Deutsche Welle Anstalt des öffentlichen Rechts, Bonn

Notes to the annual financial statements for the financial year from 1 January 2024 to 31 December 2024

A. General disclosures

Deutsche Welle ("DW") is a broadcasting corporation under German federal law and is managed as a public-benefit public-law institution.

DW has registered offices both in Bonn and in Berlin. The Director General's office and the registered office determining the place of jurisdiction are located in Bonn.

The annual financial statements of Deutsche Welle are compiled in accordance with the Deutsche Welle Act [Deutsche-Welle-Gesetz–DWG], as amended. To enhance the clarity of presentation the profit plan (profit-and-loss account) has been adapted to the classification used for the financial plan.

Under Section 55 DWG, the financial statements are to comprise the statement of net worth (balance sheet), the profit plan (profit-and-loss account), the cash flow statement (sources-and-application-of-funds statement), an income and expenditure account conforming to the federal government's budgeting system, and the annual report to explain events of particular importance.

To improve the quality of the information, notes to the annual financial statements have been added and the annual report prepared in the form of a management report in accordance with the German Commercial Code [Handelsgesetzbuch–HGB].

The balance sheet, profit plan and the notes and management report have been prepared in accordance with the provisions applicable to large corporations under German commercial law. The specific characteristics of broadcasting corporations are particularly taken into account by adjusting the statutory classifications.

B. Main accounting policies

In implementing the ARD project (D)ein SAP, in which harmonised processes are run on a joint SAP system, Deutsche Welle moved in the financial year 2024 from SAP system R/3 to S/4 HANA. The processes of finances, procurement and managerial accounting moved first as of 1 January 2024. As part of this, a digital end-to-end "procure to pay" process was introduced at Deutsche Welle. Furthermore, during the year this was also introduced and implemented for e-procurement and business trips.

In this project a standard ARD chart of accounts was introduced that is used for DW unless the Deutsche Welle Act or financial guidelines lay down particularities. The transition to S/4 HANA and to the new chart of accounts result in the following changes to accounting policies compared with the previous year. Previous-year figures have not been adjusted.

In fixed assets, the asset classes and useful lives were standardised. This standardisation did not produce any material changes to accounting policies. Unlike previous years, low-value assets with a net cost between EUR 250.00 and EUR 1,000.00 are entered starting from 1 January 2024 in a collective item and depreciated using the straight-line method over five years. Until now low-value

assets with a net cost between EUR 250 and EUR 800 were expensed in full in the year of acquisition.

The asset values form reinsurance policies are reported as of 31 December 2024 under other loans under financial assets (EUR 192.0 million). In the previous year they were reported under current assets in other assets (EUR 177.9 million).

Programme assets are divided up into finished productions and productions in progress in analogous application of Section 266(2) HGB and measured at cost taking into account directly attributable costs. Under the standardised ARD rules, programme assets presented under finished productions that had already reached broadcasting by the balance sheet date are written off in the case of programme assets that cannot be re-run or amortised, and except for 10% of cost in the case of those that can. The remaining 10% of costs are amortised within the following three years, taken from the year of first broadcasting. In the previous year, amortisation of finished productions was recognised at 90% in the year of first broadcasting and 10% in the following year.

Provisions for benefit obligations amounting to EUR 78.6 million are recognised as at 31 December 2024 under provisions for pensions and similar obligations. In the previous year they were reported under other provisions (EUR 79.3 million).

All other accounting policies are retained unchanged from the previous year.

Assets:

Purchased intangible assets and tangible assets are measured at cost less scheduled depreciation.

Straight-line depreciation is applied, based on useful lives specific to broadcasters (ARD principles). For additions since 1 January 2024, low-value fixed assets with a net cost between EUR 250.00 and 1,000.00 are entered in a collective item and depreciated straight-line over five years.

Shares in affiliated companies and long-term equity investments (participating interests) are recognised at cost or at the lower of cost or market value.

Other loans are measured at their nominal values or in the case of the asset values from reinsurance policies reported under other loans at the fair value of the actuarial reserve.

The claim for settlement against the German Federal Government was formed for the share of the pension provisions not covered by reinsurance policies and for obligations from benefits. The claim for settlement is indirectly recoverable based on the financing guarantee laid down by Section 44 of the Deutsche Welle Act [DWG].

