. The continuation of the profitable growth curve as well as aspects such as business development focussed on sustainability is at the same time in the foreground of all strategic decisions.

As a media company Axel Springer bears a dual responsibility in relation to questions of sustainability. The company’s journalists deal with topics of economic, social and ecological sustainability on a daily basis: they explain, they ask questions. And those who are committed to critical journalism must themselves stand up to closer scrutiny. This is why for Axel Springer it is not only a question of social responsibility, but also one of journalistic credibility to commit itself to sustainable economic management, to the safeguarding of social and ecological standards, and to society as a whole. Moreover, we commit ourselves to open dialog with all relevant stakeholders and to good Corporate Citizenship.

Axel Springer also wants to set a good example as an employer: More than 10,000 employees are working on continuing to occupy the top journalistic and economic positions. Axel Springer offers them attractive benefits and opportunities for development. There are many interesting openings for applicants. Our corporate culture is characterized by the corporate values of creativity, entrepreneurial spirit and integrity.

1.2 Description of key impacts, risks, and opportunities.

Risks involved in the implementation of the International Social Policy: In view of the organization’s growing international presence, the Axel Springer group has developed a catalogue of social standards. This “International Social Policy” is a binding guideline for social integrity and applies to all the organization’s activities throughout the world. Deficits in compliance with the International Social Policy can occur mainly in the procurement of advertising media, product additions, in merchandising, and in the sale of title licenses and can lead to a considerable loss of image. (You can find more information in the “Risks and Opportunities Report” on pages 46 to 49 of the Annual Report 2007)

Assessment of the opportunities: Due to the experience that has been gained in the area of environmental and sustainability management since 1992 and the know-how that the organization has built up, the opportunities for dealing successfully with the challenges facing us and the targets set in the area of sustainability look promising.

Organizational Profile

2.1 Name of the organization

The Axel Springer organization, established in 1946, is Germany’s biggest newspaper publisher and one of the leading international media enterprises.

2.2 Primary brands, products, and/or services

You will find details about the media published by the Axel Springer AG here.

2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.

The market segments correspond to the organization's strategic focuses: the core business in the German print market, and the digital and international business:

- The National Newspaper segment includes all German newspapers and advertising journals.
- The National Magazines segment contains the magazines distributed in Germany.
- The International Print segment brings together the newspapers and magazines published abroad.
- The Digital Media sector includes all online activities in Germany and abroad, which also include, for example, the portals of the BILD and WELT Groups, as well as the activities and holdings in the area of TV and radio.
- What was previously the Technology Segment (mainly the company's own printing facilities) has been integrated into the Services/Holding segment.

2.4 Location of organization's headquarters

Axel-Springer-Platz 65
10888 Berlin

2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.

Axel Springer operates in almost every country in Europe. The company's foreign activities are concentrated in Eastern Europe in Hungary, Poland, Russia and the Czech Republic and, in Western Europe, in Switzerland, Spain and France. Many of Axel Springer's media services appear in the form of Licensed editions abroad .

You can view more information on Axel Springer International here.

2.6 Nature of ownership and legal form

View information on the shareholder structure here.

2.7 Markets served (including geographic breakdown, sectors served, and types of customers).

Axel Springer creates and distributes high-quality information and entertainment in newspapers, magazines, and digital distribution channels. The company's broad portfolio encompasses successfully established multimedia brand families such as BILD and DIE WELT, as well as newspapers, magazines, and online services to suit a wide range of interests and information needs, plus investments in TV and radio companies. The market segments correspond to the organization's strategic focuses: the core business in the German print market, and the digital and international business:

- The National Newspaper segment includes all German newspapers and advertising journals.
- The National Magazines segment contains the magazines distributed in Germany.
- The International Print segment brings together the newspapers and magazines published abroad.
- The Digital Media sector includes all online activities in Germany and abroad, which also include, for example, the portals of the BILD and WELT Groups, as well as the activities and holdings in the area of TV and radio.
- What was previously the Technology Segment (mainly the company's own printing facilities) has been integrated into the Services/Holding segment.

2.8 Scale of the reporting organization:

Number of employees	10,348 employee
Revenues	2,578 million EUR
Equity capital	1,212 million EUR
Net indebtedness	743 million EUR

Number of products on offer	More than 170 newspapers and magazines, more than 50 online services as well as holdings in TV and radio broadcasters.
-----------------------------	--

(Source: Annual Report 2007)

2.9 Significant changes during the reporting period regarding size, structure, or ownership.

In the reporting period 2006 – 2007, there were no significant changes with respect to size, structure or ownership in the organization.

More information on “Business Activities and Operating Environment”, “Strategy and Principles”, “Economic Environment” and “Business Developments – Group” can be found in the Axel Springer Annual Report on pages 12 to 23.

2.10 Awards received in the reporting period

First place for Axel Springer’s online sustainability report 2005 : In the critical comparison of Sustainability Reports published by 150 German organizations carried out by the Institute for Environmental Management and Economics (IÖW) in 2007, Axel Springer was rated eighth overall and second in the Environmental Protection segment.

In the even smaller group of companies who publish their Sustainability Reports exclusively on the Internet, Axel Springer was rated first. In the rankings carried out over the past ten years, Axel Springer AG’s Sustainability Report, published every two years, has been ranked in the Top 10 five times.

Report Parameters

3.1 Reporting period

2006 and 2007

3.2 Date of most recent previous report

August 2006

3.3 Reporting cycle

Every two years

3.4 Contact point for questions regarding the report

The list of contact partners can be found here.

3.5 Process for defining report content

Since 1993, we have been continuously sounding out the interests, concerns and priorities of relevant stakeholders. Axel Springer AG published its first environmental report in 1994. In 1995, the Ahrensberg newspaper printing facility was the first in Europe to be validated according to the EU ecological audit EMAS. In 2001, the first externally audited sustainability report appeared.

Readers, advertising and print customers, employees, investors, neighbours, visitors, school pupils, students, scientific institutes, state supervisory authorities and regulators, suppliers, NGOs and the media express particular interest in the organization’s sustainability management.

The contents of the report are based on the expertise of this stakeholder dialog which has taken place continuously since 1993. As a result, one main area of focus lies in the social and environmental optimization of the wood and paper chain.

These processes in practice have been documented in two project videos:

- Tracing Russian Wood: The Finnish paper manufacturer UPM cooperates with Greenpeace Russia and the paper clients Axel Springer AG and OTTO.
- Clean timber imports: Working together with paper clients and the organization Transparency International, the paper manufacturer Stora Enso aims to do away with corruption risks in timber imports.

3.6 Boundary of the report

The quantitative statements in the area of the environment refer to the printing facilities in Germany and Hungary as well as to the publishing locations Berlin and Hamburg. If the scope of regulation is not named explicitly, all other details apply throughout the group.

3.7 State any specific limitations on the scope or boundary of the report.

No specific limitations

3.8 Developments, that can significantly affect the comparability from period to period or of information

Comparability with the sustainability reports of the past years is not affected.

3.9 Data measurement techniques and the bases of calculations

- The environmental data are collected at the locations involved and forwarded to Corporate Controlling. The regular environmental statements according to EMAS issued by the German printing locations form an important basis in this respect.
- Personnel numbers from all relevant areas of the organization are collected in the personnel statistics, checked for plausibility and published in the Annual Report.
- Information on openings, company training, measures to promote equal opportunities and the development of our employees, etc. are generated in the Human Resources division and published in the Annual Report as well as the company's internet portal.
- Personal meetings, telephone conferences, Excel files and the exchange of e-mails also form part of the data collection.
- All quantitative data are consolidated in Corporate Controlling, checked for plausibility and made available for examination by external auditors.

3.10 Effects of re-statements of information

In the past, the indirect CO₂ emissions of the German locations was calculated based on the primary energy mix of the specific power supply company. This report was based on the primary energy mix of the Federal Republic of Germany.

3.11 Changes from previous reporting periods

Inclusion of the newspaper printing facility in Hungary.

3.12 GRI Content Index

This online document presents index and content at the same time.

3.13 External assurance for the report

All quantitative statements of the Sustainability Report 2007 were conducted by the Ernst & Young auditing company and tax consultants (Ernst & Young Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft). The scope and assessment of the review can be taken from the independent certificate.

Governance, Commitments, and Engagement

4.1 Governance structure of the organization

Information on Corporate Governance in the Annual Report 2007 / The management board runs the company on its own authority. The committee consists of four members at the present time.

4.2 Indication of whether the Chair of the highest governance body is also the executive officer

The management board runs the company on its own authority. The committee consists of four members at the present time. The management board informs the supervisory board regularly, promptly and extensively on all questions of planning, business development, risk situation and risk management which are relevant for the company. Every member of the management board must disclose any conflicts of interest to the supervisory board without delay.

4.3 Independent members of the highest governance body

The supervisory board of Axel Springer AG consists of nine members who are elected by the annual shareholders' meeting. The supervisory board appoints the members of the management board. It monitors and gives advice to the management board concerning the running of the company.

