

COMPLIANCE STATEMENT OF THE MANAGEMENT AND THE SUPERVISORY BOARD OF BORUSSIA DORTMUND GMBH & CO. KGaA PURSUANT TO § 161 OF THE GERMAN STOCK COMPANIES ACT (AKTG) FROM 10 SEPTEMBER 2012

The management of the general partner (Borussia Dortmund Geschäftsführungs-GmbH) and the supervisory board of Borussia Dortmund GmbH & Co. KGaA declare pursuant to § 161 AktG that since the last Declaration of Compliance from 14 September 2011, the recommendations of the German Corporate Governance Code ("DCGK") as amended on 26 May 2010 up to the new version published in the electronic Federal Gazette on 15 June 2012 and the recommendations of the DCGK were complied with from the date of its publication in the electronic Federal Gazette on 15 June 2012, and that the recommendations of the DCGK as amended on 15 May 2012 will be complied with in the future with the exception of the following deviations, which are in part on account of peculiarities specific to the legal form of the KGaA and its organization in the articles of association of our Company:

Re Item 3.8 Par. 3: The D&O insurance does not have an excess, and furthermore it is not intended to change this because agreeing to such would not, in our opinion, be suitable for directing the conduct of the members of the organs or as motivational aid.

Re Item 4.2.1, 2nd clause: The supervisory board of Borussia Dortmund GmbH & Co. KGaA has no HR responsibilities; these are assumed by the presiding committee of Borussia Dortmund Geschäftsführungs-GmbH. Since January 2006, the management has consisted of Hans-Joachim Watzke (chair of the management board) and Thomas Treß (managing director). Their areas of activity were defined adequately in their employment contracts; for the rest the managing directors administer their powers pursuant to law and the articles of association jointly and in close collaboration; therefore the competent bodies of Borussia Dortmund Geschäftsführungs-GmbH considered and consider it unnecessary to regulate additional bylaws/rules of procedure for the management. Since January 2006, the management has consisted of Hans-Joachim Watzke (chair of the management board) and Thomas Treß (managing director). Their areas of activity were defined adequately in their employment contracts; for the rest the managing directors administer their powers pursuant to law and the articles of association jointly and in close collaboration; therefore the competent bodies of Borussia Dortmund Geschäftsführungs-

GmbH considered and consider it unnecessary to regulate additional bylaws/rules of procedure for the management.

Re Item 4.2.2 Par. 1: According to § 7 of the articles of association of Borussia Dortmund GmbH & Co. KGaA, the general partner has a claim to reimbursement for the personnel and material costs that arise for the management in the company plus remuneration in the amount of 3% of the otherwise arising annual profit of the company. For the rest, remuneration and the remuneration system for the managers of Borussia Dortmund Geschäftsführungs-GmbH were and will be decided by the presiding committee formed there and examined regularly (deviations from the competence of the supervisory board assumed by no. 4.2.2 Par. 1 on account of the legal form).

Re Item 4.2.3 Par. 2, 4th clause; and Par. 3, 3rd clause: The remuneration structure for the managers of Borussia Dortmund Geschäftsführungs-GmbH is decided by its presiding committee without including negative developments in the definition of variable components of remuneration for managing directors; a later revision of the success targets or comparison parameters was and still is not excluded. In the light of the peculiarities of the KGaA on account of the legal form, the corresponding recommendation does not appear to be conferrable to or expedient for our company in this case.

Re Item 4.2.3 Par. 4; and Par. 5: The Code recommends that stock companies (Aktiengesellschaften) adhere to so-called "severance caps" in contracts with board members in the event that the function of a board member is ended prematurely without cause or in the event of premature ending of the function of board member on account of a change of control. So far and in the future the presiding committee has decided and shall decide on the impending (re)appointment of managing directors of Dortmund Geschäftsführungs-GmbH without principally stipulating so-called "severance caps" because the presiding committee and the managing directors do not consider the abovenamed recommendations expedient in the light of the peculiarities of the legal form of the KGaA and its structure in the articles of association of our company. The recommendation not to pay benefits to members of the board in the event of termi-

nation of the employment contract on important grounds, is however considered by the presiding committee as applicable for them and for the directors of Borussia Dortmund Geschäftsführungs-GmbH respectively.

Re Item 4.2.3 Par. 6: The chair of the supervisory board has not reported and will not report in the future to the general meeting about the basics of the remuneration system and changes to it because – as mentioned before – the supervisory board of Borussia Dortmund GmbH & Co. KGaA – does neither have any responsibilities in respect of the appointment and dismissal of directors of Borussia Dortmund Geschäftsführungs-GmbH nor when their contractual employment conditions are fixed.

Re Item 4.3.4, 3rd clause: Significant transactions between the general partner and certain persons close to it as one party and with the company as the other party in the sense of §§ 89, 112 in conjunction with §§ 278 subsection 3, 283 no. 5 AktG (such as granting loans) require the cooperation of the supervisory board. The recommendation is and was adhered to in this sense. Beyond that, the supervisory board does not have the power to enact a catalogue of transactions that require the agreement for the general partner or its managing directors.

Re Item 4.3.5: On account of its lack of responsibility for the appointment and dismissal of directors of Borussia Dortmund Geschäftsführungs-GmbH and the fixing of their contractual employment conditions, it is not the supervisory board which agrees to secondary employment on the part of managing directors of the general partner but the presiding committee of Borussia Dortmund Geschäftsführungs-GmbH.

