

# Conditions for access

This assurance report is issued for purposes of the Management of Vonovia SE, Bochum, only.

Our assignment for the Management of Vonovia SE, Bochum, 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 selected qualitative and quantitative Disclosures related to the Use of Proceeds for eligible green projects (Green Buildings) of Sustainable Finance Framework – Allocation Report of Vonovia SE

To Vonovia SE, Bochum

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 eligible green and social eligible portfolio marked with the symbol “(√)” in the Appendix “Allocation & Impact Reporting” of Vonovia SE, Bochum, (further “the Company”), as of 30 June 2023 (further “the Report”). Our engagement in this context relates solely to the disclosures marked with the symbol “(√)”.

It was not part of our engagement to review the Sustainable Finance Framework of Vonovia SE.

## 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. Vonovia SE applies the principles and standard disclosures of Sustainable Finance Framework as Reporting Criteria for the preparation of the Report. Reporting Criteria for the eligible green and social projects includes the valuation methodology as set out in the document “Eligibility Criteria” of the Sustainable Finance Framework of Vonovia SE (further the “Reporting Criteria”).

The responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for selected qualitative and quantitative sustainability 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.

## Practitioner's Responsibility

It is our responsibility to express a conclusion on the Report 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 above mentioned sustainability information in the Report of the Company as of October 2023 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

We do not, however, issue a separate conclusion for each disclosure. 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 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 use of proceeds of green assets, 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 uses of proceeds of green assets
- 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 eligible green and social assets category declared within the Eligibility Criteria by Sustainable Finance Framework of Vonovia SE with reported information in the Report.
- Verification whether the reported eligible green and social assets are aligned with the eligibility criteria set out in the Sustainability Finance Framework

Our assurance does not extend to any other information in the Report. We will neither review 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.

Furthermore, the verification of the issue conditions of the Green Bonds and Social Bonds including issue volume and the process for internal tracking of disposition of funds is not part of our limited assurance engagement. We have no responsibility for challenging the Eligibility Criteria and, in particular, we give no interpretation on the final terms.

In addition, the social assets for “Affordable housing” in Germany with the eligibility criteria “Housing units which are let based on the German law on Social Subsidized Housing, whereby the tenant has to have received a so-called WBS (Wohnberechtigungsschein or Housing Entitlement Certificate)” are excluded within our scope for the limited assurance engagement.

The verification of the issue conditions of the Green and Social Bonds (including issue volume) and the process for internal tracking of disposition of funds was not part of our limited assurance engagement.

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 selected qualitative and quantitative disclosures related to the “Use of Proceeds for eligible green and social eligible portfolio (Green Buildings)” marked with the symbol “(√)” in the Appendix “Allocation & Impact Reporting” of Vonovia SE, as of June 2023 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 Vonovia SE, Bochum, only. We assume no responsibility with regard to any third parties.

Our assignment for the Management of Vonovia SE, Bochum, 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.

Düsseldorf, 20 December 2023

KPMG AG  
Wirtschaftsprüfungsgesellschaft



Marc Stauder  
20.12.2023

Stauder  
Wirtschaftsprüfer  
[German Public Auditor]



Claudia Fielenbach  
20.12.2023

Fielenbach  
Wirtschaftsprüferin  
[German Public Auditor]

## Appendices

Allocation & Impact Reporting	Appendix 1
General Engagement Terms	Appendix 2

# Appendices



# **Appendix 1**

## **Allocation & Impact Reporting**





# Allocation & Impact Reporting

as of June 2023

VONOVIA



Vonovia's sustainable portfolio consists of assets which are located in Germany, Austria and Sweden on the one hand and which meet the green and social criteria defined in the Sustainable Finance Framework on the other hand.

The sustainable portfolio<sup>1</sup> has a volume of around EUR 28,000,000,000. It consists of green assets with a volume of approximately EUR 11,550,000,000 and social assets with a volume of approximately EUR 16,450,000,000; approximately EUR 4,697,000,000 of the social assets are accounted for by properties with a certificate of eligibility for housing (Wohnberechtigungsschein)<sup>2</sup>.

Vonovia has issued sustainable bonds<sup>3</sup> with a volume of EUR 5,288,000,000. In addition, there are green development loans and green loans with a total volume of EUR 1,708,000,000, so that sustainable liabilities add up to an amount of EUR 6,997,000,000.

Accordingly, all sustainable liabilities issued are fully allocated.