4.4 Mechanism for shareholders and employees to provide recommendations to the highest governance body

As a media company, Axel Springer AG is only to a limited extent subject to employee participation regulations.

4.5 Linkage between compensation for the highest governance body and the organization's performance

Management Board members' compensation is made up of fixed and variable elements. The variable compensation consists of a cash component and a company stock component. The variable cash bonuses are subject to maximum limits. They are determined on the basis of results, as represented by the employee's individual performance and the success of the company. One part is bound to the achievement of a certain company value which is calculated on the basis of EBITA. (For information on this, see also the compliance statement from December 2007 as part of the Corporate Governance).

4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided

Every member of the management board must disclose any conflicts of interest to the supervisory board without delay. Every member of the supervisory board must disclose any conflicts of interest to the supervisory board without delay.

4.7 Expertise of the members of the highest governance body on economic, environmental, and social topics

The Corporate Sustainability Office, which has existed since 1992, is attached to the Chief Executive Officer's division. The responsibility for optimizing the relevant sustainability aspects in each case lies with the department heads or the managements of the subsidiaries. These are advised and supported on a project basis by the Corporate Sustainability Office.

4.8 Statements of mission or values, codes of conduct, and principles

Corporate Principles, Values and Guidelines of Axel Springer AG: Axel Springer is the only independent media company to have a corporate constitution since 1967. The five essentials serve as the fundamentals for publishing activities. The company has also defined values that distinguish Axel Springer's specific corporate culture. The guidelines for safeguarding journalistic independence have also been valid at Axel Springer since August 2003. The social standards which were published in July 2004 provide a binding guideline for social integrity and apply to all the company's activities throughout the world. Axel Springer AG attaches great importance to good corporate governance in the management and control of the enterprise. Moreover with its first environmental report in 1994 the company published a four-point environmental guideline.

You can find further information on the principles and guidelines of the organization here:

4.9 Procedures of the highest governance body for overseeing sustainability

Sustainability is monitored by the Controlling, Human Resources, Compliance and Risk Management divisions. In addition, there are externally audited environmental statements in accordance with the EU Eco Audit (EMAS) at the German printing facilities as well as the Annual Reports which are issued each year.

Important insights have been gained from the external audit reports on the Sustainability Reports which are issued every two years.

4.10 Processes for evaluating the highest governance body's own performance

Agreement on goals and determining when objectives have been achieved is carried out by the Chairman of the Supervisory Board and the respective member of the management board.

4.11 Precautionary principle

The overall responsibility for risk management lies in the hands of the management board. By comparison, the respective divisions or group companies are responsible for the operative processes of the early identification, assessment, management and documentation of the risks, the determination and execution of suitable measures as well as all communication concerning this.

4.12 Participation in and endorsement of external initiatives

As the first media organization, Axel Springer AG has been a member of the Women in the Economy Forum since 1999. With the "Partners in Tolerance" initiative, the publishing house has been supporting the work of American film director Steven Spielberg's "Shoah Foundation" since 1998, which has developed a CD ROM on the Holocaust for schools in Germany among other things. In 2008, the company became a founding member of the "Business and Biodiversity" initiative.

4.13 Memberships

Axel Springer AG is a member of the Federal Association of German Newspaper Publishers (BDVZ) and the Association of German Magazine Publishers (VDZ). The company is represented in the executive committee of both associations and in numerous working groups. Special mention must be given to the company's active involvement in the VDZ working group on sustainability. The subsidiary publishing companies are also members of the respective publishing associations in their own countries.

4.14 Stakeholder groups engaged by the organization.

Readers, advertising and print customers, employees, investors, neighbours, visitors, school pupils, students, scientific institutes, state supervisory authorities and regulators, suppliers, NGOs and the media express particular interest in the organization's operations.

In order to make the public more familiar with the problems involved in climate change, the BILD newspaper for example started a highly-regarded co-operation project with the environmental associations BUND, Greenpeace and the WWF in 2007 with support from the Corporate Sustainability Office. Under the motto "Save Our Earth", information was provided over a period of several months, often in large format, on background matters, possible solutions as well as tips for personal involvement. (Video on the Bild climate protection campaign: The environmental organization BUND and BILD talk about their joint campaign "Save Our Earth".)

In 2007, BILD was the first German daily newspaper to call for a reader's council, the aim of which is to continue to improve the dialog with the readers by articulating suggestions, requests and criticism. The readers' counselors were chosen from among 12,000 applicants. They represent 12 million readers.

A regular and, because of concrete co-operation projects, intensive exchange on paper procurement takes place between the company and the non-governmental organisations WWF, Greenpeace and Transparency International - particularly in Germany, Finland, Norway, Sweden, Russia and Canada.

One of the main focuses of sustainability management lies in the social and environmental optimization of the wood and paper chain. Therefore, as stakeholders, suppliers of printing paper as well as forestry companies and associations are regularly involved.

4.15 Basis for the selection of stakeholders with whom to engage

A basis for the selection of stakeholders is expertise in questions concerning the ecological and social optimization of the wood and paper chain as well as the presence in countries whose timber, pulp and paper production is significant for the procurement of printing paper.

4.16 Approaches to stakeholder engagement

- The publishing companies Axel Springer, Time Inc., Random House Group und Stora Enso cooperate with Transparency International in the project "From Russia ... with Transparency", in order to improve standards in the cross-border timber trade. Talks take place roughly every six months, either on location or via telephone conference. (View further details and the project film here.)
- The "Tracing Russian Wood" project documents the origin of timber imports from Russia on the internet with the help of interactive maps. The cooperation partners are the Finnish paper manufacturer UPM-Kymmene, Axel Springer AG, the Otto Group, the forestry administration of north-western Russia and the environmental organization Greenpeace Russia. Talks take place roughly every six months, either on site or via telephone conference. (View further details and the project film here.)
- In December 2007, representatives from Axel Springer's Paper Purchasing division and the Corporate Sustainability Office as well as the Association of German Magazine Publishers (VDZ) held exploratory talks lasting several days with stakeholders in the Canadian provinces of Quebec and Ontario. The aim was to determine social and ecological framework conditions for wood and paper production. The participants in the talks were paper manufacturers, trade unions, representatives of the indigenous peoples, scientists, environmental organizations as well as the respective forestry ministries.
- Axel Springer AG has set itself the goal of becoming Europe's most customer-friendly media company by the year 2010. To this end, the company launched an extensive company-wide program in 2006 to improve customer retention. In 2007, a differentiated measurement and evaluation system, known as the customer retention index, was developed for this purpose. Axel Springer employs the same techniques to measure the quality of internal cooperation and service orientation. These aim at identifying and promoting efficient procedures in the company. The results of this analysis point the way to new ways of improving the company's internal service quality.

4.17 Key topics and concerns of stakeholders

The aim of the pilot projects which have been initiated by the company since 1996 is the sustainability of the wood and paper chain. Here, a central role is occupied by the exchange between the company and

non-governmental organisations such as Transparency International, WWF, BUND und Greenpeace. The main elements are the avoidance of accidents at work during raw materials production, the exclusion of illegal timber and corruption as well as securing biodiversity through traceability of the timber sources. The suggestions and critical questions from the stakeholders make a valuable contribution to this process.

Economic Performance Indicators

EC1 – EC9 Information on the Economy field

Environmental Performance Indicators

EN1 – EN30 Information on the Environment field

Social Performance Indicators

LA1 – LA14 Labor Practices and Decent Work Performance

HR1 – HR9 Human rights

SO1 – SO8 Society

PR1 – PR9 Product responsibility

Management Approach and Economic Performance Indicators



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” and “product responsibility” are disclosed.

Management approach

GRI: Economic performance and market presence

Axel Springer is Germany’s largest newspaper publisher, with leading market positions in the categories of news-stand papers, Sunday newspapers, and regional sub-subscription newspapers in the markets of Hamburg and Berlin. Axel Springer also publishes DIE WELT, Germany’s third-largest nationwide premium newspaper. With a portfolio of more than 50 titles, Axel Springer is the third-largest magazine publisher in Germany, occupying leading market positions in the various categories of TV programming guides, women’s magazines, computer magazines, auto magazines, sports magazines, financial magazines, youth magazines, and music magazines.

Outside Germany, Axel Springer publishes a total of more than 100 newspapers and magazines, including licensed editions, in 30 countries of the world. The company focuses in particular on the fast-growing markets of eastern Europe. In Poland, Axel Springer holds a 30.4 percent market share with its three newspapers, making it the country’s largest newspaper publisher. In the Polish magazine market, Axel Springer is present with ten magazines. In Hungary, Axel Springer is the second largest publishing company with ten newspapers and 30 magazines and a market share of 22.1 percent.

GRI: Goals - Organization-wide goals regarding performance relevant to the Economic Aspects.

Value-Driven Management: The business strategy of Axel Springer is based on the three tenets of extending the company’s market leadership position in the German-language core business, as well as internationalization and digitization. The overriding goals of this strategy are to ensure profitable, long-term growth and permanently increase the company’s value. The company’s controlling system has been designed on the basis of these goals. By tracking the development of financial and non financial performance indicators, Axel Springer closely monitors the implementation of the Group’s business strategy and can therefore take immediate corrective action if necessary.

