

Statement of Compliance

The Management Board and Supervisory Board of Bastei Lübbe AG declare in accordance with Section 161 of the German Stock Corporation Act (AktG)

Bastei Lübbe AG has complied with the recommendations of the Government Commission on the German Corporate Governance Code as amended on February 7, 2017 (published in the official part of the Federal Gazette on April 24, 2017) since the last declaration of compliance, with the exception of the recommendations listed below:

[Supervisory Board committees \(Section 5.3\)](#)

The German Corporate Governance Code recommends that the Supervisory Board should form committees with sufficient expertise. Due to the unavoidable personal identity of committee and supervisory board members in a three-member supervisory board, the supervisory board of Bastei Lübbe AG has not formed any committees at present. The members of the committee are therefore jointly responsible for all matters to be decided. Should the Supervisory Board be enlarged in the future, a decision will be made on the formation of committees.

[Publication of the consolidated financial statements and management report \(Section 7.1.2\)](#)

Contrary to the recommendation, the consolidated financial statements and management report for the 2019/2020 financial year were not made publicly available within 90 days of the end of the financial year due to the processes involved in the audit of the annual financial statements.

The Management Board and Supervisory Board of Bastei Lübbe AG declare after due examination in accordance with Section 161 AktG that the recommendations of the GCGC in the version of December 16, 2019 (published in the official part of the Federal Gazette on 20 March 2020, "GCGC 2020") are complied with at present and in the future with the following deviations.

[Committees in the Supervisory Board \(Sections D.2 to D.5\)](#)

The German Corporate Governance Code recommends that the Supervisory Board should form committees with sufficient expertise (Sections D.2 to D5). Due to the unavoidable personal identity of committee and supervisory board members in a three-member supervisory board, the supervisory board of Bastei Lübbe AG has not formed any committees at present. The members of the committee are therefore jointly responsible for all matters to be decided. If the Supervisory Board should be enlarged in the future, a decision will be made on the formation of committees.

[Publication of consolidated financial statements and management report \(Section F.2\)](#)

Contrary to the recommendation in Section F.2, the consolidated financial statements and management report for the 2019/2020 financial year will not be made publicly available within 90 days of the end of the financial year due to the processes involved in the audit of the annual financial statements.

[Variable remuneration of Executive Board members \(Section G.10 Page 2\)](#)

Insofar as the new version of the German Corporate Governance Code results in deviations with regard to the existing employment contracts of the Company's Management Board members, it is pointed out that in accordance with the rationale of the GCGC 2020, "amendments to the Code need not be taken into account in current Management Board contracts". The Company will take the recommendations of the GCGC 2020 into account when renewing existing employment contracts with members of the Management Board and when concluding new employment contracts with members of the Management Board in connection with the entry of new Management Board members and will deviate from recommendation G. 10 p.2 GCGC 2020 in the future. In view of the company's business strategy and business cycle, a period of three years until the long-term variable grant amounts are available seems appropriate.