Programme assets (commissioned productions and acquired licences) are divided up into finished productions and productions in progress in analogous application of Section 266(2) of the Commercial Code [HGB] and measured at cost, taking into account directly attributable costs. Under the standardised ARD rules, programme assets presented under finished productions that had already reached broadcasting by the balance sheet date are written off in the case of programme assets that cannot be re-run, or amortised except for 10% of cost in the case of those that can. The remaining 10% of costs are amortised within the following three years, taken from the year of first broadcasting.

Inventories of raw materials, consumables and supplies are recognised at cost. Write-downs on inventory risks resulting from the duration of storage or reduced usability are accounted for by a 10% marketability allowance.

Receivables and other assets are recognised at nominal value after deduction of necessary write-downs. Reinsurance policy claims reported under other assets are measured at the fair value of the actuarial reserve.

Cash-in-hand and bank balances are recognised at nominal values.

Expenses incurred before the balance sheet date are recognised as prepaid expenses if they refer to expense for a certain period after that date.

Equity and liabilities:

Equity is recognised at nominal value.

Pension provisions are determined using actuarial methods based on biometrical probabilities (2018 G Reference Tables published by Heubeck-Richttafeln-GmbH, Cologne) applying the projected unit credit method. The carrying value of the reinsurance was used to measure the pension liabilities [Aktivprimat] under IDW Accounting Practice Statement IDW RH FAB 1.021 “Measurement of pension liabilities for old-age pension liabilities from commitments covered by reinsurance under German accounting law” to the extent that these accrued to pension commitments covered by reinsurance under the old pension agreement (VsTV) or for pension commitments following the standard ARD pension rules (VTV).

The interest is calculated as a ten-year average under Section 253(2) sentence 1 HGB. The interest rate applied as at the balance sheet date is 1.90% (PY: 1.82%). Future expected increases in compensation and pensions have been taken into account in computing the obligation. For the commitments under the old pension agreement (VsTV, agreements up to 3/1993) further salary adjustments of 2.0% p.a. (PY: 2.0% p.a.) are expected for compensation according to the tariff increases of 4.71% from June 2025 and 1.23% from July 2026. Pensions are expected to rise by 2.42% from June 2025 and 1.08% from July 2026 with further annual adjustments of 1.0% (PY: 1.0%). For pension commitments following the standard ARD pension rules (VTV), increases in compensation are expected of 4.71% from June 2025 and 1.23% from July 2026 and further annual adjustments of 2.0% (PY: 2.0%). Pensions are expected to rise by 3.09% from June 2025 and 1.08% from July 2026 with further annual adjustments of 1.22% (PY: 1.22%). An employee turnover rate of 0.0% to 3.8%, specific to company, sex and age, is factored into the computation.

Pension commitments, the amount of which is determined exclusively by the fair value of a reinsurance claim, are measured as a pension commitment covered by reinsurance congruent to the benefit under Section 253(1) sentence 3 HGB at the fair value of the reinsurance claim. This results in a measurement of pension liabilities for employees of Deutsche Welle and former employees of RIAS amounting to EUR 643.7 million (PY: EUR 646.3 million).

The difference caused by discounting the provision for pensions at the average market interest rate for the last ten years instead of at the average market interest rate for the last seven years (Section 253(6) sentence 1 HGB) amounts to EUR -3.3 million (PY: EUR 4.7 million). The average market interest rate for the last seven years is 1.96% (PY: 1.74%). Unlike the previous years, as at 31 December 2024, the average market interest rate for the past ten financial years is higher than the market interest rate for the past seven years.

Provisions for benefits are determined using actuarial methods based on the 2018 G Reference Tables published by Heubeck-Richttafeln-GmbH, Cologne, applying the projected unit credit method. This is based on actuarial interest of 1.96% (PY: 1.74%). In determining the obligations, expected future increases in compensation and benefits of 2.0% (PY: 2.0%) are taken into account. The measurement of the benefit obligations takes into account an employee turnover rate of 1.0% up to the age of 55. The provision for benefits is calculated based on the average of allowances granted to pensioners within the last five years.

Tax provisions and other provisions take account of all identifiable risks and contingent liabilities and are measured at the settlement amount required according to prudent business judgement.

Provisions for all future anniversary payments are determined using actuarial methods based on the 2018 G Reference Tables published by Heubeck-Richttafeln-GmbH, Cologne, applying the projected unit credit method. This is based on actuarial interest of 1.96 % (PY: 1.74%). In determining the obligations, expected future increases in compensation and benefits of 2.0% (PY: 2.0%) are taken into account. The measurement of anniversary obligations takes into account an employee turnover rate of 1.0% up to the age of 55.

