

CORPORATE GOVERNANCE DECLARATION

The management of the general partner, Borussia Dortmund Geschäftsführungs-GmbH, and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA (hereinafter "Company") have submitted the following corporate governance declaration for the financial year from 1 July 2020 to 30 June 2021 in accordance with § 289f and §315d of the German Commercial Code (*Handelsgesetzbuch*, "HGB") in conjunction with Article 83 (1) sentence 2 of the Introductory Act to the German Commercial Code (*Einführungsgesetz zum Handelsgesetzbuch*, "EGHGB").

This corporate governance declaration comprises:

- disclosures on corporate governance practices, and
- descriptions of the working principles of the management of the general partner, the Supervisory Board and further governing bodies,

- stipulations regarding the proportion of women on the supervisory board and on the two management levels below the general partner in accordance with § 278 (3) in conjunction with § 76 (4) sentences 1 to 3 and § 111 (5) sentences 1 to 3 of the German Stock Corporation Act (*Aktiengesetz*, "AktG"),
- other corporate governance reporting in accordance with principle 22 of the German Corporate Governance Code (the "Code") in the current version dated 16 December 2019, as published in the Federal Gazette (*Bundesanzeiger*) on 20 March 2020, as well as
- the Declaration of Conformity in accordance with § 161 AktG.

It is made permanently available for inspection at the Company's website <http://aktie.bvb.de/eng> under "Corporate Governance" / "Corporate governance declaration".

CORPORATE GOVERNANCE PRACTICES

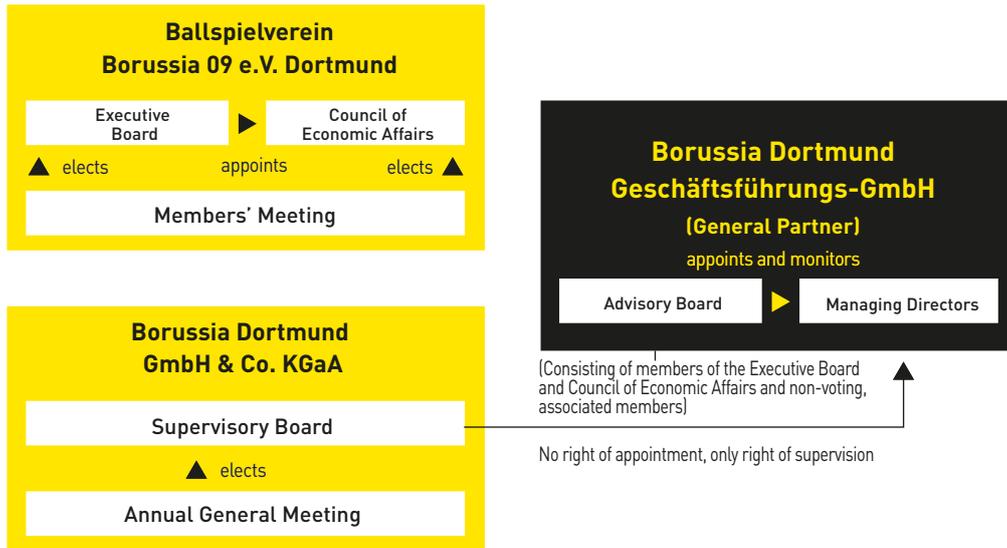
The management conducts the business of the Company in accordance with the applicable statutes, the Articles of Association and other relevant provisions. It works to ensure that Group companies comply with statutory and regulatory provisions as well as with internal Company guidelines. Unless otherwise disclosed in the declaration of conformity, the management and the Supervisory Board follow the recommendations of the German Corporate Governance Code. The business of Borussia Dortmund GmbH & Co. KGaA is managed with the objective of creating sustainable added value in the interests of the Company. The management sets the Company's strategic course in consultation with the

Supervisory Board and ensures that the strategies adopted are implemented. Our corporate culture rests on the pillars of sustainability, integrity and sound corporate leadership. These inform our dealings with customers, suppliers, employees, limited liability shareholders and the Company as a whole. The management is responsible for defining and communicating its strategic objectives. We rely on our executives and employees to demonstrate a sense of responsibility and initiative when carrying out their functions, and have agreed clear management principles with them. We define and agree to clear objectives and regularly review the progress made in realising them.

WORKING PRINCIPLES OF THE MANAGEMENT AND THE SUPERVISORY BOARD AND FURTHER GOVERNING BODIES

Borussia Dortmund Geschäftsführungs-GmbH, the general partner of Borussia Dortmund GmbH & Co. KGaA, is responsible for management and representation of the latter; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund. The

following chart shows the structures and responsibilities as between Ballspielverein Borussia 09 e.V. Dortmund, Borussia Dortmund GmbH & Co. KGaA and Borussia Dortmund Geschäftsführungs-GmbH.



MANAGEMENT

Borussia Dortmund Geschäftsführungs-GmbH is represented by Managing Directors **Hans-Joachim Watzke** (CEO), **Thomas Treß** and **Carsten Cramer**. Their further details including resumes can be found on our website <https://aktie.bvb.de/eng/> under "BVB at a Glance"/"Management".

