

Statement of compliance 2014

The Executive Board and Supervisory Board of Bastei Lübbe AG declare that:

The recommendations of the "Government Commission on the German Corporate Governance Code" (in the version dated 13 May 2013) announced by the German Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) have been followed and continue to be followed by Bastei Lübbe AG with the following exceptions:

Contrary to the recommendation in 4.2.3 of the GCGC, remuneration as a whole and with regard to its variable remuneration elements is not subject to limits on the amount of asset ceilings. There is also no provision for payments to Executive Board members to not be permitted to exceed the value of two annual salaries, including ancillary benefits (severance payment cap), in the event of prior termination of Executive Board mandates. The reason for this is that neither a limit on the amount of asset ceilings for variable remuneration nor the agreement of a severance payment cap were achievable in the framework of negotiations, particularly given that previous management services had been provided to the general partner of Bastei Lübbe GmbH & Co. KG. When concluding future contracts with new Executive Board members, Bastei Lübbe AG intends to place limits on the amount of asset ceilings for variable remuneration.

The disclosure by name of the distribution of the total remuneration of each member of the Executive Board, broken down into fixed and variable remuneration components, as provided for under 4.2.4 DCGC, will not take place as this was resolved otherwise by the Annual General Meeting with the requisite three-quarters majority. The same applies to promises of benefits that are granted to a member of the Executive Board in the event of prior or scheduled termination of Executive Board mandates or that are modified during the financial year.

No. 5.1.2 of the GCGC provides that the Supervisory Board should particularly aim to achieve an appropriate consideration of women in the composition of the Executive Board. There are currently no women on the Executive Board of Bastei Lübbe AG as the Executive Board is made up of members of the former Management of Bastei Lübbe GmbH & Co. KG. When appointing Executive Board members in future, the Supervisory Board intends to give preference to equally qualified women.

Committees as provided for in No. 5.3 GCGC were not formed as the Supervisory Board currently only consists of three members. If the Supervisory Board is enlarged in future, a decision will be made with regard to the formation of committees.

The Supervisory Board of Bastei Lübbe AG held its first constituent meeting on 9 July 2013 in the context of the conversion of the Company. An efficiency audit for the 2013/2014 financial year did not therefore seem appropriate at the current time, contrary to the recommendation in No. 5.6. It is however intended to conduct such an audit in future.

Information on corporate governance practices

Bastei Lübbe AG also voluntarily fulfills the non-obligatory suggestions of the Code, subject only to the following exceptions:

The suggestions contained in No. 2.3.3 of the Code (option of following the Annual General Meeting via modern communication media (e.g. the Internet)) have not been implemented.

It is also suggested under point 5.1.2 that the initial appointment term of five years for new Executive Board members should not be the rule. The Executive Board members of Bastei Lübbe AG have been appointed for five years. The reason for this is that a shorter appointment term was not achievable in the framework of negotiations, particularly given that previous management services had been provided to the general partner of Bastei Lübbe GmbH & Co. KG. When appointing Executive Board members in future, it will be verified whether a shorter appointment term is conducive to reaching targets.

Corporate governance practices exceeding the legal requirements

No corporate governance practices are employed by Bastei Lübbe AG that go beyond the legal requirements.

Cologne, May 2014

For the Supervisory Board



Dr. Friedrich Wehrle

Chair

For the Executive Board



Thomas Schierack

Chair