GRI: Company guidelines

Organization-wide policy (or policies) that defines the organization’s overall commitment relating to the Economic Aspects.

Three values form the foundation of corporate culture at Axel Springer:

- Creativity as the decisive prerequisite for success as journalists, and in turn for commercial success;
- Entrepreneurial spirit, defined as imaginative, responsible and result-oriented action taken by employees and management;
- Integrity vis-à-vis the company, readers, customers, members of staff, business associates and shareholders.

GRI: Additional Contextual Information

- Discontinued operations: PIN Group In December 2007, Axel Springer decided to no longer pursue an expansion into the mail delivery services market as a result of fundamental changes in the relevant regulatory conditions.
- Organizational structure At the beginning of 2008, Axel Springer restructured its Management Board divisions. The most prominent feature of the restructuring was the creation of a new Management Board division for the newspapers, magazines, and online offerings of the BILD family of brands.

Further information can be found in the Annual Report 2007 .

Economic Performance Indicators

Details and references for the reporting period 2006 + 2007

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments

Business year 2007: (Group)

- Revenues: Sales: Euro 2,578 million
- Operating costs: Defined by us as the sum of material costs, personnel expenditure, depreciation, other operating expenses: Euro 2,343.3 million (this amount is also described as Total Expenses in the Annual Report 2007)
- Employee compensation: Personnel expenditure: Euro 701.9 million (of this, wages and salaries: Euro 610.3 million)
- Donations: Cannot be calculated at Group level. We do not have this information available in detail.
- Retained earnings: Equity capital generated as per 1.1.2007: 1,271.8 million Euro; as per 12.31.2007: 810.6 million Euro.
- Payments to capital providers (equity capital providers): Dividends for the fiscal year 2006 (paid in 2007): 107.3 million Euro; Dividends for the fiscal year 2007 (paid in 2008): 122.4 million Euro.
- Payments to governments (taxes): Tax expenditure (taxes on income and on earnings): 90.3 million Euro; Tax payments (taxes on earnings) in 2007: 132.6 million Euro.

EC2 Financial implications of climate change

- No direct effects have been identified to date.
- Indirect effects: Higher energy costs for distribution of newspapers and magazines, the operation of printing facilities and publishing buildings

EC3 Coverage of defined benefit plan obligations

Fiscal year 2007: (Group)

- Social expenditure (employer contributions to social security, incl. health insurance)
- Social security contributions: 79.5 million Euro
- Pension costs, company pension plan, pension plan expenditure: 8.5 million Euro

Vario Pension – the supplementary company pension plan: The company offers the employees of Axel Springer AG, Ullstein GmbH and, from July 1st 2007, the Axel Springer Media Accounting Service GmbH the Vario Pension, a future-oriented company pension plan through deferred compensation. In this way, Axel Springer intends to promote the demographically required change from the pay-as-you-go financed pension plan to a funded pension insurance system. The company pension plan provides the employees with the opportunity of building up a stock of capital with their gross income and thus make provisions for their retirement.

EC4 Significant financial assistance received from government (e.g. subsidies)

Investment grants: received in 2007 = 2.0 million Euro; income from the disposal of investment allowances in 2007 1.3 million Euro; liabilities from investment allowances as per 12.31.2007: 9.0 million Euro. (12.31.2006: 8.2 million Euro).

EC5 Ratio of standard entry level wage compared to local minimum wage

The work in printing facilities, editorial offices, marketing departments, sales, digital publishing and administration requires above-average qualifications. In every country it operates in, the company competes for talented and qualified employees. Against this background, almost all initial salaries and salaries at all locations lie significantly above the local minimum wage.

EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

The publishing company generates almost all of its revenue in OECD or EU countries (Germany, Poland, Hungary, Russia, Czech Republic, France, Spain, Switzerland). The only exceptions are the publishing subsidiaries in Moscow (Russia) and a small office in Shanghai (China). Supplies come almost without exception from local sources. There are exceptions in some countries with regard to the procurement of printing paper, particularly as paper for newspapers and magazines is not produced in sufficient quantity and quality in all countries where the company has locations. Countries of origin are almost without excep-

tion OECD or EU countries. Another similar exception can be seen in some cases in the procurement of printing ink, printing machines and computers.

EC7 Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.

Almost without exception, the company employs members of staff who were born in the place where the operational unit is located or who have unrestricted right of residency there. If suitable applicants are available, staffing generally takes place internally.

EC8 Development and impact of infra-structure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

Three projects from Germany alone can be named in this respect:

- * Ein Herz für Kinder (A Heart for Children) by the BILD newspaper
- * Von Mensch zu Mensch (From Person to Person) by the Hamburger Abendblatt
- * Berliner helfen e.V. (Berliners help) by the Berliner Morgenpost

Further information can be found here.

EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.

The indirect economic impacts that repeatedly attract attention include decisions in the area of paper procurement. In Northern Finland, Norway and Canada regional conflicts concerning the utilization of forestry resources flare up again and again. These often have to do with the competition between social (jobs) and ecological (biodiversity) interests. In such cases, the Corporate Sustainability Office takes a detailed look on-site at the reason for the conflict by talking to trade unions, environmental organizations, scientists, representatives of the indigenous people as well as the tourism industry and the government. The knowledge gained in this process influences the decisions concerning supply contracts with paper factories in the respective regions.

GRI - Environment 2007



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” and “product responsibility” are disclosed.

Management Approach

GRI: Goals -Goals regarding performance relevant to the Environment Aspects

The aim is the ecological optimization of all processes. This mainly has to do with the operation of printing facilities and computer equipment, the administration of publishing offices and the procurement of printing paper. Water and energy should be used economically. Emissions and waste should be reduced. The validation according to EU Eco Audit (EMAS), which has been practised since 1995, should also be continued at the printing facilities in Germany.

GRI: Company guidelines - Organization-wide policy (or policies) that defines the organization's overall commitment related to the Environmental Aspects.

With its first environmental report in 1994, Axel Springer AG published a four-point environmental guideline. It serves as a practical guide to the many measures introduced by the company in the interests of the environment.

1. To raise environmental consciousness among its readers, business associates and members of staff.
2. To promote the environmentally-friendly production of raw materials by exerting a positive influence on suppliers.
3. To use environmentally efficient technologies and materials in all corporate divisions to reduce the burden on the environment, use materials sparingly and ensure their reusability.
4. To avoid or reduce the environmental impact by reducing energy and water requirements, emissions and waste per unit produced.

GRI: Organizational responsibility

The Corporate Sustainability Office is a Group administrative department which is attached to the Chief Executive Officer's division. The Corporate Sustainability Office supports and advises all relevant divisions in the company with respect to the ecological optimization of processes and coordinates the corresponding pilot projects.

In the printing facilities and publishing locations, environmental and safety officers are responsible for operative implementation and ensuring ecological standards.

GRI: Procedures related to training and raising awareness

Questions concerning the ecological optimization are integrated into training programs and are part of the introductory seminars for trainees. Cooperation with the environmental associations BUND, Greenpeace and WWF: In order to familiarize the public with the problems involved in climate change, the BILD newspaper, for example, started a highly-regarded co-operation project with the environmental associations BUND, Greenpeace and WWF with support from the Corporate Sustainability Office. Under the motto “Save our Earth”, information is published on the background of climate change, possible solutions as well as tips for personal action.

Forbes Polska hosted an international conference on sustainability in Warsaw.

GRI: Monitoring

Participation in the Carbon Disclosure Project (CDP): Axel Springer also participated in the German report to the Carbon Disclosure Project (CDP) in 2007 by providing data on its emissions of greenhouse gases (CO₂ equivalents). The Carbon Disclosure Project (CDP) is the largest joint project worldwide involving institutional investors in connection with the economic effects of climate change.

Transparency in the supply chain: The paper suppliers are selected according to the criteria of product quality, reliability of supply and reasonableness of prices. The concept for optimizing social and ecological standards along the wood and paper chain was developed further in 2007. The contracts with suppliers contain corresponding clauses that are also examined by the publishing company on site. More than 60 percent of all printing paper used at Axel Springer contains used paper. In 2007, Axel Springer used

around 525,000 tons of printing paper from approximately 50 paper factories in about 15 countries for printing in its own and in external printing facilities.

The validation according to EU Eco Audit (EMAS), which has been practised since 1995, should also be continued at the printing facilities in Germany.

Details and references for the reporting period 2006 + 2007

Environmental Performance Indicators:

EN1 Materials used by weight or volume

Total material consumption can be seen in the materials and energy balance sheet .

EN2 Percentage of materials used that are recycled input materials

Around 66 percent of the printing paper used in the entire company contains recycled used paper. Further information can be found here.

EN3 Direct energy consumption by primary energy source

In 2007, the energy consumption for the printing facilities in Germany and Hungary as well as the publishing locations Berlin and Hamburg according to primary energy source was as follows:

Direct energy consumption	
Fuels	43.91 MWh
Natural gas	16,223.3 MWh

Further information can be found here.

