

Corporate governance statement

Underlying principles of corporate activity

Good corporate governance is the guarantee of responsible management of the Company. It encompasses the entire corporate management and supervision system. This includes the Company's organisation, its values, business principles and policies, as well as internal and external control and monitoring mechanisms. The goal of good and transparent corporate governance is to ensure responsible management and control of the Company geared towards value creation. This goal is embedded in the underlying conditions set by the German Corporate Governance Code among other things.

Transparent corporate governance promotes trust in Bastei Lübbe AG on the part of national and international investors, the financial markets, customers and other business partners, employees and the general public. We provide information on our corporate governance practices at www.luebbe.com/de/investor-relations/corporate-governance.

Corporate governance statement pursuant to Sections 289f and 315d of the German Commercial Code

The principles of responsible and good corporate governance determine the actions of Bastei Lübbe AG's Executive Board and Supervisory Board. The Executive Board and the Supervisory Board seek to align the management and supervision of the Company with national and international standards. Efficient cooperation between the Executive Board and the Supervisory Board within the framework of open and transparent corporate communication is indispensable for this.

In addition to the declaration of conformity with the recommendations of the German Corporate Governance Code, the corporate governance statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) contains further information on corporate governance, particularly corporate governance practices, and a description of the working methods of the Executive Board and the Supervisory Board.

Declaration of conformity

The Executive Board and the Supervisory Board of Bastei Lübbe AG declare pursuant to Section 161 of the German Stock Corporation Act that, save for the following exceptions, the recommendations of the German Corporate Governance Code in the version dated 16 December 2019 (published in the official section of the Bundesanzeiger on 20 March 2020) (the "2020 Code") have been complied with since the last declaration of conformity was issued and that the recommendations of the German Corporate Governance Code in the version dated 28 April 2022 (published in the official section of the Bundesanzeiger on 27 June 2022) ("the 2022 Code") will be complied with in the future:

Supervisory Board committees (D.2 to D.5 of the 2020 Code, D.2 to D.4 of the 2022 Code)

The German Corporate Governance Code recommends that the Supervisory Board should form professionally qualified committees. As the Supervisory Board has only three members, it has not formed any committees at present as there would be no difference in the identity of their members. The members of the Supervisory Board thus hold joint responsibility for making decisions on all matters. If the Supervisory Board is enlarged in the future, a decision will be made on the formation of committees.

Publication of the consolidated financial statements and management report (F.2)

Contrary to the recommendation in F.2, the consolidated financial statements and the management report for the 2021/2022 financial year will not be made publicly available within 90 days of the end of the financial year due to the processes related to the audit of the annual financial statements.

Variable remuneration of Executive Board members (G.10 Sentence 2)

The German Corporate Governance Code recommends that long-term variable remuneration components granted should be accessible to Executive Board members only after a period of four years. In view of the Company's business strategy and the business cycle, a period of three years until the accessibility of the long-term variable remuneration components is considered appropriate.

Relevant disclosures on corporate governance practices and working methods of the Executive Board and the Supervisory Board

As a German public limited company, Bastei Lübbe AG is subject to German stock corporation law and therefore has a dual management and supervisory structure consisting of an Executive Board and a Supervisory Board. The tasks, powers and responsibilities of these two bodies are clearly defined by law and segregated in personnel terms.

For Bastei Lübbe AG, the fundamental principle of responsible corporate governance is to ensure efficient cooperation between the Executive Board and the Supervisory Board through a responsible and transparent corporate management and supervisory structure. Thus, a large number of issues were discussed in detail between the Supervisory Board and the Executive Board in the 2021/2022 financial year. The Supervisory Board monitored the actions of the Executive Board carefully and regularly and supported its activities continuously in an advisory capacity.

The Supervisory Board was always involved in all major decisions in a timely and appropriate manner. The Executive Board informed the Supervisory Board regularly, promptly and comprehensively in written or oral form about the course of business, the earnings and financial situation, the employment situation and personnel policy, short-, medium- and long-term corporate and financial planning and the strategic further development of the Company and its subsidiaries and associates. Any deviations from the plans were explained in detail to the Supervisory Board. The risk situation and risk management were subject to careful consideration at all times.

The Chairman of the Supervisory Board also maintained contact with the Executive Board outside of the meetings, which took place at regular intervals, and discussed the essential processes and upcoming decisions with it.

The requirements with regard to compliance with statutory provisions and internal regulations are for the most part laid down in the compliance rules adopted by the Supervisory Board and the Executive Board. Bastei Lübbe AG has also engaged an external compliance officer to deal with matters relating to compliance, which is defined as the adherence to rules and legal requirements and the integrity of processes and conduct within the Company. He engages in research and consults with the members of the Executive Board, department heads, the works council, other individual employees and the departmental staff in departmental meetings. The employees and third parties have the possibility of reporting any compliance violations to the compliance officer in a whistleblowing system. This can also be done anonymously. Reports can be submitted by e-mail, letter, telephone or in person. For this purpose, the compliance officer also has an internal e-mail account, holds monthly office hours and invites staff to contact him openly or anonymously, while guaranteeing confidentiality.