Within Borussia Dortmund GmbH & Co. KGaA there are seven independent areas of responsibility below the management level, namely, "Sports", "Communications", "Human Resources", "Finance", "Organisation", "Legal & IR", and "Sales, Marketing & Digitalisation". They are assigned as follows:

- **Mr Watzke** is responsible for "Sports", "Communications" and "Human Resources", and for setting the Company's strategic course,

- **Mr Treß** is responsible for "Finance", "Organisation" and "Legal & IR",
- **Mr Cramer** is responsible for "Sales, Marketing & Digitalisation".

Their areas of responsibility have been sufficiently defined in their service agreements. The Managing Directors exercise the authority granted to them by law and the Articles of Association jointly and in close cooperation with each other. Therefore, the relevant executive bodies of Borussia Dortmund Geschäftsführungs-GmbH have considered and continue to consider it unnecessary to adopt additional rules of procedure for the management. The management provides the Supervisory Board with regular, timely and detailed reports on all relevant issues related to the business development, planning, financing and the risks facing the Company and how they are managed.

SUPERVISORY BOARD

In accordance with Art. 8 (1) of the Articles of Association of Borussia Dortmund GmbH & Co. KGaA, the Supervisory Board comprises nine members, all of whom are shareholder representatives pursuant to § 96 (1) clause 6 AktG. The Chairman of the Supervisory Board is elected from its midst. The Supervisory Board had the following members during the reporting period (1 July 2020 to 30 June 2021):

- Mr **Gerd Pieper**
(Chairman)
Retired; former Managing Partner of Stadt-Parfümerie Pieper GmbH, Herne
- Mr **Christian Kullmann**
(Deputy Chairman)
Chairman of the Executive Board of Evonik Industries AG, Essen
- Ms **Judith Dommermuth**
(from 19 November 2020)
Managing partner of JUVIA Verwaltungs GmbH, Cologne
- Mr **Bernd Geske**
Managing partner of Bernd Geske Lean Communication, Meerbusch
- Mr **Bjørn Gulden**
Chief Executive Officer of PUMA SE, Herzogenaurach
- Mr **Ulrich Leitermann**
Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group (SIGNAL IDUNA Krankenversicherung a.G., Dortmund; SIGNAL IDUNA Lebensversicherung a.G., Hamburg; SIGNAL IDUNA Unfallversicherung a.G., Dortmund)
- Mr **Bodo Löttgen**
Chair of the CDU parliamentary group in the state parliament of North Rhine-Westphalia, detective chief inspector (*Kriminalhauptkommissar*) (ret.), public administration graduate
- Dr **Reinhold Lunow**
Internist, Medical Director and Partner of Internistische Naturheilkundliche Gemeinschaftspraxis, Bornheim
- Ms **Silke Seidel**
Senior Executive at Dortmunder Stadtwerke Aktiengesellschaft and Managing Director of Hohenbuschei Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund
- Mr **Peer Steinbrück**
(until 19 November 2020)
Senior Advisor to the Management Board of ING-DiBa AG, Frankfurt am Main

The above information on the occupations of the Supervisory Board members was most recently updated on 30 June 2021. The sole exception is Mr Steinbrück, for whom the information was most recently updated on 19 November 2020. For information on their activities on other statutory supervisory boards or comparable German or foreign supervisory bodies of commercial enterprises, please refer to the disclosures in the notes to the annual financial statements and the notes to the consolidated financial statements. For details of the current composition of the body with resumes and further information on the respective members (updated annually), please see our website <https://aktie.bvb.de/eng/> under "BVB at a Glance"/"Supervisory Board". This information includes the month and year in which the respective member joined the Supervisory Board, thereby also indicating their length of service.

The Supervisory Board exercises a supervisory function and monitors the management in the conduct of the Company's business. In accordance with Article 6 (4) sentence 2 of the Articles of Association, the general partner requires the prior written consent of the Supervisory Board in order to:

- a) acquire or sell real estate and equivalent rights if the value of the individual transaction exceeds EUR 40 million;
- b) establish enterprises or acquire equity interests if the amount proposed for investment (including the purchase price, if applicable) within 3 years of the enterprise being established or the equity interest being acquired exceeds EUR 40 million;
- c) sell parts of the business or equity interests in other companies if, in the last financial year before the sale, those parts of the business or equity

interests accounted for more than 30% of the sales and/or 30% of the employees of all entities in which the company holds a majority interest;

d) issue bonds or extend or accept loans if the value of the individual transaction exceeds EUR 40 million.

Otherwise, material transactions between the general partner and certain related parties on the one hand, and the Company on the other within the meaning of §§ 89, 112 in conjunction with §§ 278 (3), 283 no. 5 AktG (e.g., the granting of loans) and in accordance with § 111b AktG (related party transactions) require the consent of the Supervisory Board.

The working principles of the Supervisory Board are laid down in detail in rules of procedure enacted by it. These are published on our website <https://aktie.bvb.de/eng/> under "Corporate Governance"/"Rules of Procedure of the Supervisory Board". The Supervisory Board details its work each year in a separate Report of the Supervisory Board.