EN4 Indirect energy consumption by primary source.

Indirect energy consumption	
Purchased electricity	84,619.00 MWh
District heating	26,328.00 MWh

The primary energy used to generate the purchased electricity was broken down as follows for the year 2007: Nuclear power 36.9 percent, fossil fuels 45.2 percent, renewable energy 17.9 percent.

Further information can be found here.

EN5 Energy saved due to conservation and efficiency improvements

The energy requirements of the German publishing and printing locations were reduced by 20 percent between 2005 and 2007 from 159,003 MWh to 127,214 MWh. These locations were able to make energy savings in double figure percentages in this period.

At the printing facilities, 54.2 percent less gas and at the publishing facilities 25.8 percent less district heating was used. Electricity consumption was reduced by 3.9 percent. The considerable reduction in the district heating consumed by the publishing locations in Berlin and Hamburg was achieved by combining different measures with respect to the heating equipment.

Operating periods and room temperatures were optimized and controls set more efficiently, the provision of heating in Hamburg was made more economical through the conversion from steam to warm water as a heat conducting medium.

EN6 Initiatives to provide energy-efficient products and services, and resulting reductions in energy requirements

This indicator is not relevant to Axel Springer AG, as newspapers and magazines do not require energy when used.

EN7 Initiatives to reduce indirect energy consumption and reductions achieved

The energy consumption of the printing facilities per square meter of paper printed has been reduced by 18.1 percent in 2007 compared to 2005. The largest contribution here was made by the printing facility in Essen-Kettwig, which was able to improve this factor by 33.5 percent.

In addition to investments in air conditioning and refrigerating technology, this was achieved through the introduction of optimized regulation of the utilities. One important contributing factor was the conversion from gas-powered absorber-based refrigerators to electrical compressor-based refrigerators to cover the cooling requirements of the printing facility.

EN8 Total water withdrawal by source

From 2005 to 2007, it was possible to reduce the waste water of the printing facilities in Germany and Hungary as well as those of the publishing locations in Berlin and Hamburg by around 19,7 percent from 142,758 to 114,630 cubic meters. This was achieved, for example, by changing the refrigeration at the Kettwig printing facilities and by renewing the cooling tower system at the Ahrensberg printing facilities. Water-saving toilet flushing systems have been installed gradually at the publishing locations in Berlin and Hamburg.

EN9 Water sources significantly affected by withdrawal of water

No specific water sources are affected by the company's water use.

EN10 Percentage and total volume of water recycled and reused

Numerous technical innovations for the recirculatory use of water are also contributing to the continuous reduction in the consumption of fresh water in the printing facilities.

You will find more information here.

EN11 Location and size of land in, or adjacent to, protected areas.

No Axel Springer AG site is located in a protected area, borders on a protected area or is located in an area with high biodiversity.

EN12 Description of significant impacts on biodiversity of activities, products, and services in areas of high biodiversity value

Pines and spruces from the northern hemisphere are processed for the manufacture of printing paper. The suppliers of printing paper undertake to make sure and to check that the timber raw materials that are used by no means come from protected forestry areas.

Also in unprotected forestry areas, improper forest use can disturb the ability of biodiversity to regenerate, e.g. by interrupting the food chains. This can happen, for example, when insufficient amounts of old wood and dead wood are available as habitats for insects, e.g. those that the Finnish white-backed woodpecker lives on.

EN13 Habitats protected or restored

The company does not own any protected or restored habitats.

EN14 Strategies to protect biodiversity

Protecting biodiversity is a central motivating factor in the ecological optimization of the wood and paper chain. The company purchases around 525,000 tons of printing paper from approximately 50 paper factories in around 15 countries to print newspapers and magazines in their own and in external printing facilities. Some 66 percent of the paper used contains used paper. Transparency in the origin of fibers is an important prerequisite for securing the biodiversity quality of the fresh coniferous wood fibers.

Biodiversity strategy of Axel Springer:

1. Regular visits to the timber harvesting areas of the manufacturers of fresh fiber paper (since 1992).
2. Publication of the names of the paper suppliers used by Axel Springer AG (since 1993)
3. Forestry standards as part of the purchasing agreements for printing paper (since 1994)
4. Pilot projects such as "Tracing Russian Wood" in cooperation with Greenpeace Russia (since 2000)
5. Implementation of the "Printing Products and Ecology" industry standards (since 2001)
6. Founding member of the "Business&Biodiversity" initiative (from 2008)

EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

The timber harvesting areas of our paper suppliers and/or their pulp suppliers are situated in Germany, Norway, Sweden, Finland, Russia, Canada, the Czech Republic, Spain, Belgium, Holland, France, Austria and Switzerland. In each of these countries, lists of threatened species, some of which are threatened due

to the improper use of forests, are kept. Detailed Forest Use Guidelines for the protection of biodiversity apply in all of these countries.

EN16 Greenhouse gas emissions

The CO₂ emissions of the company were reduced from 2005 to 2007 by 13.4 percent. The direct and indirect CO₂ emissions per square meter of printed paper dropped by 6.5 percent from 2005 to 2007.

A great deal of the fuel gas combustion can be dispensed in the Berlin-Spandau printing facilities for example by making use of the heat generated in EDP rooms. By optimizing the equipment and control technology, the direct CO₂ emissions from the gas-burning combined heating and power plant could be reduced from 2005 to 2007 by 78.7 percent.

More information on the emission of greenhouse gases can be found here.

EN17 Other greenhouse gas emissions

Emissions of NMVOC (non methane volatile organic compounds) were around 72.6 tons in 2007.

EN18 Initiatives to reduce greenhouse gas emissions

The reduction of emissions of greenhouse gases was primarily achieved by improving energy efficiency and reducing the energy requirements.

Measures:

1. Developing the employees' awareness, for example, with respect to reducing standby energy consumption.
2. More energy-efficient ventilating systems for cooling or heating in the printing facilities.
3. Optimized energy management through periodic shut-downs of equipment in the printing facilities.
4. Controlling the lighting using motion detectors at the publishing locations
5. Using a hydrogen-powered test vehicle in BILD distribution (from 2008).

EN19 Emissions of ozone-depleting gases

No significant emissions are caused by substances which could contribute towards to the depletion of the ozone layer in the company's production processes.

EN20 NOX, SO₂ and other air emissions

The emission of NO_x was around 2.7 tons in 2007. The emission of SO₂ was around 127 kilograms in 2007. The emission of dust was around ten kilograms in 2007.

EN21 Total water discharge by type and destination

In 2007, the volume of effluent (waste water) discharged from the printing facilities in Germany and Hungary and from the publishing locations in Berlin and Hamburg amounted to 114,630 cubic meters. Additionally in 2007, 61,065 cubic meters of water at the Berlin publishing location were pumped as drainage from the groundwater to keep basements dry and then fed directly into the sewage disposal network.

EN22 Total weight of waste by type and disposal method

The following amounts refer to the printing facilities in Germany and Hungary as well as the publishing locations in Berlin and Hamburg:

- Non-hazardous solid waste for recycling: 19,691 tons
- Non-hazardous solid waste for disposal: 78.7 tons
- Hazardous solid waste for recycling: 655.1 tons
- Hazardous solid waste for disposal: 60.7 tons

EN23 Total number and volume of significant spills

No significant quantities were spilled in the reporting period 2006 / 2007.

EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.

The company does not transport, import or export any waste of this kind.

EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.

The company does not cause any significant influences of this kind.

EN26 Initiatives to mitigate environmental impacts

Measures and initiatives are documented in the following surveys, among others: "Evaluation of the Ecological Life Cycles of Newspapers and Magazines", "Ecological Learning Processes in the Paper Chain" and "Printing Ink and Sustainability". You can find more information on these surveys here.

EN27 Percentage of products sold and their packaging materials that are reclaimed by category.

The responsibility for the disposal of the plastic sheeting used to protect newspapers and magazines during transport for recycling lies with the kiosk operators.

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

No such fines were imposed in the reporting period. (Please note: the prerequisite for validation according to the EU Eco Audit is the non-occurrence of fines of this kind.)

EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.

Fossil fuels are mostly necessary for transporting of goods and people. Three transport areas deserve special mention with respect to the company's operations:

1. Delivery of printing paper by suppliers (more information on the transport mix here)
2. Transport of newspapers and magazines from almost all publishing companies from the publishing wholesaler to the kiosks by independent carriers.
3. CO2 emissions caused by business flights of employees in Germany: Increase by 10,9 percent from 2006 (2,264.23 tons) to 2007 (2,511,14 tons)

EN30 Total environmental protection expenditures and investments

Ongoing expenditure - not including VAT for measures which exclusively or primarily serve to protect the environment amounted to Euro 2,005,414 for the German locations in 2006.

GRI Management Approach and Indicators to Labor Practices



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” and “product responsibility” are disclosed.

Management approach

GRI: Goals - Organization-wide goals regarding performance relevant to the Labor Aspects, indicating their linkage to the internationally recognized universal standards.