The compliance officer submitted a report to the Executive Board at the end of the 2021/2022 financial year, coming to the following conclusion: "There are no notable compliance problems and particularly no serious or even existential ones."

Allocation of responsibilities and working methods of the Executive Board

Bastei Lübbe AG's Executive Board manages the Company with the aim of creating sustainable value on its own responsibility and in the Company's interests, i.e. primarily taking into account the interests of the shareholders, its employees and other stakeholders. In doing so, it is not bound by the instructions of any third parties and acts in accordance with the law, the articles of association and the rules of procedure issued by the Supervisory Board as well as the resolutions passed at the annual general meeting. When filling management positions within the

Company, the Executive Board also pays attention to diversity and strives in particular for the appropriate inclusion of women. An enterprise-wide, formalised diversity strategy has not yet been implemented. The Executive Board and the Supervisory Board are of the opinion that diversity can be promoted and established even in the absence of a formalised diversity strategy.

Notwithstanding the principle of shared responsibility, under which all members of the Executive Board are jointly responsible for the management of the Company's business, each member of the Executive Board manages the department assigned to him/her on his/her own responsibility and is solely authorised to do so. In doing so, each member may submit to the full Executive Board any matters requiring a resolution. As a rule, Bastei Lübbe AG's Executive Board meets on a weekly basis.

However, issues that are assigned to the full Executive Board by law, the articles association or the rules of procedure of the Executive Board are dealt with and decided on jointly by all members. In particular, the members of the Executive Board make all fundamental decisions on business policy and strategy in close consultation with the Supervisory Board. To this end, the Executive Board informs the Supervisory Board of all issues and key topics relevant to the Company as a whole. The Executive Board's information and reporting duties are defined in detail by the Supervisory Board in the Executive Board's rules of procedure.

The Executive Board currently consists of Soheil Dastyari (Chief Executive Officer since 1 March 2022, responsible for strategy, business development, strategic management of the subsidiaries, corporate communications and human resources), Joachim Herbst (responsible for finance, IT, risk management, compliance and M&A), Sandra Dittert (responsible for distribution, marketing, press, novels, production and contract management) and Simon Decot (responsible for programme development). All members of the Executive Board have been appointed for a term of three years.

Together with the Executive Board, the Supervisory Board ensures long-term succession planning. As part of the process for long-term succession planning, the Supervisory Board ensures that the knowledge, skills and experience of the members of the Executive Board are varied and balanced in the best interests of the Company, also taking diversity considerations into account. One basis for long-term succession planning is provided by discussions between the Supervisory Board and the members of the Executive Board, through which the Supervisory Board also obtains an idea of the requirements for potential new candidates for Executive Board positions. Vacant positions on the Executive Board are filled on this basis, taking into account a candidate profile prepared by the Supervisory Board in each case.

The Supervisory Board has set an age limit for members of the Executive Board. The office of member of the Executive Board may only be held by persons who have not yet reached the age of 68 years. The Supervisory Board must take this into account when appointing members of the Executive Board and when entering into the corresponding service contract.

In accordance with the statutory requirements, the Executive Board has installed professional risk management and internal control systems. Every year, the annual report provides information on how these systems are structured and what significant risks and opportunities have currently been identified.

Remuneration of the members of the Executive Board

The current remuneration system for the members of the Executive Board is in line with the German Corporate Governance Code. The remuneration system was submitted to and approved by the shareholders at the annual general meeting held on 15 September 2020. The resolution and the system for the remuneration of the members of the Executive Board as well as the remuneration report are publicly available at <https://www.luebbe.com/de/investor-relations/>.

Working methods of the Supervisory Board

The task of the Supervisory Board is to advise and supervise the Executive Board in the management of the Company. The rules of procedure for the Executive Board contain a catalogue of measures that require the approval of the Supervisory Board. This applies in particular to decisions that are of fundamental importance for the Company. Furthermore, certain transactions of the Company with related parties require the consent of the Supervisory Board in accordance with Section 111b of the German Stock Corporation Act. The Company's articles of association and the rules of procedure of the Supervisory Board contain comprehensive guidelines for the work of the Supervisory Board. The rules of procedure of the Supervisory Board can be found at <https://www.luebbe.com/de/investor-relations/aufsichtsrat/geschaeftsordnung-fuer-den-aufsichtsrat>.