The responsibilities of a supervisory board for a German partnership limited by shares (*Kommanditgesellschaft auf Aktien*, "KGaA") are less extensive than the responsibilities of a supervisory board for a German stock corporation (*Aktiengesellschaft*, "AG"). Specifically, the Supervisory Board has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements. Nor is the Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring its consent on behalf of the general partner as authorised governing body of our Company. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board. With respect to appointing managing directors, Borussia Dortmund Geschäftsführungs-GmbH is therefore not subject to the obligation incumbent on the supervisory board of a German stock corporation (*Aktiengesellschaft*) pursuant to § 111 (5) AktG to define a target proportion of women on the executive board. Accordingly, no diversity policy pursuant to § 289f (2) no. 6 and (3), and § 315d HGB can be described with respect to the composition of our Company's authorised governing body.

However, the fact that the Supervisory Board has no ability to exert a direct influence on the actions of the management limits neither its right to receive information nor its obligation to monitor and review the actions of the management. The Supervisory Board discusses the quarterly financial reports and half-yearly annual reports, and reviews the annual and consolidated financial statements of Borussia Dortmund GmbH & Co. KGaA, taking into account the reports of the auditor. The annual financial statements are adopted not by the Supervisory Board but rather in turn by the Annual General Meeting.

The Supervisory Board meets at least four times per year and can convene additional meetings if so requested by a member of the Supervisory Board or by the general partner. Issues are deliberated and all resolutions are passed by the full Supervisory Board. The Supervisory Board has not formed any committees, although it intends to form an audit committee at the latest at its final meeting of 2021. The resolutions of the Supervisory Board are generally adopted during meetings. It is also possible, if so ordered by the Chairman, for the Supervisory Board to pass resolutions by other means described in greater detail in the Articles of Association of the Company and the rules of procedure for the Supervisory Board.

In the assessment of the Supervisory Board, which comprises solely shareholder representatives, all of the members currently in office (Ms Judith Dommermuth, Ms Silke Seidel, Mr Bernd Geske, Mr Bjørn Gulden, Mr Christian Kullmann, Mr Ulrich Leitermann, Mr Bodo Löttgen, Dr Reinhold Lunow and Mr Gerd Pieper) are classified as independent within the meaning of recommendations C.6 to C.8 of the Code; recommendation C.10 of the Code was not taken into consideration in making this assessment as the Company has no controlling shareholder. Ms Judith Dommermuth, Ms Silke Seidel, Mr Bernd Geske, Mr Bjørn Gulden, Mr Christian Kullmann, Mr Ulrich Leitermann and Mr Gerd Pieper are likewise considered independent with respect to the indicators specified in recommendation C.7 of the Code. The reasons for this are as follows:

- Ms Dommermuth is the wife of Mr Ralph Dommermuth. Mr Dommermuth is the Chairman of the Executive Board of 1&1 AG, Maintal. Our Company and 1&1 AG maintain mutual business relationships, in particular with regard to sponsorship, that are subject to standard market terms and conditions. The Supervisory Board also considers Ms Dommermuth to be independent for the following reasons: Firstly, the above business relationships are not considered sufficiently material that they could cast doubt on her independence. Secondly, Mr Dommermuth currently holds an indirect shareholding (via various holding companies) amounting to just 4.99% of the Company's voting rights. Thirdly, Ms Dommermuth will notify the Supervisory Board should a material conflict of interest nevertheless arise in specific points having regard to her position on the Supervisory Board. She will then refrain from participating in the discussions on such matter to be resolved on and abstain from any vote to be held in that regard. To date, Ms Dommermuth's membership of the Supervisory Board has not given rise to any conflicts of interest, and the above business and supply relationships do not require the consent of the Supervisory Board in accordance with the law or the Articles of Association. Consequently, in this respect the Supervisory Board likewise continues to consider her to be independent.
- Mr Geske has been a member of the Supervisory Board since 22 November 2005. In accordance with one of the indicators in recommendation C.7 of the Code, it must be taken into consideration when assessing the independence of Supervisory Board members that Mr Geske has been a member of the Supervisory Board for more than 12 years. The Supervisory Board is convinced that Mr Geske will continue to perform his duties as he has done to date, and will continue to contribute his economic expertise to discussions. By comparison, the length of his service on the Supervisory Board seems of secondary importance. Consequently, the Supervisory Board continues to consider Mr Geske to be independent.
- Mr Gulden is Chief Executive Officer of PUMA SE, Herzogenaurach. Our Company and Group company BVB Merchandising GmbH have mutual business and supply relationships with PUMA SE and its group companies, in particular with regard to sponsorship and the supply of sportswear to professional sports teams, and in the area of merchandising, which are subject to standard market terms and conditions. The Supervisory Board considers Mr Gulden to be independent for the following reasons: Firstly, the above business and supply relationships are not considered sufficiently material that they could cast doubt on his independence. Secondly, at present PUMA SE only holds 4.99% of the Company's voting rights. Thirdly, Mr Gulden will notify the Supervisory Board should a material conflict of interest nevertheless arise in specific points having regard to his position on the Supervisory Board. He will then refrain from participating in the discussions on such matter to be resolved on and abstain from any vote to be held in that regard. To date, Mr Gulden's membership of the Supervisory Board has not given rise to any conflicts of interest, and the above business and supply relationships do not require the consent of the Supervisory Board in accordance with the law or the Articles of Association. Consequently, the Supervisory Board continues to consider Mr Gulden to be independent.
- Mr Kullmann has been a member of the Supervisory Board since 23 May 2007. In accordance with one of the indicators in recommendation C.7 of the Code, it must be taken into consideration when assessing the independence of Supervisory Board members that Mr Kullmann has been a member of the Supervisory Board for more than 12 years. The Supervisory Board is convinced that Mr Kullmann will continue to perform his duties as he has done to date, and will continue to contribute his economic expertise to discussions. By comparison, the length of his service on the Supervisory Board seems of secondary importance. Consequently, the Supervisory Board continues to consider Mr Kullmann to be independent with respect to the length of his service on the Supervisory Board. Mr Kullmann is also the Chairman of the Executive Board of Evonik Industries AG, Essen.