Re Item 5.1.2 Par. 1; 2nd and 3rd clause: At our company, the managing directors and the presiding committee at Borussia Dortmund Geschäftsführungs-GmbH – because the supervisory board has no HR responsibility – ensure that there is long-term planning for succession. The presiding committee pays attention to the recommended “diversity” in the composition of the management board. Given the current number of managing directors, two at this time, which is deemed to be sufficient for the company and whose positions will not be vacant for a long time in the future, the Code’s legislator’s recommendation to reasonably consider women for the position is not seen feasible in the near future.

Re Item 5.1.2 Par. 2; 2nd clause: The reappointment of directors of Borussia Dortmund Geschäftsführungs-GmbH is and shall be decided by its presiding committee, as the case may be, before the expiry of one year before the end of the existing term of appointment even without special circumstances. Basing the HR decision on a particular time and circumstance is not considered expedient in the light of the legal peculiarities of the KGaA legal form and on account of the desire for increased flexibility.

Re Item 5.1.2 Par. 2; 2nd clause: Up to now, the age limit for directors of the general partner has been decided by the presiding committee of Borussia Dortmund Geschäftsführungs-GmbH on the occasion of the respectively impending (re)appointments of managing directors without having made a categorical decision in this regard, and it will continue to do so in the future. Setting an age limit is not considered expedient.

Re Item 5.2 Par. 2; 5.3.1 1st clause; 5.3.2 and 5.3.3: Committees, in particular an audit committee, were and will not be set up by the supervisory board because it only consists of six persons and decision-making committee must consist of three persons. The practice applied up to now of the entire supervisory board treating all arising topics, in particular the monitoring of the accounting process, the efficiency of the internal control system and of the internal revision system, the annual account audit and, here in particular, the independency of the auditor, the extra services rendered by the auditor, the award of the audit contract to the auditor, the determination of the focus of audit, and the fixing of the auditor’s fee as well as the Compliance should be kept in the future, too. The same applies to the practiced waiver of the creation of a nominating committee by the supervisory board as recommended in the Code. Moreover, this already only consists of representatives of the shareholders, as required by the Code in the case of the creation of a nominating committee.

Re Item 5.4.1 Par. 2; and Par. 3: The supervisory board has not, and will not in the future, fix specific goals for its composition in view of the specific topics which are named in the Code under “age limit for supervisory board members” and “diversity” and/or “reasonable women quota” and the “number of independent supervisory board members” in the meaning of Item 5.4.2”. The supervisory board is of the opinion that such limitations are not appropriate compared to the other criteria for suggestions for the election

of supervisory board members, and it wishes to decide on suggestions for its composition on a case-to-case basis.

Re Item 5.4.1 Par. 4: When making suggestions for elections to the general meeting, the supervisory board will not disclose the personal and business-related relationships of each candidate with the company, with the officers of the company, and a shareholder who holds an essential part (more than 10% of the shares granting votes) in the company as, in our opinion, this recommendation is not yet based on legally safe practices, and the legal safety of elections to the supervisory board is considered higherranking than an effort to already make statements for suggested candidates which are not legally required.

Re Item 5.4.3, 3rd clause: There has not been an announcement of suggestions for candidates for the chair of the supervisory board and will not be one in the future because the supervisory board considers the individual election of its members to be adequate and it thinks that a vote in the general meeting for or against a candidate in regards to his/her position in the supervisory board is not practicable.

Re Item 5.4.6 Par. 2, 1st clause, and Par. 3, 1st clause of the DCGK as amended on 26 May 2010: Each member of the supervisory board shall not receive any performance-related payments (which will not be recommended by the Code in the future) – pursuant to Section 13 Item 1 of the Articles, but only an exclusively fixed, comparably low remuneration of EUR 7,000 per year, the chairman shall receive double the amount, and his deputy one and a half times this remuneration; this remuneration is a reasonable amount for the tasks the members of the supervisory board will have to complete, and the situation of the company. It is deemed sufficient to only disclose the total remuneration of the supervisory board in the Annex

or in the directors' report of the annual consolidated financial statements now and in the future, no individualized information has been disclosed on this issue in the Corporate Governance Report.

Re Item 5.4.6 Par. 3, 1st clause of the DCGK as amended on 15 May 2012: No individualized information has been, and will be disclosed on the remuneration of the supervisory board in the accounting reports as it is easy to calculate the remuneration (supervisory board members receive EUR 7,000 every year pursuant to Section 13 Item 1 of the Articles, the chairman double the amount, and his deputy one and a half times the amount).

Re Item 5.5.3, 1st clause: It has been and will remain reserved not to follow the recommendation that the supervisory board in its report to the general meeting should report on any conflicts of interest and their treatment. The principle of confidentiality of deliberations in the Supervisory Board (cf. § 116, 2nd clause AktG and Item 3.5 Par. 1, 2nd clause of the Codex) has had and will have priority.

Re Item 7.1.2, 2nd clause: The recommendation to deliberate half-yearly and any quarterly financial reports between management and supervisory board before they are published has not been and will not be followed, because the objective of publication of financial reports in the course of the year immediately after they have been drawn up receives priority. However, deliberation and control of such financial reports is carried out by the supervisory board.

Re Item 7.1.2, 4th clause: Financial reports in the course of the year have been and will be published within due time which in individual cases (i.e. for the half-yearly financial report, since it optionally undergoes a review by the auditor) may exceed 45 days from the end of the reporting period.

Dortmund, 10. September 2012

For the Supervisory Board



Gerd Pieper
Chairman

For Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Chairman of the Board of Directors



Thomas Treß
Director