The Supervisory Board of Bastei Lübbe AG consists of three members elected by the shareholders. When candidates are proposed for election to the Supervisory Board, particular attention is paid to the knowledge, skills and professional experience required to perform the task in question. In this way, the Supervisory Board members provide the most effective supervision and support possible for the Executive Board in matters of strategic orientation. In addition, only persons who have not yet reached the age of 68 years at the time they are elected may be nominated for election to the Supervisory Board.

The Supervisory Board consists of Robert Stein (Chairman of the Supervisory Board, Managing Director of Arcana Capital GmbH and GHP Germany GmbH), member of the Supervisory Board since 30 November 2016, Dr Mirko Alexander Caspar (Deputy Chairman of the Supervisory Board, Co-Chairman of the Executive Board of Mister Spex SE), member of the Supervisory Board since 30 November 2016 and Prof. Dr Friedrich L. Ekey (member of the Supervisory Board, lawyer and professor of business law at Rheinische Fachhochschule in Cologne), member of the Supervisory Board since 30 November 2016. The function of financial expert within the meaning of Section 100 (5) of the German Stock Corporation Act is fulfilled by Mr. Robert Stein, who holds special knowledge of and experience in accounting and auditing. Dr. Mirko Caspar is also a financial expert with expertise in the field of accounting. A woman is to be included on Bastei Lübbe AG's Supervisory Board by the end of the current term of office at the latest. The Chairman coordinates the Supervisory Board's work, chairs its meetings and is responsible for its concerns and external representation. He maintains constant and regular contact with the Executive Board, in particular with the Chief Executive Officer, and discusses with him, both during and outside meetings, the main processes and upcoming decisions concerning the Company, particularly strategy and business performance as well as the risk situation, risk management and compliance. None of the members of the Supervisory Board are formerly members of the Executive Board.

At its meeting on 25 November 2021, the Supervisory Board discussed and reviewed the efficiency of its own activities with regard to effective supervision of and advice to the Executive Board. The Supervisory Board is of the opinion that Bastei Lübbe AG has sufficient organisational structures and systems to enable the Supervisory Board to fulfil its legal and statutory duties appropriately. The rules of procedure for the Supervisory Board and the defined procedures, the determination of transactions requiring approval as well as the timely and sufficient submission of information to the members of the Supervisory Board are decisive factors in ensuring that it can fulfil its supervisory duties in the required manner. On the basis of their qualifications and professional experience, the members of the Supervisory Board possess the knowledge required to fulfil their duties efficiently.

The Supervisory Board has adopted the following competence profile for the entire Board:

The Supervisory Board should be composed in such a way that its members jointly possess the necessary expertise, skills and professional experience to properly perform their duties. In particular, the Supervisory Board considers the following areas of competence and knowledge to be essential for the performance of its duties within the Company (competence profile): national and international business experience, management experience, understanding of the Company's business in the key areas of activity, digitalisation, finance, accounting, auditing, controlling/risk management, human resources, governance/compliance. The members of the Supervisory Board in their entirety must be familiar with the sector in which the Company operates as a result of their own experience in the media industry. At least one member of the Supervisory Board must have expertise in accounting and at least

one other member of the Supervisory Board must have expertise in auditing (financial experts within the meaning of Section 100 (5) of the German Stock Corporation Act).

The Supervisory Board has specified the following objectives for its composition:

- The Supervisory Board as a whole should have the knowledge, skills and professional experience required to perform its duties properly. With regard to its composition, the Supervisory Board strives to ensure that the aforementioned competence profile is fulfilled for the entire Board and that the areas of competence mentioned in it are duly covered.
- In addition, the Supervisory Board should have what it considers to be an appropriate number of independent members. For this purpose, more than half of the shareholder representatives should be independent of the Company and the Executive Board. If the Company has a majority shareholder, at least one shareholder representative should be independent of such majority shareholder.
- The Supervisory Board also takes account of diversity in its election proposals by encouraging a plurality of opinions and experience on the part of the candidates, for example with regard to age, gender, educational or professional background as well as international profile.
- The Supervisory Board aims to have one woman among its members by the end of the current term of office at the latest.
- At least one member of the Supervisory Board should have international business experience or another international connection.
- In accordance with the age limit determined by the Supervisory Board and specified in its rules of procedure, only candidates who have not yet reached the age of 68 years at the time they are elected may be nominated for election to the Supervisory Board.
- Conflicts of interest on the part of members of the Supervisory Board impede independent advice to and supervision of the Executive Board. The Supervisory Board determines its response to potential or actual conflicts of interest in each individual case within the framework of the law and in the light of the German Corporate Governance Code. Conflicts of interest should be avoided in the composition of the Supervisory Board.