Our Company and Evonik Industries AG maintain mutual business relationships, in particular with regard to sponsorship, that are subject to standard market terms and conditions. The Supervisory Board also considers Mr Kullmann to be independent for the following reasons: Firstly, the above business relationships are not considered sufficiently material that they could cast doubt on his independence. Secondly, at present Evonik Industries AG only holds 9.83% of the Company's voting rights. Thirdly, Mr Kullmann will notify the Supervisory Board should a material conflict of interest nevertheless arise in specific points having regard to his position on the Supervisory Board. He will then refrain from participating in the discussions on such matter to be resolved on and abstain from any vote to be held in that regard. To date, Mr Kullmann's membership of the Supervisory Board has not given rise to any conflicts of interest, and the above business and supply relationships do not require the consent of the Supervisory Board in accordance with the law or the Articles of Association. Consequently, in this respect the Supervisory Board likewise continues to consider him to be independent.

- Mr Leitermann is Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group, Dortmund. Our Company and companies of the SIGNAL IDUNA Group maintain mutual business relationships, in particular with regard to sponsorship and the insurance product "Versicherung09", which are subject to standard market terms and conditions. The Supervisory Board considers Mr Leitermann to be independent for the following reasons: Firstly, the above business relationships are not considered sufficiently material that they could cast doubt on his independence. Secondly, at present SIGNAL IDUNA Group only holds 5.43% of the Company's voting rights. Thirdly, Mr Leitermann will notify the Supervisory Board should a material conflict of interest nevertheless arise in specific points having regard to his position on the Supervisory Board. He will then refrain from participating in

the discussions on such matter to be resolved on and abstain from any vote to be held in that regard. To date, Mr Leitermann's membership of the Supervisory Board has not given rise to any conflicts of interest, and the above business relationships do not require the consent of the Supervisory Board in accordance with the law or the Articles of Association. Consequently, the Supervisory Board continues to consider Mr Leitermann to be independent.

- Mr Pieper has been a member of the Supervisory Board since 25 November 2003. On 26 August 2021, he resigned from his position as Chairman and member of the Supervisory Board for health reasons, effective as at the end of 24 September 2021. In accordance with one of the indicators in recommendation C.7 of the Code, it must be taken into consideration when assessing the independence of Supervisory Board members that Mr Pieper has been a member of the Supervisory Board for more than 12 years. The Supervisory Board is convinced that until his departure, Mr Pieper will continue to perform his duties and contribute to the work of the Supervisory Board as he has done to date. By comparison, the length of his service on the Supervisory Board seems of secondary importance. Consequently, the Supervisory Board considers Mr Pieper to be independent.
- Ms Seidel is a senior executive at Dortmunder Stadtwerke Aktiengesellschaft and Managing Director of Hohenbuschei Beteiligungsgesellschaft mbH, both with registered office in Dortmund. Our Company and the companies referred to above maintain mutual business relationships with respect to developing the land on which Borussia Dortmund's training centre in Dortmund-Brackel is located. These relationships are subject to standard market terms and conditions. The Supervisory Board considers Ms Seidel to be independent for two reasons: Firstly, the above business relationships are not considered sufficiently material that they could cast doubt on her independence. Secondly, Ms Seidel will notify the Supervisory Board should a material conflict of interest nevertheless arise in specific points

having regard to her position on the Supervisory Board. She will then refrain from participating in the discussions on such matter to be resolved on and abstain from any vote to be held in that regard. To date, no conflicts of interest have arisen during Ms Seidel's membership of the Supervisory Board. Consequently, the Supervisory Board continues to consider Ms Seidel to be independent.

In the second half of financial year 2020/2021, the Supervisory Board assessed its effectiveness in fulfilling its tasks, in accordance with recommendation D.13 of the Code. The aim was to assess the effectiveness and efficiency of the Supervisory Board's work and identify potential action areas. An independent external specialist assisted the Supervisory Board in designing, carrying out and evaluating this self-assessment,

which was based on a comprehensive questionnaire. The material topics were a compliance check, which covered in particular compliance with the law and the Articles of Association, and a best practice analysis, which covered in particular cooperation within the Supervisory Board, how regularly meetings are held, the preparation for and conduct of meetings, and the provision of information and cooperation with the managing directors of the general partner. The assessment was then completed after the responses to the questionnaire were evaluated and the Supervisory Board discussed the results.