Liabilities are expensed at their settlement amounts.

Income accrued before the balance sheet date is recognised as deferred income to the extent that it relates to a certain period after that date.

Foreign currency translation

Receivables and liabilities in foreign currency with a term of up to one year are translated using the average spot rate on the balance sheet date. Where the term is more than one year, translation is based on the exchange rate at the date when they came about. In the case of changes to exchange rates up to the balance sheet date, measurement is based on the exchange rate on the balance sheet date, observing the lower-of-cost-or-market principle on the assets side and the higher-of-cost-or-market principle on the equity and liabilities side.

C. Notes to the balance sheet

1. Fixed assets

The movement of fixed assets is shown in the appendix to the notes.

2. List of shareholdings

Deutsche Welle directly holds at least one fifth of the shares in the following entities:

Name of participation, registered in	Share in %	Equity 31/12/2024 in EUR 000	Profit 2024 in EUR 000
Pro-Funk Gesellschaft für Rundfunkförderung im In- und Ausland mbH, Bonn	100.00	1,507	0 [1)]
DW-Media Services GmbH, Bonn	100.00	126	0 [2)]
Deutsche Welle Pakistan (Private) Limited, Islamabad, Pakistan	100.00	6	0 [3)]
Internationale Beethovenfeste Bonn gGmbH, Bonn	33.33	1,153	132 [4)]
Bonn Institute gGmbH, Bonn	25.00	33	3 [5)]

1) Profit after settlement by DW under section 3b of operations lease agreement
2) Annual financial statements 31/12/2024 Net loss for the financial year 2024: -141.45 EUR. Business activities from August 2024: Fiduciary administration of a representative DW office in the Democratic Republic of the Congo
3) Equity 31/12/2024: PKR 1,000,000; investment book value DW EUR 7,391.36 (capital and incidental costs of acquisition PKR 1,134,750)
4) Annual financial statements of Internationale Beethovenfeste Bonn gGmbH as at 31/12/2024
5) Previous-year financial statements of Bonn Institute gGmbH as at 31/12/2023

3. Receivables and other assets

Receivables and other assets have the following terms:

	Total	of which due		
		within 1 year	1 to 5 years	after > 5 years
	EUR	EUR	EUR	EUR
- Trade receivables	3,561,834.07	3,561,834.07	0.00	0.00
- Other assets	11,762,172.57	11,762,172.57	0.00	0.00
	15,324,006.64	15,324,006.64	0.00	0.00

Unlike the previous year, the asset values of reinsurance policies (EUR 192.0 million; PY: EUR 177.9 million) are no longer reported under other assets but under other loans in long-term financial assets. Previous-year figures have not been adjusted.

4. Other provisions

Other provisions mainly include settlement obligations towards shared facilities of public broadcasters (EUR 8.1 million; PY: EUR 8.5 million), as well as claims to annual leave not yet taken by employed staff and freelancers (EUR 6.3 million; PY: EUR 7.0 million).

Unlike the previous year, benefit obligations (EUR 78.6 million; PY: EUR 79.3 million) are no longer reported under other assets but under other provisions for pensions and similar obligations. Previous-year figures have not been adjusted.

5. Liabilities

As in the previous year, all liabilities are due within one year. Of the total amount of liabilities, EUR 6.3 million (PY: EUR 3.0 million) are from taxes. Liabilities relating to social security and similar obligations amount to EUR 1.8 million (PY: EUR 1.2 million).

D. Notes to the profit plan

1. Revenue

In the financial year 2024, sales revenue amounts to EUR 6.8 million (PY: EUR 8.4 million). Significant items are income from advertising, amounting to EUR 3.8 million (PY: EUR 4.7 million), income from commercial licensing and sales of materials, amounting to EUR 1.2 million (PY: EUR 1.6 million).

2. Post-employment expenses

Post-employment expenses increased compared with the previous year by EUR 4.5 million to EUR 38.5 million. This increase is mostly due to the development and measurement of pension provisions.

For the financial year 2024, a decrease in expenses arises of EUR 12.9 million (PY: EUR 17.3 million) from the change to pension provisions, which is EUR 4.4 million lower compared with the previous year. The reason for this is the effect of interest rate change, amounting to EUR 4.5 million (PY: EUR 2.4 million), and from other additions/claims from pension obligations amounting to EUR 8.4 million (PY: EUR 14.9 million).

The interest rate increased as at 31 December 2024 compared with the previous balance sheet day by +0.08 percentage points to 1.90%; as compared with a change in the previous year of +0.04 percentage points to 1.82%.