The Supervisory Board believes that its current composition meets the aforementioned objectives and fulfils the competence profile. The members of the Supervisory Board as a whole possess the knowledge, skills and experience required to properly perform their duties. The Supervisory Board includes what it considers to be an appropriate number of independent members. The Supervisory Board believes that all its members are independent within the meaning of the German Corporate Governance Code.

Proposals of the Supervisory Board to the shareholders take into account the aforementioned objectives and aim to ensure compliance with the competence profile for the entire Supervisory Board. The Supervisory Board's decision on the election proposal to the shareholders is always guided by the Company's best interests in the light of all the circumstances of the individual case.

The Supervisory Board also considers the effectiveness of the audit of the financial statements and prepares the proposed resolution for submission to the annual general meeting concerning the election of the independent auditor. It discusses the auditing activities together with the independent auditor and assesses their quality in this connection.

Remuneration of the members of the Supervisory Board

The motion for a resolution on the remuneration of the Supervisory Board members submitted to the shareholders at the annual general meeting on 15 September 2021 and the remuneration report are publicly available at [https://www.luebbe.com/de/investor-relations/\[*\]](https://www.luebbe.com/de/investor-relations/).

Determination of targets and deadlines under Section 76 (4) and Section 111 (5) of the German Stock Corporation Act and current status of implementation

On 27 March 2019, the Supervisory Board decided that a woman should be included on the Supervisory Board after the end of the current term of office at the latest. Currently, the Supervisory Board does not have any female members, meaning that this target has not yet been reached. For the Executive Board, the Supervisory Board set a target gender representation ratio of 0 to 30% on 27 March 2019 and a deadline for achievement of this target by 30 June 2023. As the Executive Board has included a woman since 1 August 2020, this target has already been achieved.

On 2 September 2020, the Executive Board decided to set a target gender representation ratio of 50% for the two management levels below the Executive Board. As of the reporting date, the proportion of women in the top two management levels stood at 54%. Accordingly, the target figure has been achieved.

Avoidance of conflicts of interest

In the financial year under review, the members of the Executive Board and the Supervisory Board of Bastei Lübbe AG did not have any conflicts of interest subject to immediate compulsory disclosure to the Supervisory Board. No member of the Executive Board was a member of any other supervisory board required to be established by law or of a comparable domestic or foreign supervisory body.

Transparency

It is Bastei Lübbe AG's goal to ensure the greatest possible transparency and to provide all stakeholders with the same information at the same time. All stakeholders can obtain information on current developments at the Company via the Internet. The Company's ad hoc announcements are published in the "Investor Relations" section of the Bastei Lübbe AG website. Press releases and other corporate news are also made available there and our shareholders are kept informed of important dates by means of a financial calendar.

Information on corporate governance practices is available at www.luebbe.com/en/investor-relations/corporate-governance. The current and previous corporate governance declarations pursuant to Sections 289f and 315d of the German Commercial Code, the current and previous declarations of conformity to the German Corporate Governance Code, the non-financial statement pursuant to Sections 289c and 315c of the German Commercial Code (HGB) and the articles of association are also available there.

Securities transactions subject to compulsory disclosure

Under Article 19 of the EU Market Abuse Regulation, persons performing management duties, particularly the members of the Executive Board and Supervisory Board, as well as persons closely related to them, must report any trading transactions involving shares in the Company and related financial instruments. These are also published on the website at www.luebbe.com/en/investor-relations/corporate-governance/directors-dealings. No such transactions were reported to the Company during the reporting period.

Reporting and audit of the financial statements

The consolidated financial statements of Bastei Lübbe AG and the interim reports are prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU. The annual financial statements of Bastei Lübbe AG are prepared in accordance with the provisions of the German Commercial Code (HGB). Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Cologne, was elected as auditor for the 2021/2022 financial year at the annual general meeting held on 15 September 2021. Ebner & Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft ensures through internal rotation procedures that the audit activities are carried out with the necessary distance from the Company and, in particular, that the responsible auditors terminate their involvement in the audit of the Company's financial statements no later than five years after

their initial appointment. Before being proposed for election at the annual general meeting, the auditor declared to the Supervisory Board that there were no circumstances with respect to the relationship between him and the Company liable to cast any doubts on his independence. Under the terms of his engagement, it was agreed that he would inform the Chairman of the Supervisory Board without delay of all findings and occurrences of significance for his duties that came to his attention during the performance of the audit. It was also agreed that the auditor would inform the Chairman of the Supervisory Board without delay and make a note in the audit report if, during the performance of the audit, he ascertained any facts indicating any misstatements in the declaration on the German Corporate Governance Code issued by the Executive Board and the Supervisory Board.

Cologne, July 2022

For the Supervisory Board



Robert Stein
Chairman of the Executive Board

For the Executive Board



Soheil Dastyari
Chief Executive Officer