For further details relating to the Supervisory Board, please refer to the section entitled "Corporate governance reporting" below and to the separate Report of the Supervisory Board.

LIMITED LIABILITY SHAREHOLDERS AND ANNUAL GENERAL MEETING

Our limited liability shareholders exercise their rights at the Annual General Meeting of the Company. The Annual General Meeting is held within the first eight months of each financial year. It is chaired by the Chairman of the Supervisory Board and resolves on all matters for which it is responsible pursuant to the law. Our objective is to render the participation of the limited liability shareholders in the Annual General

Meeting as easy as possible. In that vein, the necessary documents are made available to attendees online. A proxy is appointed for the limited liability shareholders to exercise their voting rights as instructed. However, additional features specific to the KGaA's Annual General Meeting are set forth primarily in §§ 285 and 286 (1) AktG and in the Company's Articles of Association.

STIPULATIONS REGARDING THE PROPORTION OF WOMEN on the supervisory board and on the two management levels below the general partner as well as disclosures on the achievement of the stipulated targets

On 22 May 2021, the Supervisory Board resolved to implement a two-ninths (rounded to 22.22%) target for female members on the Supervisory Board of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien ("Company") to be achieved between 1 January 2021 and 31 December 2024 (four years), and issued the following

grounds and reasoning: "The Supervisory Board of the Company comprises nine members, of which – following the elections held at the Annual General Meeting on 19 November 2020 – two women and seven men. Thus, the proportion of female Supervisory Board members currently amounts to two-ninths (rounded to 22.22%). The term of office

of all Supervisory Board members currently serving will expire at the conclusion of the Annual General Meeting which will resolve to ratify the actions of the members for financial year 2023/2024. In light of this, the target of two-ninths (rounded to 22.22%), which reflects the status quo, appears appropriate for the ratio of women on the Supervisory Board." On 30 June 2017, the Supervisory Board had previously resolved to implement an 11.11% target for female members on the Supervisory Board by 31 December 2020 (deadline); as at the deadline, the current proportion of women on the Supervisory Board was therefore twice the target previously set.

On 30 June 2021, the management of Borussia Dortmund Geschäftsführungs-GmbH resolved as the Company's general partner to define the target proportion of women on the two management levels below the general partner as follows: for the first management level one-eighth (12.5%) and for the second management level two-fifteenths (rounded to 13.33%), and to set 1 July 2021 to 30 June 2026 (five years) as the period in which to achieve its respective target, in accordance with the following reasoning and explanation: "At present (30 June 2021), (i) the directors employed by the Company who form the first level of management below the general partner number 8 people, of which 1 woman; and (ii) the departmental heads employed by the Company who form the second level of management below the general partner number 15 people, of which 2 women. As a result, the proportion of women in the first management level amounts to one-eighth (12.5%) and in the second management level

two-fifteenths (rounded to 13.33%). For the period defined, the target set for each management level appears appropriate, specifically for the following reasons: taking into account the longer-term collaboration with the executives represented here, their age structure and the low level of turnover amongst them in the past, it is not realistic to re-staff at the first or second management level beneath the general partner by the stipulated deadline. Consequently, it is likely that the status quo will be maintained over the reference period from 1 July 2021 to 30 June 2026, with the proportion of women remaining at one-eighth (12.5%) for the first management level and two-fifteenths (rounded to 13.33%) for the second management level. These are naturally the respective targets for those management levels. However, if contrary to expectations there should be the need to fill any new positions at the aforementioned management levels, the foregoing does not exclude women from consideration, particularly if they are suitably qualified and capable." On 30 June 2017, the management had previously resolved to implement a 0% target for female members at the two management levels below the general partner, respectively, by 30 June 2022 (deadline). As at 30 June 2021, the proportion of women at the two management levels below the general partner amounted to 12.5% at the first management level and 13.33% (rounded) at the second management level, thus exceeding the respective targets for the previously defined deadline, which had been brought forward to 30 June 2021 due to the upcoming definition of subsequent targets.

DIVERSITY POLICY

Values such as diversity, respect and acceptance are the hallmarks of our corporate culture throughout the Group. This affects all levels of the corporate hierarchy, including appointments to governing bodies. For the reasons already outlined, the Company does not

currently pursue a separate diversity policy pursuant to § 289f (2) no. 6 and (3), and § 315d HGB that goes above and beyond the objectives outlined in this declaration with respect to the composition of the Supervisory Board.

CORPORATE GOVERNANCE REPORTING

Our Company believes it is essential for corporate governance to be clearly structured and effective. Corporate governance embodies a responsible and transparent system of checks and balances designed to ensure a continued focus on sustainable value creation. Efficient cooperation between the management and the Supervisory Board, the

preservation of shareholder interests, and open and transparent corporate communications are vital aspects of sound corporate governance. This is the guiding principle for the Company's Supervisory Board and for the management of Borussia Dortmund Geschäftsführungs-GmbH in its capacity as the general partner of Borussia Dortmund GmbH & Co. KGaA.