3. Other operating expenses

As in the previous year, the difference of the claim for settlement to the German federal government is reported under other operating expenses.

4. Previous-year income and expenses

Income not attributable to the financial year mainly results from the reversal of provisions amounting to EUR 0.8 million (PY: EUR 0.1 million).

5. Compounding and discounting of provisions

Interest and similar expenses amounting to EUR 11.8 million (PY: EUR 11.5 million) relate to expenses from the compounding of provisions.

6. Interest to or from affiliated companies

Other interest and similar expenses amounting to EUR 124k (PY: EUR 88k) relates to affiliated companies.

E. Other disclosures

1. Contingent liabilities and other financial obligations

Comfort letter and warranty:

Together with the other *Länder* broadcasting corporations and ZDF, Deutsche Welle has issued a comfort letter and warranty in favour of Baden-Badener Pensionskasse VVaG (bbp). Deutsche Welle thereby undertakes to equip bbp with finances so that it can completely meet the regulatory requirements for solvency and the liquidity requirement for the funds needed to provide the insurance benefits.

The warranty only applies if the real solvency ratio threatens to fall below a threshold of 100%. The amount of the commitment relates to the relative amount of the necessary financing that equates to the provision for cover of those at Deutsche Welle entitled to a pension as a proportion of the entire actuarial reserve. The warranty is valid until 30 June 2025.

On 9 December 2024 Deutsche Welle, together with the other *Länder* broadcasting corporations and ZDF issued a further comfort letter and warranty in favour of Baden-Badener Pensionskasse (VVaG (bbp), whose contents match those of the previous comfort letter and warranty. The warranty is valid from 1 July 2025 until 30 June 2029.

According to current estimates, it is not expected that the comfort letter will be used. This is due to the strengthening of bpp's equity, the drop in the actuarial interest rate as of 1 January 2025 and in prior years as well as the current favourable development of the capital markets and change in the direction of interest rates.

Blanket commitment for war and crisis zones:

Deutsche Welle has given a blanket commitment to its employees for assignments in war and crisis zones to give them safety and security in the case of accidents or illnesses (incl. continuing to pay salaries) that could arise from these assignments.

The commitment applies to all employees of Deutsche Welle who find themselves in particularly dangerous regions or particularly risky situations abroad as part of their official duties for Deutsche Welle. This commitment only applies to the extent that a Deutsche Welle insurance policy or employers' liability association policy or a policy taken out by the employee themselves does not apply. It is limited in scope to max. EUR 750k per staff member. Deutsche Welle guarantees the benefits as a precautionary measure, revocable at any time.

In the previous year, this blanket commitment was claimed in one case at a cost of approx. EUR 50k. There are currently no indications that any other claims will be made under this blanket commitment.

Other financial obligations:

The total amount of other financial obligations (cumulative from 2025 to 2029) amounts as at the balance sheet date to EUR 66.1 million (PY: 68.1 million). The obligations accounted for here, which are significant for assessing cash flows, relate to obligations under other rental contracts (EUR 60.8 million; PY: EUR 61.2 million) and the lease of satellites (EUR 5.3 million; PY: EUR 6.9 million).

2. Fees for auditors' services

The annual financial statements include expenses for financial statement audit services amounting to EUR 55k. There are no other expenses for any other assurance services in the financial year 2024.

3. Company organs

In the calendar year 2024, the executive bodies of Deutsche Welle were composed of the following members:

Members of the Administrative Board

- Ulrich Silberbach (Chairman from 17 May 2024; Deputy Chairman until 17 May 2024), Chairman of the German Civil Service Federation [dbb Beamtenbund und Tarifunion]
- Peter Clever (Chairman until 17 May 2024), former Member of the Confederation of German Employers' Associations (BDA) (in agreement with the Association of German Chambers of Industry and Commerce [DIHK]) (until 17 May 2024)
- Dr Achim Dercks (Deputy Chairman from 17 May 2024), Deputy Managing Director of the German Chamber of Industry and Commerce (from 19 April 2024)
- Volker Kauder, Chairman of the Board of Trustees of the Chancellor Helmut Kohl Foundation [Bundeskanzler-Helmut-Kohl-Stiftung], former member of the German Bundestag (until 17 May 2024)
- Herzs Krymalowski, member of the Central Council of Jews in Germany [Zentralrat der Juden in Deutschland] (until 17 May 2024)
- Christina Marx, Member of management of Aktion Mensch e. V. (since 17 May 2024)
- Prof. Dr phil. habil. Claudia Mast, University of Stuttgart-Hohenheim, communications science, German Rectors' Conference [Hochschulrektorenkonferenz] (until 17 May 2024)
- Martin Rabanus, Member of the Bundestag (from 17 May 2024)
- Steffen Saebisch, Permanent Secretary at the Federal Ministry of Finance
- Gabriele Schulz, Deputy Director of the German Cultural Council (since 17 May 2024)
- Dr Mark Speich, Permanent Secretary for Federal, European and International Affairs of the *Land* of North Rhine-Westphalia, Plenipotentiary of the *Land* to the German Federal Parliament