- Qualification and further vocational training
- Attracting and fostering talents
- Equality of opportunity through improved work/family balance
- Safeguarding the future through company pension plan

GRI: Company guidelines - Organization-wide policy (or policies) that defines the organization’s overall commitment related to the Labor Aspects.

International Social Policy: In view of the organization’s growing international presence, Axel Springer AG has adopted a catalogue of social standards. This “International Social Policy” is a binding guideline for social integrity and applies to all the organization’s activities throughout the world. Read the complete catalogue of the internationally applicable social standards at Axel Springer here.

GRI: Organizational responsibility

The ultimate responsibility for matters concerning employment lies with the management board of Axel Springer AG.

GRI: Procedures related to training and raising awareness

Employees and executive staff are informed about, made aware of and trained in matters relating to employment.

GRI: Monitoring

Continuous innovative stimuli and monitoring by Heads of Human Resources in the company divisions. Labor Practices and Decent Work Performance Indicators:

Details and references for the reporting period 2006 + 2007

LA1 Total workforce by employment type and region

In 2007, the company employed 10,348 persons (excluding apprentices and trainees). You can find a breakdown according to type and country under this link .

LA2 Average rate of employee turnover

In 2007, the length of service of our employees averaged 12.5 years.

LA3 Benefits provided to full-time employees

The works council and management have agreed on a nine-page catalog of voluntary social benefits for the German locations (= 72 percent of employees). Separate agreements have also been reached respectively for the seven most important foreign locations.

LA4 Percentage of employees covered by collective bargaining agreements

Sixty-one percent of the employees at German locations are covered by collective bargaining agreements.

LA5 Minimum notice period(s) regarding significant operational changes

Managing director and works council are in close contact and meet regularly for discussions on a wide range of subjects. At specially organized events internal speakers explain, using practical examples, concepts, strategies, plans and perspectives that are significant for the future of the company or for developments in the industry.

LA6 Health and safety committees

The Safety Engineers of each operational unit are responsible for all matters and measures relating to safety at work, fire protection and environmental protection. The education and counseling of employees plays a central role here.

LA7 Occupational accidents and diseases

This table provides a quick overview of occupational accidents at the printing plants in Germany and Hungary as well as at the editorial and administrative locations in Berlin (employees of the AG, Ullstein GmbH, BZ, Berliner Wochenblatt, Axel Springer Medien Accounting, BILD DIGITAL GmbH & Co. KG) and Hamburg (employees of the AG, AS Vertrieb, VVDG):

Industrial accidents 2007	Printing facility Kettwig	Printing facility Ahrensburg	Printing facility Spandau	Publishing house Hamburg	Publishing house Berlin	Printing facility Hungary
Number of employees 12.31.2007	314	488	369	2,511	1,726	109
Notifiable industrial accidents	12	16	15	9	6	2
Days lost due to industrial accidents	117	302	579	196	80	128
1000 man quota	38	33	41	4	3	18
Notifiable work-related road accidents	(not evaluated)	5	(not evaluated)	10	10	(not evaluated)
Lost days due to work-related road accidents	(not evaluated)	57	(not evaluated)	182	179	(not evaluated)

LA8 Further education regarding serious diseases.

The health of our employees is very important to the company. For example, in the German locations, preventive health care campaigns are carried out annually: "Healthy back", "Prevention of cardiovascular disease", „Stress management“ and "Preventing skin cancer". In addition, various special action campaigns, e.g. intestinal cancer check-ups are offered.

LA9 Health and safety agreements with trade unions

Company agreements are made at a national level. Occupational health and safety in Germany is essentially defined by the national laws and regulations pertaining to health and safety at work which are based on various European guidelines. Some of these are in the form of framework regulations and enable co-determination and structuring options on a company level.

LA10 Average hours of training per year per employee by employee category.

The following provides an overview of in-service training measures at the locations in Germany (72 percent of employees):

- Industrial employees: 575 participations à 16 hours = approx. 9,200 hours
- Editorial staff: 681 participations à 16 hours = approx. 10,896 hours
- Administrative staff: 5,301 participations à 16 hours = approx. 84,816 hours
- Scholarship holders and trainees: 1,268 participations à 16 hours = approx. 20,288 hours

LA11 Programs for lifelong learning

The company offers employees the opportunity to achieve further qualifications: (Details of human resources development programs and measures can be viewed here).

LA12 Percentage of employees receiving regular performance and career development reviews.

As part of the variable compensation scheme, Axel Springer offers the employees at its German locations

the opportunity to participate in the target agreement system. The manager and the employee decide jointly whether it makes sense to participate in the system. Target setting and target achievement meetings then take place annually. At the target setting meeting, the manager and the employee first of all agree on the targets. These targets apply for the respective fiscal year. Achievement of targets is discussed at the beginning of the following year. By agreeing on targets, Axel Springer AG has created a link between performance and salary. This motivates the employee to act in a way that is oriented towards performance and results.

In addition, Axel Springer AG has introduced a pilot project for employee development dialogs in Germany. The employee development dialogue is a regular, binding meeting between the manager and the employee. In the employee development dialogue, employees are given annual feedback on their personal state of development and can actively influence their future professional development. Their individual skills are compared with the existing or changing demands of the job. This highlights the need for development in each case and gives rise to concrete development measures, such as for example, seminars and job rotation.

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.

The company does not tolerate any kind of discrimination, whether due to gender, age, physical condition, origin or religion. Almost without exception, the company employs members of staff who were born in the country where the operational unit is located or who have unrestricted right of residency there. You can find more information on International Social Policy here. You can find the overview of employees according to gender here.

LA14 Ratio of basic salary of men to women

The company is in competition for qualified employees. The employee compensation systems are based on the performances of the employees and the market conditions. Discrimination, e.g., because of gender or age, is rejected. Remuneration is determined by the kind of work based on the job evaluation. Individual performance, professional experience and developments on the labor market are taken into consideration.

GRI -Society Performance Indicators

Human Rights



This Sustainability Report meets the specifications of the Global Reporting Initiative (GRI). It is based on the framework for drawing up Sustainability Reports, in which a total of 121 indicators from areas including “social performance”, “environmental performance”, “economic performance” und “product responsibility” are disclosed.

Management Approach

The information on the management approach should contain a short overview of the management approach of the organization with regard to the aspects that are defined in every indicator category in order to explain the background against which the performance information is to be considered.

GRI: Goals - Organization-wide goals regarding performance relevant to the Human Rights Aspects, indicating their linkage to internationally recognized standards.

Axel Springer acknowledges and supports the United Nations’ “Universal Declaration of Human Rights” and does not tolerate any behavior that disregards this.

GRI: Company guidelines - Organization-wide policy (or policies) that defines the organization’s overall commitment to the Human Rights Aspects.

International Social Policy: In view of the organization’s growing international presence, Axel Springer AG has adopted a catalogue of social standards. This “International Social Policy” is a binding guideline for social integrity and applies to all the organization’s activities throughout the world.

Read the complete catalogue of the internationally applicable social standards at Axel Springer here.

GRI: Organizational responsibility

The ultimate responsibility for matters concerning employment lies with the management board of Axel Springer AG.

GRI: Procedures related to training and raising awareness

Employees and executive staff are informed about, made aware of and trained in matters relating to employment.

GRI: Monitoring

Continuous innovative stimuli and monitoring by Heads of Human Resources in the company divisions as well as – with respect to suppliers – in the Central Purchasing Department.

Human Rights Performance Indicators

Details and references for the reporting period 2006 + 2007

HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.

In view of the organization’s growing international presence, Axel Springer AG has adopted a catalogue of social standards. This “International Social Policy” is a binding guideline for social integrity and applies to all the organization’s activities throughout the world. These standards, for example, form part of the contracts for the magazines licensed to other publishing companies. The catalogue of social standards can be downloaded here.

HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.

Since 1995, Axel Springer has been making sure that paper suppliers comply with the contractually agreed forestry standards with respect to the clause pertaining to the protection of indigenous peoples. As a customer of publication paper manufacturers in many countries, the publishing house seeks information on the social, economic and ecological conditions in forestry as well as in pulp and paper production.

The International Social Policy is also part of the contracts of the magazines licensed to other publishing companies. In 2006 and 2007, two monitoring visits to China took place concerning the procurement of advertising materials.

HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.

It is planned to include this subject in the courses offered as part of our in-house training.

HR4 Total number of incidents of discrimination and actions taken

No cases of discrimination have been reported. Since August 2006, the General Equal Treatment Act (AGG) has been in force in Germany, which is used to put into practice the corresponding European Union anti-discrimination guidelines. In internal seminars, our employees were instructed on the guidelines of the General Equal Treatment Act (AGG).

HR5 Operations identified in which the right to exercise freedom of association or collective bargaining may be at significant risk.

No cases of this type have been reported. Axel Springer AG respects the right of its employees to create an association to represent themselves and to join and actively participate in this association. The company will work with the employees associations fairly, constructively and in a spirit of trust.

HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.

Risks of this type have not been identified.

HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor.

Risks of this type have not been identified.

HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.