GENERAL INFORMATION ON CORPORATE GOVERNANCE AT BORUSSIA DORTMUND GmbH & Co. KGaA

German stock corporation law sets out the statutory framework of corporate governance. Pursuant to § 161 AktG, the executive board and the supervisory board of a listed company are required to submit each year a declaration as to whether and to what extent that company has complied (retrospective) or will comply (forward-looking) with the recommendations of the "Government Commission of the German Corporate Governance Code" contained in the German Corporate Governance Code as published in the official section of the electronic Federal Gazette. Although companies may opt to deviate from the Code, they are then obligated to disclose this on an annual basis, providing an explanation for their non-compliance ("comply or explain"). This option exists to ensure that companies are able to meet industry- or company-specific requirements. A well-founded deviation from a recommendation of the Code may be in the interest of sound corporate governance.

The Code is generally reviewed once annually and amended as required. It reflects basic statutory guidelines concerning the management and supervision of listed German companies as well as internationally and nationally recognised standards for sound and responsible corporate governance. In addition to formulating best practices for management, the Code is intended to ensure that corporate governance in Germany is transparent and open to scrutiny and to promote confidence in the management and supervision of listed German companies amongst international and national investors, customers, employees and the public.

A large number of the Code's recommendations (expressed using the word "shall") are intended exclusively for German stock corporations (*Aktiengesellschaft*, "AG"), meaning that they are either not applicable at all or must at best be applied *mutatis mutandis* to partnerships limited by shares (*Kommanditgesellschaft auf Aktien*, "KGaA"), i.e., our Company as well.

A KGaA is a hybrid corporate form combining elements of a German stock corporation and a limited partnership (*Kommanditgesellschaft*). It is a separate legal entity whose share capital is divided into shares which are held by at least one shareholder (the general partner) that has unlimited liability against creditors of the Company and limited partners (*Kommanditaktionäre*) that are not personally liable for the debts of the company (§ 278 (1) AktG).

The key differences between a KGaA and a German stock corporation can be characterised as follows:

- Borussia Dortmund GmbH & Co. KGaA does not have an executive board. Instead, the general partner, Borussia Dortmund Geschäftsführungs-GmbH, is solely responsible for its management and representation. This German limited liability company (*Gesellschaft mit beschränkter Haftung*, "GmbH") is in turn represented by one or more managing directors; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.
- The rights and duties of the KGaA's Supervisory Board, which is appointed by the Annual General Meeting, are limited. Specifically, it has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements. Nor is the Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring

its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.

- Additional features specific to the KGaA's Annual General Meeting are set forth primarily in §§ 285 and 286 (1) AktG and in the Company's Articles of Association.

As a consequence, a Declaration of Conformity in accordance with § 161 AktG must be submitted by the management of the general partner and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, taking into account the specific characteristics of the KGaA's legal form and the provisions of the Articles of Association.

In our assessment, the following recommendations of the Code are not applicable (including *mutatis mutandis*) to the specific characteristics of the KGaA legal form and the provisions of the Company's Articles of Association:

- The Code makes various recommendations to the Supervisory Board in respect of executive board remuneration, namely G.4, G.8 and G.13 of the Code. The Code makes a large number of other recommendations to the Supervisory Board in respect of the remuneration system for executive board members and/or the structure of their individual remuneration. As follows from the

justification to the Code given by the Government Commission, all of these recommendations are based, either in substance or method, on the statutory provisions for a German stock corporation (*Aktiengesellschaft*) under § 87 (1) of the German Stock Corporation Act (*Aktiengesetz*, "AktG") and/or § 87a AktG, which entered into force on 1 January 2020. These statutory provisions are not applicable to our Company – either directly or *mutatis mutandis* – on account of its legal form, which we believe was a conscious decision on the part of the legislator. As such, recommendations G.1 to G.3, G.5 to G.7, G.9 to G.13, G.15 and G.16 of the Code are likewise not applicable to our Company. By contrast, Article 7 of the Company's Articles of Association stipulates that the general partner has a right to reimbursement of the staff and materials expenses incurred by it in the course of managing the Company, plus a commission amounting to 3% of the net profit for the year generated by the Company. Otherwise, the fixed and variable remuneration for the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH was and is resolved by the Executive Committee formed by that company, which also reviews the Managing Directors' employment agreements for appropriateness and compliance with standard market practice when entering into or extending them. For practical reasons, the recommendations of the Code with respect to

the remuneration system for executive board members and/or executive board pay, and on the role of the Supervisory Board, which in some respects are considered to be over-regulation, have not been and will not be applied on a voluntary basis by the Executive Committee.

- We nevertheless disclose the remuneration of the individual Managing Directors of our Company's general partner, Borussia Dortmund Geschäftsführungs-GmbH, on a voluntary basis in the notes to the annual and consolidated financial statements. The version of § 285 no. 9 (a) sentences 5 *et seq.* HGB still applicable to annual and consolidated financial statements and (group) management reports for financial years beginning before 1 January 2021 in accordance with Article 83 (1) sentence 2 EGHGB is only applicable to listed stock corporations and the remuneration paid to the members of their executive boards, however not the KGaA legal form.

