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This assurance report is issued for purposes of the Management of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin, only.

Our assignment for the Management of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin, and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017.

[AAB \(PDF, english\) 303 KB](#)

By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions of the General Engagement Terms (including the limitation of our liability for negligence to EUR 4 million as stipulated in No. 9) and accepts the validity of the General Engagement Terms with respect to us.

## "9 Liability

**(1)** For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

**(2)** Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: Produkthaftungsgesetz], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

**(3)** The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

**(4)** When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

**(5)** An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

**(6)** A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected."

# Limited Assurance Report of the Independent Auditor regarding the Use of Proceeds related to the Eligible Social Project Portfolio as defined in the Social Finance framework of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin – Allocation Report

To Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin

We have been engaged to perform an independent limited assurance engagement on the selected qualitative and quantitative disclosures related to the use of bond proceeds for the Eligible Social Project Portfolio marked with the symbol “(√)” in the Appendix “Social Bond Reporting 2021” (further “the Report”) of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin, (further “the Company” or “Gewobag”). Our engagement in this context relates solely to the disclosures marked with the symbol “(√) ”.

It was not part of our engagement to review the Social Finance Framework of Gewobag.

## **Management’s Responsibility for the Report**

The legal representatives of the Company are responsible for the preparation of the Report in accordance with the Reporting Criteria. Gewobag applies the principles and standard disclosures of its Social Finance Framework as Reporting Criteria for the preparation of the Report. Reporting Criteria for the Eligible Social Project Portfolio are set out in section 3 “Use of proceeds” of the Social Finance Framework. The value of the Eligible Social Project Portfolio has been determined using the valuation methodology which has been applied in the Consolidated IFRS Financial Statements of Gewobag and its subsidiaries as at and for the year ended 31 December 2021.

The responsibility of the legal representatives of Gewobag includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for selected qualitative and quantitative disclosures which are reasonable under the given circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Report in a way that is free of – intended or unintended – material misstatements.

## Responsibility of the Independent Auditor

It is our responsibility to express a conclusion on the selected qualitative and quantitative disclosures related to the use of bond proceeds for the Eligible Social Project Portfolio marked with the symbol “(√)” in the Appendix “Social Bond Reporting 2021” of Gewobag based on our work performed within a limited assurance engagement.

We conducted our work in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, published by the International Auditing and Assurance Standards Board (IAASB).

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the abovementioned information in the Report of the Company has not been prepared, in all material respects, in accordance with the Reporting Criteria for the Eligible Social Project Portfolio are set out in section 3 “Use of proceeds” of the Social Finance Framework.

As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the independent auditor’s own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures:

- Inquiries of personnel on group level responsible for the disclosures related to the Use of Proceeds regarding the Eligible Social Project Portfolio in the Report, in order to gain an understanding of the processes for the data management
- Interviews with relevant staff on corporate level responsible for providing and consolidating the data and information, as well as carrying out internal control procedures on the data and information
- Evaluation of the design and implementation of the systems and processes for the collection, processing and control of the quantitative disclosures included in the scope of the Use of Proceeds regarding the Eligible Social Project Portfolio in the Report
- Evaluation of selected internal and external documents
- Assessment of local data collection and reporting processes and reliability of reported data via a sampling survey
- Reviewing the consistency of the eligibility criteria declared in the Social Finance Framework with the reported information in the Report
- Recalculation whether the reported Eligible Social Project Portfolio is aligned with the eligibility criteria set out in the Social Finance Framework

Our assurance does not extend to any other information in the Report. We have neither reviewed and do not provide any assurance over any individual project information reported, nor is the reporting on the project evaluation and selection and the management of proceeds part of our assurance procedures.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

### **Independence and Quality Assurance on the Part of the Auditing Firm**

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

### **Conclusion**

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the qualitative and quantitative disclosures related to the use of bond proceeds for the Eligible Social Project Portfolio marked with the symbol “(√)” in the Appendix “Social Bond Reporting 2021” of Gewobag Wohnungsbau-Aktiengesellschaft, Berlin, included in the scope of this engagement has not been prepared, in all material respects, in accordance with the Reporting Criteria.

### **Restriction of Use/General Engagement Terms**

This assurance report is issued for purposes of the Management of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin, only. We assume no responsibility with regard to any third parties.