The Corporate Security division is responsible for the security of people, information, equipment, events, etc. At the company's locations in Germany and abroad, employees and external service providers are advised and trained diligently and regularly and, where necessary, instructed with regard to legal framework conditions and customer orientation.

HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.

No cases of this type are known.

Society

The information on the management approach should contain a short overview of the management approach of the organization with regard to the aspects that are defined in every indicator category in order to explain the background against which the performance information is to be considered.

Management Approach

GRI: Goals - Organization-wide goals regarding performance relevant in the Field of Society.

Commitment to sustainable commerce, to the safeguarding of social and ecological standards, and to society as a whole is not only a matter of social responsibility for Axel Springer but also one of journalistic credibility.

These include, for example

- The Commitment to the reconciliation between Jews and Germans
- Ein Herz für Kinder – BILD's large aid organization (A Heart for Children)
- The Small Change Campaign
- Charitable initiatives run by individual editorial offices

GRI: Company guidelines Organization-wide policy (or policies) that define the organization's overall commitment relating to the Society Aspects.

The values defined for Axel Springer AG, that guide every employee in his/her work and determine the corporate culture at Axel Springer, explicitly include integrity towards the company, the readers, the customers, the employees, the business partners and the shareholders.

Further information can be found here.

GRI: Organizational responsibility

The ultimate responsibility for questions relating to social responsibility lies with the management board of Axel Springer AG.

GRI: Procedures related to training and raising awareness

Our employees are continually informed about and made aware of matters of social commitment – for example, on the intranet and internet, in employee publications and in this Sustainability Report.

GRI: Monitoring

The company – last but not least via the editorial offices – is in a continual close exchange of ideas with the general public and representatives of social expectations.

Society Performance Indicators:

Details and references for the reporting period 2006 + 2007

SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.

Good relations with neighbors is an important principle in all of the company's locations.

- Negative influences on the environment are avoided at the printing facilities.
- There is emergency and environmental management at all locations.
- When conversions or new buildings are planned, the company always carries out production site analyses in co-ordination with the authorities.
- As a customer of publication paper manufacturers, the publishing house seeks information in many countries on the social, economic and ecological conditions in forestry as well as in pulp and paper production. The company's Corporate Sustainability Office is in continuous contact with numerous non-governmental organisations.

SO2 Percentage and total number of business units analyzed for risks related to corruption.

The editors-in-chief and publishing directors of the company developed guidelines to safeguard journalistic independence at Axel Springer and introduced them in August 2003 in co-ordination with the Management Board. The guidelines deal with the distinction between advertising and editorial copy as well as between editors' personal and professional interests, prevent the exercise of personal advantage and define a position with respect to the treatment of sources.

SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.

The editors-in-chief and publishing directors of the company developed guidelines to safeguard journalistic independence at Axel Springer and introduced them in August 2003 in co-ordination with the Management Board. The guidelines deal with the distinction between advertising and editorial copy as well as between editors' personal and professional interests, prevent the exercise of personal advantage and define a position with respect to the treatment of sources.

The complete guidelines for safeguarding journalistic independence are published both on the intranet and the internet. Editors-in-chief and heads of department are responsible for making sure that these guidelines are known among staff.

SO4 Actions taken in response to incidents of corruption.

Cases of corruption are not known.

SO5 Public policy positions and participation in public policy development and lobbying.

- Axel Springer AG does not support any political party.
- The concerns of the publishing sector are exclusively business-related and are represented by associations of the newspaper and magazine publishers of which Axel Springer AG is also a member. At the level of the European Union, the national publishing associations are represented by the European Newspaper Publishers Association (ENPA) and the European Federation of Magazine Publishers, FAEP. The European Publishers Council EPC is also active at EU level. The boards of numerous European media companies are members of the EPC, among these Axel Springer AG.
- The concerns of the publishing sector with respect to German and European regulators include, among other things, the avoidance of advertising bans and fair competition on the Internet.

S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.

Axel Springer does not support any political party, nor does it pay any contributions of this kind.

S07 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.

There are no legal actions of this type.

S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

Item two of the company's International Social Policy underlines the principle of compliance with the law: "Axel Springer observes the laws and regulations of those countries in which the organization is active."

The publishing companies are advised by the legal departments of the company with the aim of avoiding fines and non-monetary sanctions for non-compliance with laws and regulations.

Cases of significant fines as well as non-monetary sanctions for non-compliance with laws and regulations did not occur.

Product Responsibility

Management Approach

GRI: Goals - Organization-wide goals that are relevant for the performance on the individual aspects relating to Product Responsibility.

- Expansion of the leading market position in the German-language core business.
- Internationalization
- Digitization

GRI: Company guidelines - Organization-wide guideline that defines the organization's overall commitment to the aspects relating to Product Responsibility.

The editors-in-chief and publishing directors of the company developed guidelines to safeguard journalistic independence at Axel Springer and introduced them in August 2003 in co-ordination with the Management Board.

Editors at Axel Springer AG are aware of the responsibility they have for information and opinion-forming in Germany. Independence is the indispensable foundation of their work.

The guidelines specify the understanding of the publishing principles of the press code of conduct issued by the German Press Council for Axel Springer. Observance of the guidelines by all editors in their journalistic endeavors safeguards the general conditions that make independent and critical journalism possible at Axel Springer.

Further information can be found here.

GRI: Organizational responsibility

The ultimate responsibility for questions relating to product responsibility lies with the management board of Axel Springer AG.

GRI: Procedures related to training and raising awareness

In the course of the training they receive at the Axel Springer Academy and from their superiors, editors are instructed in and made aware of quality assurance in journalism.

GRI: Monitoring

The editors-in-chief are responsible for the observation and implementation of the guidelines of journalistic independence in the company's day-to-day activities.

Product Responsibility Performance Indicators

Details and references for the reporting period 2006 + 2007

PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

The organization has published the following surveys:

- Printing Ink and Sustainability (2006): Printing methods, printing inks and raw materials are presented in general and under the aspect of sustainability on 25 pages.
- Ecological Learning Processes in the Paper Chain (2000): This survey was written at the University of St. Gallen. Among other things, it describes how companies integrate ecological insights into their decision-making processes, using Axel Springer as an example.
- Evaluation of the Ecological Life Cycles of Newspapers and Magazines (1998): The survey researches the environmental aspects of pulp and paper production using data gathered in Sweden, Germany, and Canada. It was prepared in co-operation with the Stora Enso and Canfor companies.

The surveys can be downloaded as pdf files here.

PR2 Incidents of non-compliance with health and safety standards

Incidents of non-compliance with health and safety standards are not known.

PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.

Newspapers and magazines are not subject to information requirements of this kind.

PR4 Incidents of non-compliance with product and service information and labeling regulations

Not relevant, as newspapers, magazines and online publications are not subject to any kind of "product and service information and labeling regulations".

PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

Axel Springer AG has set itself the goal of becoming Europe's most customer-friendly media company by the year 2010. To this end, the company launched an extensive company-wide program in 2006 to improve customer retention. In 2007, a differentiated measurement and evaluation system, known as the customer retention index, was developed for this purpose. Axel Springer employs the same techniques to measure the quality of internal cooperation and service orientation. These aim at identifying and promoting efficient procedures in the company. The results of this analysis point the way to new ways of improving the company's internal service quality.

PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.

In a media company a differentiation must be made between advertisements that customers place in the organization's newspapers, magazines and online services and the advertising that the newspapers, magazines and online services carry out to promote the sales of their own titles.

The distinction between advertising and editorial copy when printing advertisements in the organization's newspapers and magazines is one of the core factors in the guidelines for safeguarding journalistic independence. Advertisements are examined according to standard criteria, for example, in conformity with the constitution.

Advertising in Germany is not only subject to legal restrictions, but also to voluntary boundaries put in place by industry. The Deutsche Werberat (German Advertising Council) is the organ which carries out voluntary self-monitoring in the area of commercial communication. Every German citizen can submit com-

plaints to this organization (www.werberat.de).

Advertising aimed to promote sales of the publishing products of Axel Springer AG orients itself towards the principles and voluntary codes of conduct of the German Advertising Council and complies with its decisions when complaints are submitted by the public. The self-promotion by the subsidiaries in other countries is also subject to the regulations of the respective institution for self-monitoring in advertising in each country.

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcome.

PR7 In the reporting period, no objections were raised by the German Advertising Council for self-promotion of Axel Springer AG publications.

In 2006, the Advertising Council had to reach a decision concerning six cases of self-promotion by the publishing company (four newspapers, two magazines). In five cases, the objections made by the public were rejected as not sustainable and, in the sixth complaint, the publishing company voluntarily retracted the radio commercial which had been criticised.

In 2007, one complaint was submitted to the German Advertising Council concerning self-promotion by one of the company's newspapers. The committee rejected the protest as insupportable.

PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

The European Union has regulated the treatment of personal data since 1995 in the Data Protection Directive 95/46/EC of the European Parliament and the European Council. Data are deemed to be personal if they describe the personal or factual circumstances of a natural person.

The implementation of this in national law allows for different organizational forms of data protection in companies. The German regulation follows the model of voluntary self-monitoring in the form of company data protection officers.