Despite the specific characteristics of our Company's legal form, however, the following recommendations of the Code are applied *mutatis mutandis* or in modified form, which we do not consider a deviation from the Code:

- Long-term succession planning within the meaning of recommendations B.1 and B.2, first half-sentence of the Code is the

responsibility of the Managing Directors of the Company and – given that the Supervisory Board has no authority to appoint or dismiss personnel – the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. This planning takes place in regular dialogue between the management and the Executive Committee, which determine profiles of skills and expertise for management personnel based on the corporate strategy and internal corporate structure and management, and monitor relevant internal and external candidates. In this respect, scouting is something we use not just to find talented new footballers, but also in our human resource planning. Efforts are also ongoing within the Company to nurture up-and-coming management talent, for example by means of further education. The Company can also rely on its network and on outside service providers where necessary to recruit externally. The Executive Committee also acts to ensure sufficient diversity when staffing the management.

- In the case of the first-time appointment of Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH, the Executive Committee follows the recommendation B.3 of the Code, whereby executive board members at stock corporations should be appointed for a maximum of three years.

- We consider the President of the Executive Committee, Dr Reinhard Rauball, who addresses the remuneration of the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH, to be independent within the meaning of the recommendation C.10 of the Code.
- In application *mutatis mutandis* of the recommendation D.7 of the Code, a regular time slot is reserved at Supervisory Board meetings for discussions without the Managing Directors of the general partner.
- Given that the Supervisory Board has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements, not it but rather the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH is responsible for consenting to sideline activities of the Managing Directors of the general partner within the meaning of recommendation E.3 of the Code.

The Declaration of Conformity must be made permanently available to shareholders on the Company's website. It is published on the investor relations website, <http://aktie.bvb.de/eng>, under "Corporate Governance". In addition, the Declaration of Conformity submitted in September 2021, as reproduced below, is an integral part of this corporate governance declaration.

While the Company's corporate governance report presented here is published as part of the corporate governance declaration (on the Company's website <http://aktie.bvb.de/eng> under "Corporate Governance" / "Corporate governance declaration"), the corporate governance reports for the 2017/2018 and previous financial years were published in the annual reports for the respective financial years. These are available on our investor relations website <http://aktie.bvb.de/eng>, under "Publications".

Transparency

The Company provides the limited liability shareholders, shareholders' associations, financial analysts and the general public regular notifications regarding the position of the Company and on material business developments.

In particular, we publish ad hoc disclosures and corporate news on our website, as well as voting rights notifications and managers' transactions notifications submitted to us, information on the shareholder structure, the current version of the Articles of Association and the financial calendar.

The financial calendar includes the dates for key Company events, and can be accessed online at <http://aktie.bvb.de/eng>, under "Financial Calendar".

As in previous years, the Annual Press Conference on the "preliminary" figures of the previous financial year will be streamed live so that the general public may watch the conference online in real time.

The previous year's Annual General Meeting was convened in due and proper form and held on 19 November 2020 as a virtual Annual General Meeting without the physical presence of the limited liability shareholders or their proxies. In compliance with the German Corporate Governance Code, the reports and documents required by law were made available for inspection; these were given to the limited liability shareholders upon request and were published on the Company's website together with the agenda. The resolutions on all agenda items were approved, with votes in favour ranging between 87.11% and 99.97% of the votes cast.

The next Annual General Meeting of Borussia Dortmund GmbH & Co. KGaA will take place on 2 December 2021. Given the COVID-19 pandemic, this is expected to be held as a virtual Annual General Meeting without the physical presence of the limited liability shareholders or their proxies.

The half-yearly and other interim financial reports shall be published at the intervals recommended in the Code. The Company will provide further details via ad hoc announcements. The consolidated financial statements, the Group management report and the interim financial reports are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the member states of the EU. The annual financial statements and management report of Borussia Dortmund GmbH & Co. KGaA were and will continue to be prepared in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and the German Stock Corporation Act (*Aktiengesetz*, "AktG").

Our Company stands for more than "just" football and takes its corporate social responsibility into account. A first, voluntary sustainability report covered the 2016/2017 financial year, i.e. the period from 1 July 2016 to 30 June 2017, and was based on the Global Reporting Initiative (GRI) Standards (Core option). The sustainability reports for subsequent financial years (i.e., from the 2017/2018 financial year onwards) also contain a separate non-financial Group report in accordance with § 315b (3) HGB, and many of the aspects it covers and disclosures it contains also relate to compliance and risk management. The sustainability reports are published online at <https://aktie.bvb.de/eng> under "Corporate Governance"/"Sustainability Report".

Moreover, we publish analysts' recommendations and research studies on our website <http://aktie.bvb.de/eng>, under "BVB Share"/"Capital Market View", in order to facilitate communication with market participants.

Customers, fans and the public alike can also find additional information on the Company – including e.g. CVs and overviews of the key duties of Supervisory Board members as well as further information on the managing directors of the general partner – at <http://aktie.bvb.de/eng>.

A considerable number of publications on our website have been and will continue to be made available in English.

The Notes to the financial statements and the management report contain disclosures on the remuneration of the general partner and the members of the Supervisory Board, and the Annual Report contains disclosures on the ownership of Company shares by the general partner and members of its management and by the members of the Supervisory Board. Due to the specific characteristics of the KGaA legal form, there is currently no obligation to disclose the remuneration of individual Managing Directors of the general partner of the Company, Borussia Dortmund Geschäftsführungs-GmbH, as would normally be the case for the members of the executive boards of listed German stock corporations. Nonetheless, as referred to above we have presented the remuneration of individual Managing Directors in the notes to the annual and consolidated financial statements on a voluntary basis.