Our assignment for the Management of Gewobag Wohnungsbau-Aktiengesellschaft Berlin, Berlin, and professional liability as described above was governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated 1 January 2017 ([https://www.kpmg.de/bescheinigungen/lib/aab\\_english.pdf](https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf)). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Berlin, 26 April 2022

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Signiert von  
René Drotleff  
am 26.04.2022

Drotleff  
Wirtschaftsprüfer  
[German Public Auditor]

Signiert von  
Merten Lommatzsch  
am 26.04.2022

Lommatzsch  
Wirtschaftsprüfer  
[German Public Auditor]

## Appendices

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# Appendices



Appendix 1

Social Bond Reporting







**Gewobag**  
Die ganze Vielfalt Berlins.

# Social Bond Reporting 2021



**Gewobag**  
**Wohnungsbau-Aktiengesellschaft Berlin**

Stand: 31.12.2021

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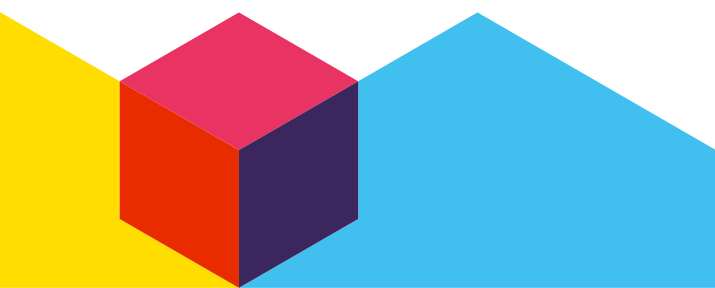
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# 1. Gewobag Social Bond

## Key Data

Key Data	
Issuer	Gewobag Wohnungsbau-Aktiengesellschaft Berlin LEI: 529900RHNCK0OF2WAB70
Series	Series 1 under the EUR 5,000,000,000 Debt Issuance Program (DIP) of 2nd June 2021
Bond Rating	A2 (Moody's)
Volume	EUR 500,000,000
Issuance Date	24th June 2021
Maturity	24th June 2027 (6 years)
Interest	0.125% p.a.
Margin	MS + 50bps
Yield	0.303%
Joint Bookrunners	J.P. Morgan, ING Bank N.V., Unicredit Bank AG
ISIN Code	DE000A3E5QW6



## 2. Allocation Report

Eligible Social Project Portfolio			Social Funding				
SBP Category	SDG Category	Amount (EUR)	Instrument (ISIN)	Issuance Date	Maturity Date	Amount (EUR)	Type
Affordable Housing	<b>Goal 1:</b> No Poverty  <b>Goal 9:</b> Industry, Innovation and Infrastructure  <b>Goal 11:</b> Sustainable cities and communities	12,417,362,000 ✓	DE000A3E5QW6	24th June 2021	24th June 2027	500,000,000 ✓	Senior non-preferred
<b>Eligible Social Project Portfolio Total</b>		<b>12,417,362,000 ✓</b>	<b>Social Funding Total</b>			<b>500,000,000 ✓</b>	

### Portfolio Detail

- Percentage of Eligible Social Project Portfolio allocated to net proceeds of Social Funding: 4.03%
- Percentage of net proceeds from Social Funding allocated to the Eligible Social Project Portfolio: 100%



# 3. Impact Report

Project Category		Target Population		Allocation Information			Allocation Information				
SBP Category	SBP Sub-category	SDG Addressed	Target Group	Eligible Social Portfolio Amount	Share of Total Amount	Eligibility of Social Funding	Allocated Amount	Housing units let pursuant to the rent stipulations of the WoVG Bin and the KoopV	Housing units newly let or re-let to persons entitled to a WBS	Average customary local comparable rent	Average portfolio rent
name			name	EUR	%	% of signed amount	EUR	# housing units		EUR/sqm	
Affordable Housing	Social Housing	<b>Goal 1:</b> No Poverty <b>Goal 9:</b> Industry, Innovation and Infrastructure <b>Goal 11:</b> Sustainable cities and communities	<p>i. Persons entitled to a WBS according to the Berlin income limits<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>a. One-person house hold: EUR 16,800 per annum;</li> <li>b. Two-person house hold: EUR 25,200 per annum;</li> <li>c. Plus for each further person who is counted as belonging to the household: EUR 5,740 per annum;</li> <li>d. Surcharge for each child belonging to the household: EUR 700 per annum.</li> </ul> <p>ii. The net cold rent is more than 30 per cent of the income of a tenant (hardship case regulation)<sup>2</sup></p> <p>iii. Broad segments of the population<sup>3</sup> with low and average incomes in order to retain the value of a socially diverse city<sup>4</sup></p>	12,417,362,000	100%	100%	500,000,000	73,157	2,407	706	6,29
				12,417,362,000	100%	100%	500,000,000	73,157	2,407	706	6,29

1 to be found at: [https://www.stadtentwicklung.berlin.de/wohnen/mietereibel/de/mf\\_wbs.shtml](https://www.stadtentwicklung.berlin.de/wohnen/mietereibel/de/mf_wbs.shtml);

2 Tenants have an entitlement, who fall short of the income limits for a WBS (Section 9 Para. 2 WoFG + 40%). The legal basis is Article 2 Sections 2.3 Berlin Housing Supply Act [Berliner Wohnraumversorgungsgesetz - WoVG Bln].