Data protection officers have been appointed for the German companies within the organization as outlined in the Federal Data Protection Act (§ 4f BDSG).

In 2007, the company data protection officers dealt with around 50 inquiries from data protection supervisory authorities and customers. These inquiries were mainly requests for information. The wishes of the inquirers were complied with.

PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

The company's legal departments examine every single complaint concerning editorial content in our publications. If legally necessary, counterstatements or corrections are published and a repetition of non-compliance prevented; in rare individual cases, material compensation is also paid. In Germany, legal editing of our publishing content at an early stage helped to further reduce the number of incidents of non-compliance.

Audit by Ernst&Young

Content, procedure and objectives of the Sustainability Audit

Transparency and credibility

Sustainable entrepreneurial activity is becoming an important competitive factor for more and more companies. Many companies already publish a Sustainability Report today and, in doing so, make their orientation towards sustainability transparent and render this process open to scrutiny and verification as a strategic instrument of company leadership.

Even though uniform standards are not yet in place today for Sustainability Reporting, the sectors of the report devised by the Global Reporting Initiative (GRI) have in the meantime become the generally accepted guideline. This standardization means that the Sustainability Report has become less arbitrary. It has not only become verifiable and comparable within a particular branch, but in general.

Going beyond the orientation provided by the GRI standards, more and more companies are having their reports verified by an independent third party, for example, an auditing company. This certifies that the information presented in the report corresponds to the facts both quantitatively and qualitatively and the audit gives advice on how to further optimize the reporting and the internal processes involved in this. This in turn increases the credibility and creates more transparency as well as providing options for strategic action.

However, what is contained in an audit and how is it carried out?

Scope, depth and objectives of the audit

Like the compilation of the Sustainability Report itself, the audit of the report is also based on the principle of voluntariness. Companies themselves can define how extensive and in-depth the audit should be. For example, an audit can concentrate exclusively on the quantitative information in the report (ecological, social and economic indicators) or go beyond this to look at the qualitative statements, including either individual parts of the report or the entire Sustainability Report.

As for how in-depth the audit should be, the organization generally chooses between an audit and a so-called auditing review. In case of an audit, the auditing procedures aim to conclude on the completeness and accuracy of the data and information presented in the report which are as accurate as possible. An audit includes the validation of the reporting system (audit of structure and function), an assessment of the internal controlling system, the processes, analytical audit procedures as well as the individual auditing of data and statements. The objective of limited review is to give a critical appraisal of the report on the basis of questionnaires, plausibility assessments and, if required, individual audits. The auditing review is therefore significantly less thorough than the audit and focuses mainly on the report's plausibility.

The auditor's main task is to assess the reporting criteria used by the company (mostly based on the GRI) to ascertain whether they are commensurate, that is, whether they are relevant, complete, reliable, neutral and coherent in light of the reality within the company, and whether the report as a whole is correct, clear and complete.



The independent audit of the Sustainability Report: Karin Sahr (on the left in the photo) and Elisabeth Utermark from the auditing company ERNST&YOUNG discuss the personnel statistics for the years 2006 and 2007 with Jens-Michael Gade, Head of Planning and Controlling in the Human Resources Department.

How the audit is carried out

For Ernst & Young, the structural organization of the audit procedure into the following phases has proved its worth:

Kick-off meeting

First of all, the company and the auditor sit together to ascertain what the company expects from the audit and a rough time schedule is drawn up. The aim is to come up with an auditing plan that is specially designed for the company.

Phase 1

The auditor gains an overview of the company's sustainability management. In this phase, companies should be prepared for questionnaires and an inspection of the internal guidelines and descriptions of procedures so that the auditor can gain an understanding of the local and central data collection processes as well as the quality assurance measures that are carried out. In this phase, the auditor also aims to make a preliminary risk assessment with regard to the compilation of the report and/or the data collection process, so that he can make use of the knowledge gained when laying down what the audit should include, for example, the scope of random sampling.

Phase 2

In this phase, the quantitative data and/or qualitative statements are audited using random samples. This is usually undertaken by making site visits at selected locations within the company, which are chosen on the basis of the auditor's own observations about what is essential. During a site visit, the auditor gains an overview of the data collection and data processing methods on location. Moreover, he reproduces selected indicators and statements using calculations, documents and other audit trails. Excellent preparation of the site visit is a prerequisite for its smooth running. For example, the respective contact partners on location can agree in advance on an interview schedule with the sustainability auditors in a telephone conference and they can already specify what materials should be made available beforehand.

Phase 3

Here, the data which have been collected locally by the company are aggregated, i.e. collected, compiled and evaluated centrally. In this process, it is particularly important from the auditor's point of view that the documentation of the process consolidation is provided in full and can be inspected and reproduced. The auditor must be able to verify that the requirements concerning the correctness and completeness of data processing have been fulfilled by the company. This is checked for example, through an analysis of data provided and by reconstructing the aggregation of individual statements with random samples.

Phase 4

Entails a critical review of the Sustainability Report by the auditor. In this phase, the auditor should make sure that the decisive indicators (Key Performance Indicators – KPI) in the report are presented completely and correctly. Moreover, the auditor checks to see that the report does not contain any misleading information.

To finalize the Sustainability Report Audit, the company is provided with a summary of the results in the form of an independent certificate in line with the objectives contractually agreed between the company and the auditor before the audit was carried

out (scope and depth of the audit). In addition, the company is given feedback in the form of a management letter which is addressed to the management and the Sustainability Department. In a final meeting, the company and the auditor discuss the existing strengths of the company's sustainability processes and systems and the potential for improvement which has been identified

To the management board of Axel Springer AG

Our engagement

We have audited the quantitative statements of the Sustainability Report 2007 prepared by Axel Springer AG (hereinafter: the report) for the reporting period from 1 January 2006 to 31 December 2007. Our assurance engagement aimed to obtain reasonable assurance that the quantitative information in the report was, in all material respects, selected in accordance with the reporting principles and criteria mentioned below and is accurate.

Our auditor's report refers to the PDF version of the Sustainability Report 2007, which is available for downloading from the webpage of Axel Springer AG, and the corresponding online version of the Sustainability Report 2007 published on the webpage of Axel Springer AG on November 17, 2008.

Limitations of our engagement

Our engagement did not comprise any parts of the report beyond the quantitative information of the report.

Our engagement did not include any qualitative information, quantitative or qualitative information relating to the prior year and any prospective statements or the sustainability management system.

The following parts of the report were also not part of our audit:

- Links to external Internet pages
- References to studies
- Film material
- Presentations not prepared in connection with the sustainability report
- Text previously published in any other Axel Springer medium
- Previous sustainability reports
- Job pages
- References to internal corporate websites of Axel Springer, unless these were directly relevant for performance of our engagement

Criteria

We assessed the report against the Sustainable Reporting Guidelines Version 3 of the Global Reporting Initiative. We believe that these criteria are suitable for our assurance engagement.

Responsibility of the management board of Axel Springer AG

The management board of Axel Springer AG is responsible for the preparation and the content of the report in compliance with the above-mentioned criteria. This responsibility includes the implementation of internal controls for the preparation of a report that is free from material misstatements, in accordance with the above criteria and based on suitable methods for gathering source data.

Our independence

The Ernst & Young independence principles, which are in compliance with the requirements of the Code of Ethics for Professional Accountants issued by the International Federation of Accountants and the principles set forth in the German commercial code ["Handelsgesetzbuch"], the law regulating the profession of German public auditors ["Wirtschaftsprüferordnung"] and the German professional independence standards, apply to the firm, partners and professionals. These principles prohibit financial interests in our clients which could impair independence or give that impression. Partners and professionals are required to issue a declaration each year to confirm that they comply with the firm's principles.

Our responsibility

Our responsibility was to issue an assurance report on the quantitative information in the report based on our audit. Our responsibility in performing our assurance activities is to the management of Axel Springer AG only and in accordance with the terms of reference agreed with them.

We conducted our audit in accordance with the International Standard on Assurance Engagements (ISAE) 3000. This standard requires that we comply with our professional duties and plan and perform the engagement such that it can be assessed with reasonable assurance whether, in all material respects, the quantitative information in the report has been selected in accordance with the aforementioned reporting principles and criteria and is accurate.

Within the scope of our engagement, we requested evidence on a sample basis based on risk and materiality criteria to allow us to provide reasonable assurance on the compliance of the quantitative information of the report with the reporting principles and criteria. The nature and scope of our work, including appropriate samples, was based on our professional judgment.

We have performed all the procedures deemed necessary to provide an adequate and reasonable basis for our conclusions.

