

DECLARATION OF CONFORMITY

by the management and by the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA in accordance with § 161 AktG dated 7 September 2020

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 9 September 2019, Borussia Dortmund GmbH & Co. KGaA complied with the recommendations of the German Corporate Governance Code (the "Code") in the version dated 7 February 2017 (published in the Federal Gazette (*Bundesanzeiger*) on 24 April 2017 and amended on 19 May 2017) (the "2017 Code") until the publication of the new version of the Code in the Federal Gazette on 20 March 2020, as well as the recommendations of the Code in the version dated 16 December 2019 (the "2020 Code") from the date of its publication in the Federal Gazette on 20 March 2020, and that it will comply with the recommendations of the 2020 Code, 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):

DEVIATIONS FROM THE 2017 CODE

Re section 3.8 (3) of the 2017 Code: The D&O policy does not include a deductible because, to our understanding, the negotiation of a deductible will neither influence the behaviour of the members

of the executive bodies nor would it provide appropriate motivation.

Re section 4.1.3 sentence 3 first half-sentence of the 2017 Code:

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. This is generally known as a whistleblower system and guarantees that employees within the Group can anonymously, or in a manner that safeguards the confidentiality of their identity, report certain violations (e.g., an anonymous electronic communications platform). No such whistleblower system was put in place within our Company as there were other opportunities deemed appropriate and reasonable for employees to report – confidentially, if necessary – any violations of the law or internal Company guidelines. Apart from the fact that the Company was not legally obligated to establish a whistleblower system, the Company also considered in particular the potential drawbacks of a whistleblower system, namely the risk that such system could be misused and create an atmosphere of mistrust that adversely affects the corporate culture and employee morale.

Re section 4.2.1 sentence 2 of the 2017 Code:

The Supervisory Board of Borussia Dortmund GmbH & Co. KGaA has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements; this is incumbent upon the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. Its Managing Directors are Hans-Joachim Watzke (since February 2005, CEO since January 2006), Thomas

Treß (since January 2006) and Carsten Cramer (since March 2018). The Managing Directors' areas of responsibility have been sufficiently defined in their service agreements; moreover, 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 considered it unnecessary to stipulate additional rules of procedure for the management.

Re section 4.2.3 (6) of the 2017 Code: The Chairman of the Supervisory Board did not report to the Annual General Meeting on the fundamentals of the remuneration system or changes thereto because – as mentioned above – the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements.

Re section 5.1.2 (2) sentence 2 of the 2017 Code: The Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH decided 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 was not considered practicable to make any staffing decision based solely on timing and circumstances.

Re section 5.1.2 (2) sentence 3 of the 2017 Code: The Executive Committee did not specify an age limit for the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH as the general partner. This was not considered practicable.

Re sections 5.3.1 sentence 1, 5.3.2 and 5.3.3 of the 2017 Code: The Supervisory Board did not set up committees, specifically an audit committee. The full Supervisory Board wishes to discuss all issues as they arise, specifically with regard to monitoring the bookkeeping, the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements as well as compliance. This applies *mutatis mutandis* to the Supervisory Board's decision not to establish a nominating committee as recommended in the Code. Moreover, this committee already consists exclusively of shareholder representatives, as required of a nominating committee by the Code.

Re section 5.4.1 (2) sentences 1 and 2 and (4) sentences 1 and 2 of the 2017 Code: The Supervisory Board did not set any concrete objectives regarding its composition, nor did it specify an age limit for Supervisory Board members or prepare a profile of skills and expertise. The Supervisory Board preferred to decide on proposals relating to its composition on a case-by-case basis in light of specific situations. Consequently, no further information was reported on this recommendation or 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, remained mandatory (§ 278 (3) and § 111 (5) AktG as well as § 289f (3) and (2) no. 4 HGB).

Re section 5.4.1 (6) of the 2017 Code: In its election nominations to the Annual General Meeting, the Supervisory Board did 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). In its opinion, no secure legal practice exists with respect to this recommendation. The legal certainty of Supervisory Board elections took a higher priority than any effort to make legally unnecessary disclosures in connection with nominations.

Re section 5.4.3 sentence 3 of the 2017 Code: No proposed candidates for the office of Chairman of the Supervisory Board were disclosed because the Supervisory Board considered the individual election of its members to be sufficient and a vote at the Annual General Meeting for or against a candidate with respect to their position on the Supervisory Board to be impracticable.

Re section 5.5.3 sentence 1 of the 2017 Code: 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 section 3.5 (1) sentence 2 of the 2017 Code) generally takes precedence.

Re section 7.1.2 sentence 2 of the 2017 Code: The recommendation that the management discuss half-yearly and quarterly financial reports or interim financial information with the Supervisory Board prior to publication was not complied with. The objective of publishing interim financial reports without delay following their preparation by the management took precedence. Regardless, the Supervisory Board discussed and monitored such financial reports.

DEVIATIONS FROM THE 2020 CODE

Re recommendation A.2 sentence 2 first half-sentence of the 2020 Code:

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. This is generally known as a whistleblower system and guarantees that employees within the Group can anonymously, or in a manner that safeguards the confidentiality of their identity, report certain violations (e.g., an anonymous electronic communications platform). No such whistleblower system has been put in place at our Company to date and there are no plans to do so going forward. The Company offered and continues to offer what it considers to be appropriate and reasonable opportunities for employees to report – confidentially, if necessary – any violations of the law or internal Company guidelines. Apart from the fact that the Company is not legally obligated to establish a whistleblower system, the Company also considered in particular the potential drawbacks of a whistleblower system, namely the risk that such system could be misused and create an atmosphere of mistrust that adversely affects the corporate culture and employee morale.

Re recommendation B.4 of the 2020 Code: 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 of the 2020 Code: 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 of the 2020 Code: 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.13 of the 2020 Code: 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 recommendation D.1, second half-sentence of the 2020 Code: The new recommendation to publish the rules of procedure of the Supervisory Board on the Company's website was complied with at the end of August 2020. Since due to other priorities the recommendation was not complied with immediately after publication of the 2020 Code, a deviation is declared retrospectively as a precaution.

Re recommendations D.2, D.3 and D.5 of the 2020 Code: The Supervisory Board has not set up committees and nor will it do so going forward. The full Supervisory Board wishes to discuss all issues as they arise, specifically with regard to monitoring the bookkeeping, the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements as well as compliance. This applies *mutatis mutandis* to the Supervisory Board's decision not to establish a nominating committee as recommended in the Code. Moreover, this committee already consists exclusively of shareholder representatives, as required of a nominating committee by the Code.

Re recommendation E.1 sentence 2 of the 2020 Code: 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 of the 2020 Code) will generally take precedence.

Dortmund, 7 September 2020

On behalf of the Supervisory Board



Gerd Pieper
Chairman

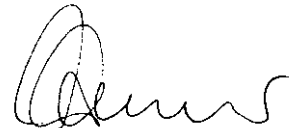
On behalf of Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (CEO)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director