3 Special offers for groups with special requirements such as students, persons who receive transfer payments, refugees and senior citizens offer an additional social value to the letting to persons entitled to a WBS;

4 Object of the company pursuant to § 2 of the statutes; social task of the reasonably-priced provision of inexpensive housing is therefore a central purpose of the company; 2009 requirements.

## 4. Selected Building Projects

### Dolgensee-Center

- **Address:** Dolgenseestr. 8, 8A, 11A  
10319 Berlin-Friedrichsfelde
- **Construction Period:** 2018 – 2021
- **Housing Units**  
Total Number of Housing Units: 678  
Thereof Barrier-free: 232  
Thereof Subsidized: 50%
- **Target Net Rent per Month**  
Non-subsidized Housing Units: Ø 9.90 EUR/sqm  
Subsidized Housing Units: from 6.00 EUR/sqm  
Total Average: Ø 8.22 EUR/sqm



### WATERKANT Berlin

- **Address:** Waterkant Teilprojekt 2a  
13599 Berlin-Haselhorst
- **Construction Period:** 2020 – 2023
- **Housing Units**  
Total Number of Housing Units: 482  
(of which 206 completed by the end of 2021)  
Thereof Barrier-free: 350  
Thereof Subsidized: 50%
- **Target Net Rent per Month**  
Non-subsidized Housing Units: Ø 11.00 EUR/sqm  
Subsidized Housing Units: from 6.50 EUR/sqm  
Total Average: Ø 8.75 EUR/sqm



## Berlin-Falkenberg

- **Address:** Ahrensfelder Chaussee 95-121  
13057 Berlin-Falkenberg
- **Construction Period:** 2016 – 2024
- **Housing Units**  
Total Number of Housing Units: 606  
(of which 359 completed by the end of 2021)  
Thereof Barrier-free: 107  
Thereof Subsidized: 40%
- **Target Net Rent per Month**  
Non-subsidized Housing Units: Ø 10.94 EUR/sqm  
Subsidized Housing Units: from 6.00 EUR/sqm  
Total Average: Ø 10.19 EUR/sqm



## Berlin-Lichtenberg

- **Address:** Rhinstr. 143  
10315 Berlin-Friedrichsfelde
- **Construction Period:** 2019 – 2022
- **Housing Units**  
Total Number of Housing Units: 317  
(of which 256 completed by the end of 2021)  
Thereof Barrier-free: 248  
Thereof Subsidized: 50%
- **Target Net Rent per Month**  
Non-subsidized Housing Units: Ø 11.00 EUR/sqm  
Subsidized Housing Units: from 6.50 EUR/sqm  
Total Average: Ø 9.37 EUR/sqm





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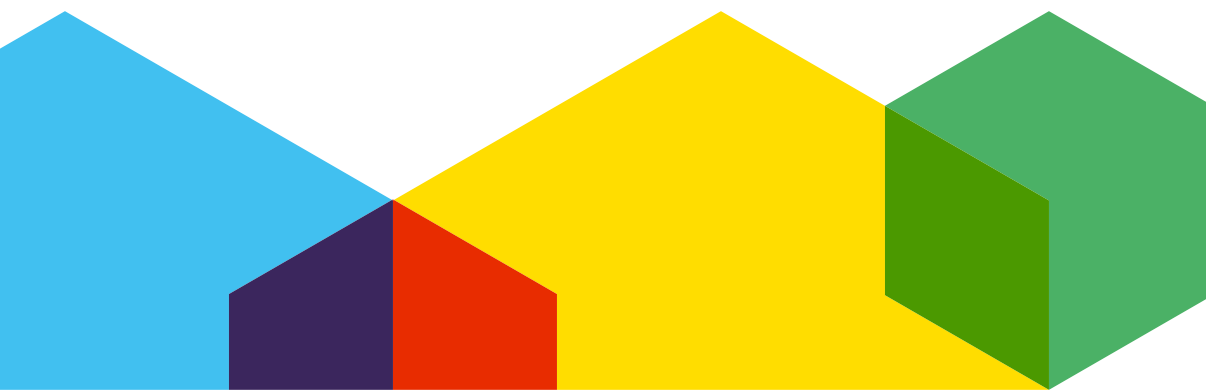
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Appendix 2  
General Engagement  
Terms



# General Engagement Terms

## for

### Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

#### [German Public Auditors and Public Audit Firms]

#### as of January 1, 2017

#### 1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

#### 2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

#### 3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

#### 4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

#### 5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

#### 6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

#### 7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: *The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

#### 8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

#### 9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

## 10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

## 11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

## 12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

## 13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

## 14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

## 15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.