The performance of our engagement mainly involved the following work:

- Assessment of the suitability of the underlying criteria and their consistent application
- Inquiries of employees concerning the sustainability strategy, sustainability principles and sustainability management of Axel Springer AG
- Assessment of the sustainability reporting system, of the data capture and processing methods as well as of the internal controls, where relevant for auditing the quantitative information in the sustainability report
- Inspection of the relevant documents and systems for gathering, analyzing and aggregating quantitative data in the reporting period as well as tests on a sample basis
- Analytical considerations at Group level, subgroup level and the level of significant reporting units with regard to analysis and aggregation of the quantitative data in the preparation of the report
- Inquiries and inspection of documents on a sample basis relating to the collection and reporting of the quantitative data during site visits

Our conclusion

In our opinion, based on the findings of our audit, the quantitative information in the 2007 Sustainability Report was, in all material respects, selected in accordance with the aforementioned reporting principles and criteria and is accurate. We believe that our audit provides a reasonable basis for our opinion.

Berlin, November 17, 2008

Ernst & Young AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft



Rudolf X. Ruter
Wirtschaftsprüfer
[German Public Auditor]



Nicole Höschen
Wirtschaftsprüferin
[German Public Auditor]

Contacts for sustainability

Do you have any questions, hints, or ideas on the subject of "Axel Springer and sustainability"? You will find a number of competent contacts here.



Florian Nehm
Corporate Sustainability Officer
Axel-Springer-Straße 65
10888 Berlin
Tel: +49 30 2591 79370
nachhaltigkeit@axelspringer.de



Edda Fels
Head of Corporate Communications
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77600
edda.fels@axelspringer.de



Claudia Thomé
Head of Investor Relations
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 77421
claudia.thome@axelspringer.de



Herbert Woodtli
Head of Corporate Purchasing
Axel-Springer-Str. 65
10888 Berlin
Tel: +49 30 2591 79300
herbert.woodtli@axelspringer.de



Dr. Jörg Schweikart
Head of Corporate Controlling + M&A
Axel-Springer-Straße 65
10888 Berlin
Tel: +49 30 2591 77200
jörg.schweikart@axelspringer.de



Horst Caspar
Head of Offset Printing Essen-Kettwig
Im Teelbruch 100
45219 Essen-Kettwig
Tel: +49 20 54101 303
horst.caspar@axelspringer.de



Thomas Dresek
Head of Offset Printing Ahrensburg
Kornkamp 11
22926 Ahrensburg
Tel: +49 41 0271 1440
thomas.dresek@axelspringer.de



Claus Pengel
Head of Offset Printing Berlin-Spandau
Brunsbütteler Damm 156-172
13581 Berlin
Tel: +49 30 2591 74001
claus.pengel@axelspringer.de

Editorial contacts

There are numerous people on the editorial staff to whom you can talk about sustainability related issues.

DIE WELT and WELT am SONNTAG

Claudia Ehrenstein
Tel: +49 30 2591 71963
Axel-Springer-Straße 65
10888 Berlin
ehrenstein@welt.de
www.welt.de

BILD

Sven Stein
Tel: +49 30 2591 76858
Axel-Springer-Straße 65
10888 Berlin
sven.stein@bild.de
www.bild.de

BILD am SONNTAG

Albert Link
Tel: +49 30 2591 76529
Axel-Springer-Straße 65
10888 Berlin
albert.link@bams.de
www.bams.de

HAMBURGER ABENDBLATT

Angelika Hillmer
Tel: +49 40 347 23740
Axel-Springer-Platz 1
20350 Hamburg
angelika.hillmer@axelspringer.de
www.abendblatt.de

BERLINER MORGENPOST

Claudia Ehrenstein
Tel: +49 30 2591 71963
Axel-Springer-Straße 65
10888 Berlin
claudia.ehrenstein@axelspringer.de
www.berliner-morgenpost.de

Paper Suppliers 2007

Stora Enso

Eija Pitkanen

FI-00101 Helsinki
Tel: +358 40 501 8611
eija.pitkanen@storaenso.com
www.storaenso.com

UPM-Kymmene

Simone Werner

D-20354 Hamburg
Tel: +49 40 34 102 105
simone.werner@upmkymmene.com
www.upm-kymmene.com

SCA Graphic Paper

Walter Hennerbichler

A-4663 Laakirchen
Tel: +43 76 138 80 05 50
walter.hennerbichler@graphic.sca.se
www.sca.com

Norske Skog

Georg E. Carlberg

N-1326 Lysaker
Tel: +47 67 59 90 85
georg.carlberg@norske-skog.com
www.norske-skog.com

Myllykoski

Olaf Schwemmer

86153 Augsburg
Tel: +49 8131 6699 444
Olaf-Schwemmer@MyllykoskiSales.com
www.myllykoski.com

AO Volga

John Park

Fa. Wallenberg SA (Vertretung)
CH-2001 Neuchatel
Tel: +41 32 7214725
park@wallenberg.ch
www.volga-paper.ru

Abitibi Bowater Inc.

Denis Leclerc

Montreal, Quebec, Canada
Tel: +15 14 394 3601
denis.leclerc@abitibibowater.com
www.abitibibowater.com

Holmen Paper

Lars Strömberg

S-11451 Stockholm
Tel: +46 8666 2154
lars.stroemberg@holmenpaper.com
www.holmenpaper.com

SAPPI

Axel Urban

Michaelis (Vertretung)
D-21465 Reinbek
Tel: +49 40 72 77 72 27
aurban@igepagroup.com
www.sappi.com

Kondopoga

Christoph Tennert

D-20457 Hamburg
Tel: +49 40 32 32 54 25
Ch_Tennert@jacobson-hamburg.de
www.conradjacobson.com

Perlen Papier AG

Achim Busch

CH-6035 Perlen
Tel: +41 41 455 80 92
achim.busch@perlen.ch
www.perlen.ch

Solikamsk

Thorsten Voigt

Fa. Jacob Jürgensen (Vertretung)
D-22085 Hamburg
Tel: +49 40 22 70 51 61
tvoigt@juergensen.de
www.juergensen.de

m-real

Dr. Gregor Gettinger

D-22415 Hamburg
Tel: +49 40 28 08 23 0
gregory.gettinger@m-realalliance.com
www.m-real.com

Papierfabrik Palm

Harald Schartel

D-7306 Aalen-Neukochen
Tel: +49 73 61 57 7 202
harald.schartel@papierfabrik-palm.de
www.papierfabrik-palm.de

Steinbeis Temming

Andreas Steenbock

D-25348 Glückstadt
Tel: +49 41 24 911 425
Andreas.Steenbock@stp.de
www.steinbeis-temming.de

Info

How may we help you?

Contact to the editor

Would you like to contact one of our publications directly, with a letter to the editor or a suggestion for a topic? Go here:

http://www.axelspringer.de/en/artikel/National-Media_149115.html

Contact to the advertising department

Would you like to subscribe to a title, or do you have a question about your subscription? You may find the email addresses of our subscription departments here:

http://www.axelspringer.de/en/artikel/Subscription-Portal_40211.html

Advertising customers

The services offered and the media data of the newspapers, periodicals and interactive media are also shown under www.mediapilot.de.

Applications

You will find information on training posts and careers with Axel Springer under the menu item Jobs and Career . You can also approach one of our Contacts directly:

http://www.axelspringer.de/en/ansprechpartner/cw_ansprechpartner_index_en_86045.html

Press Contact

Under the menu item Press you will find the latest press information from Axel Springer and a comprehensive archive with the articles from past years.

If you have any questions or suggestions, just send an e-mail to our Information and Public Relations Department information@axelspringer.de. We can also be contacted by phone under the number +49 30 2591 77602 .

Newsletter Subscription: Upon request we will send you (free of charge) topical information via e-mail . All you have to do is to fill out this registration form and mail it to the Public Relations Department.

Searches: Axel Springer Verlag Infopool will supply you with photos, facts and press articles at www.asv-infopool.de.

Investor Relations

Under the menu item Investor Relations you will find all the data and facts from this sector. If you have any questions, send an email to finanzinfo@axelspringer.de or talk to one of our contacts.

International Magazine Licensing

Are you interested in licensing one of our magazines? You can find further information and contact details at www.axelspringer-licensing.com.

Adressen

Axel Springer AG
Axel-Springer-Straße 65
10888 Berlin
Tel: +49 30 25910

Standort Hamburg

Axel Springer AG
Axel-Springer-Platz 1
20350 Hamburg
Tel: +49 40 34700

Printing Plant

You will find an overview of Axel Springer's printing plants here:

http://www.axelspringer.de/en/ansprechpartner/cw_ansprechpartner_index_en_86045.html

AXEL SPRINGER PASSAGE

You will find information on events and exhibitions in the AXEL SPRINGER PASSAGE of the Hamburg publishing house under the relevant heading, or you can send an email directly to axel-springer.passage@axelspringer.de.

Feedback

Do you have any questions or comments??

Please send a fax!

Please send to::
Axel Springer AG
Information und Öffentlichkeit
Axel-Springer-Straße 65
10888 Berlin
Tel: +49 (0) 30 25 91-7 76 02
Fax: +49 (0) 30 25 91-7 76 03
information@axelspringer.de
www.axelspringer.de

Mr/Ms _____

First Name* _____

Last Name* _____

Street* _____

Zip* _____

City* _____

Country _____

Post Box _____

Phone _____

E-Mail _____

Your message:

City, date* _____

Sign* _____

* indicates required field