DECLARATION OF CONFORMITY

by the management and by the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA in accordance with § 161 AktG dated 20 September 2021

In accordance with § 161 of the German Stock Corporation Act (*Aktiengesetz*, "AktG"), the management of the general partner (Borussia Dortmund Geschäftsführungs-GmbH) and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA declare that since the last Declaration of Conformity was submitted on 7 September 2020, Borussia Dortmund GmbH & Co. KGaA complied and will continue to comply with the recommendations of the German Corporate Governance Code (the "Code") in the version dated 16 December 2019 (published in the Federal Gazette (*Bundesanzeiger*) on 20 March 2020), with the exception of the following deviations (please note that numerous recommendations of the Code, in particular those pertaining to the remuneration system for executive board members and/or executive board pay, are not applicable due to the specific characteristics of our Company's legal form as a partnership limited by shares (*Kommanditgesellschaft auf Aktien*, "KGaA"); the respective disclosures and explanations are given in the corporate governance declaration):

Re recommendation A.2 sentence 2 first half-sentence: In accordance with this recommendation, appropriate measures must be in place that allow employees to report any violations of the law within the Company, without fear of retaliation. No formal whistleblower system was put in place at our Company to date because the other opportunities

to report violations of the law or internal Company guidelines, including where necessary in confidence, were considered sufficient and reasonable. Nevertheless, an institutionalised whistleblower system for Group employees and third parties will now be put in place during the second half of the 2021/2022 financial year. The requisite preparations have already been made to put the system in place.

Re recommendation B.4: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to decide on the reappointment of its Managing Directors, including, even in the absence of special circumstances, prior to the end of one year before the end of the existing term of appointment. Given the specific features of the KGaA legal form and due to the desire for greater flexibility, it is not considered practicable to make any staffing decision based solely on timing and circumstances.

Re recommendation B.5: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to make decisions as to age limits for the Managing Directors of the general partner for upcoming (re-)appointments of Managing Directors, without generally stipulating an age limit to that extent. It is not considered practicable to set any age limits.

Re recommendations C.1 sentences 1 to 4 and C.2:

The Supervisory Board has not set any concrete objectives regarding its composition, has not prepared a profile of skills and experience, and has not established an age limit for Supervisory Board members. Nor are there plans to do so going forward. The Supervisory Board's continuing preference is to decide on proposals relating to its composition on a case-by-case basis in light of specific situations. Consequently, no further information was or is reported on this recommendation or its compliance with it. Notwithstanding the foregoing, compliance with the requirement, issued by the legislator, that the target proportion of women on the Supervisory Board be defined, remains mandatory (§ 278 (3) and § 111 (5) AktG as well as § 289f (3) and (2) no. 4 HGB).

Re recommendation C.5, second half-sentence:

This recommendation states that members of the management board of a listed company shall not accept the chairmanship of a supervisory board of a non-group listed company. Supervisory Board member Mr Christian Kullmann is the Chairman of the Executive Board of listed company Evonik Industries AG in Essen and will take up the position of Chairman of the Supervisory Board at our Company with effect from 25 September 2021 after having been elected at the meeting of the Supervisory Board on 20 September 2021. The Supervisory Board is convinced that Mr Kullmann has sufficient time available to discharge his duties, particularly given that he does hold any other positions covered by this recommendation. In addition, his considerable experience in corporate management, his deep understanding of business and his top-quality contacts, both in Germany and abroad, have made and will continue to make a key contribution to the effective work of the Supervisory Board, firstly as Deputy Chairman from August 2019 to date and going forward as Chairman. Following

consideration, it is therefore considered reasonable to deviate from this recommendation.

Re recommendation C.13: In its election proposals to the Annual General Meeting, the Supervisory Board does not disclose the personal and business relationships of every candidate with the Company, the governing bodies of the Company and limited liability shareholders with a material interest in the Company (i.e., those holding more than 10% of voting shares). Nor are there plans to do so going forward. In its opinion, no secure legal practice exists with respect to this recommendation. The legal certainty of Supervisory Board elections took and takes a higher priority than any effort to make legally unnecessary disclosures in connection with nominations.

Re recommendations D.2, D.3 and D.5: To date, the Supervisory Board has not formed committees. It was the Supervisory Board's intention for all topics to be discussed by the Supervisory Board as a whole. This continues to apply to waiving the formation of a nomination committee as recommended in the Code, particularly given that the Supervisory Board already comprises solely shareholder representatives – which is a requirement of the Code when forming a nomination committee. By contrast, the Supervisory Board will form an audit committee, at the latest at its final meeting of 2021.

Re recommendation E.1 sentence 2: The Supervisory Board reserves the right to not comply with the recommendation that it report to the Annual General Meeting on conflicts of interest as they arise and how they are addressed. The principle of confidentiality of deliberations within the Supervisory Board (see § 116 sentence 2 AktG and principle 13 sentence 3) will generally take precedence.

Dortmund, 20 September 2021

On behalf of the Supervisory Board

Christian Kullmann
Deputy Chairman

On behalf of Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (CEO)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director