Members of the Broadcasting Council

- Prelate Dr Karl Jüsten (Chairman), Commissioner of the German Catholic Bishops' Conference, Catholic Office in Berlin
- Sibylle Spoo (Deputy Chairwoman since 22 March 2024), former Division director at the trade union ver.di
- Dagmar Freitag (Deputy Chairwoman), former Member of the German Bundestag (until 22 March 2024)

- Torsten Burmester, Chairman of the German Olympic Sports Confederation (DOSB)
- Dr Achim Dercks, Deputy Managing Director DIHK | German Chamber of Industry and Commerce (from 22 March 2024 to 19 April 2024)
- Ulrike Hiller, former state counsel [Staatsrätin a.D.]
- Prof. Christian Höppner, President of the German Cultural Council (Chairman Programme Committee since 19 April 2024)
- Katja Keul, Member of the German Bundestag, Minister of State at the Federal Foreign Office
- Dr Bärbel Kofler, Member of the German Bundestag, Parliamentary Permanent Secretary at the Federal Ministry for Economic Cooperation and Development
- Frank Kopania, Head of the Foreign Work department at the Church Office of the Protestant Church in Germany [EKD]
- Prof. Dr Dr h.c. Dieter Lenzen, former president of the University of Hamburg (until 22 March 2024)
- Helge Lindh, Member of the Bundestag (since 22 March 2024)
- Elisabeth Motschmann, former Member of the German Bundestag (Chairwoman of the Distribution Committee) (until 22 March 2024)
- Christina Ramb, Member of the Management of the Confederation of German Employers' Associations (since 19 April 2024)
- Prof. Dr Klaus Reichert, Honorary President of Deutsche Akademie für Sprache und Dichtung [German Academy of Language and Poetry] (until 22 March 2024)
- Prof. Carola Richter, Director International Communication Freie Universität Berlin (since 22 March 2024)
- Claudia Roth, Member of the German Bundestag, Minister of State for Culture and the Media
- Thorsten Schäfer-Gümbel, Spokesman of the Board of the German Agency for International Cooperation (GIZ) GmbH
- Vera Szackamer, Central Council of Jews in Germany (Chairwoman of the DW Akademie Committee)
- Frank Thewes, Head of Communication, Association of German Chambers of Industry and Commerce (Chairman of the Programme Committee) (until 22 March 2024)
- Markus Ulbig, former minister of state
- Prof. Dr Antje Utler, Member of the Deutsche Akademie für Sprache und Dichtung [German Academy of Language and Poetry] (since 22 April 2024)
- Marco Wanderwitz, Member of the Bundestag (Chairman of the Distribution Committee from 19 April 2024) (since 22 March 2024)

In 2024, the members of the executive bodies received allowances for expenses totalling EUR 172k.

Director General

The Director General of Deutsche Welle was:
- Peter Limbourg.

No disclosure of remuneration is made in the annual financial statements of DW under Section 286(4) HGB. The remuneration of the Director General and management can be viewed on the DW website.

The pension liability recognised for former Directors General amounts to EUR 3,990k. Pension payments for this pension group amounted to EUR 419k in the reporting year.

4. Number of employees

The number of employees as an annual average (head count, with management and part-time employees as well as trainees and interns):

	2024	2023
Directorate General	88	86
Business Administration	220	210
Distribution, Marketing and Technology	610	585
Programming	733	732
DW Akademie	172	171
Average number of employees	1,823	1,784
of which Director General and Managing Directors	*5*	*5*
Interns & trainees	63	71
Total:	1,886	1,855

F. Events after the balance sheet date

After the end of the financial year ended 31 December 2024, no other events of particular significance took place that would have an effect on the annual financial statements 2024 and would require reporting here.

Bonn, 21 July 2025

Deutsche Welle Anstalt des öffentlichen Rechts

Peter Limbourg

Director General