<sup>1</sup> Market values with valuations 31.12.2022, according to current annual report

<sup>2</sup> Not part of the audit scope of KPMG

<sup>3</sup> as of June 2023



# Allocation

## LIABILITIES

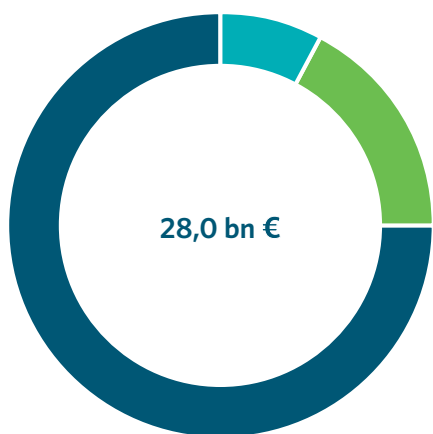
Type	ISIN	Terms (yrs)	Maturity	Volume (€)
green	DE000A3E5FR9	10	24.03.2031	600,000,000
green	DE000A3MQS72	10	25.03.2032	850,000,000
green	XS2368364449	5	08.04.2027	62,989,500
green	DE000A30VQB2	8	23.11.2030	750,000,000
green	DE000A3H25P4	10	07.04.2031	318,300,000
green	DE000A3H25Q2	20	07.04.2041	265,400,000
				2,846,689,500
green	Loan			150,000,000
promotional loan				1,558,463,560
<b>green liabilities</b>				<b>4,555,153,060</b>
social	DE000A3MQS56	3.85	28.01.2026	850,000,000
social	DE000A3MQS64	6.25	28.06.2028	800,000,000
social	XS2368364522	2	08.04.2024	41,993,000
social	DE000A30VQA4	4.5	23.05.2027	750,000,000
<b>social liabilities</b>				<b>2,441,993,000</b>



## ASSETS

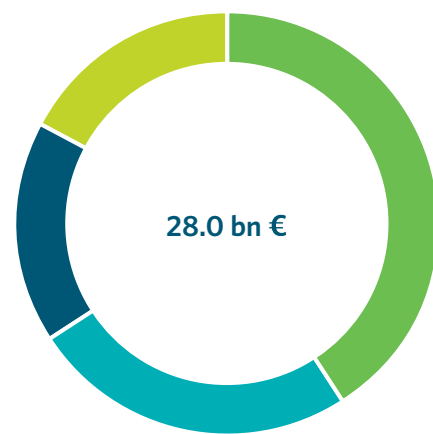
Eligible portfolio	KPMG	Volume (€)
Green	✓	11,558,032,667
Affordable Housing	✓	7,113,896,434
WBS	✓	4,697,206,093
Low Barrier	✓	4,667,088,503
<b>Sustainable Assets</b>		<b>28,036,223,697</b>

Assets per region



■ Germany ■ Sweden ■ Austria

Assets per category



■ Green ■ Affordable Housing ■ WBS ■ Low Barrier

✓ Certificated by KPMG

# Impact Reporting



## A. GREEN BUILDINGS

### Ownership/Acquisition (7.7)

Eligible portfolio #assets	Germany	Austria	Sweden	Total
assets EPC A+	0	39	0	39
assets EPC A	4,472	1,291	0	5,763
assets EPC B	53,719	-	29	53,748
assets EPC C <sup>1</sup>	-	-	680	680

#### Eligible Portfolio

final energy demand kWh <sup>2</sup>	285,268,091	6,085,078	4,755,646	296,108,814
CO <sub>2</sub> emission t	62,864	1,230	279	64,373
Ø final energy kWh/sqm <sup>2</sup>	64	55	76	64
Ø CO <sub>2</sub> emission kg/sqm	14,02	11,12	4,43	13,82

#### Reference Portfolio

final energy demand kWh	658,264,215	21,615,766	7,748,886	687,628,867
CO <sub>2</sub> emission t	155,350	3,783	418	159,552
Ø final energy kWh/sqm	146,80	195,40	123,20	177,16
Ø CO <sub>2</sub> emission kg/sqm	34,64	34,20	6,65	34,26

#### Savings

final energy demand kWh	372,996,125	15,530,688	2,993,240	391,520,053
CO <sub>2</sub> emission t	92,486	2,553	140	95,178

### Modernisation (7.2)

#### Before modernisation

final energy demand kWh <sup>2</sup>	69,969,858		69,969,858
CO <sub>2</sub> emission t	10,125		10,125

#### After modernisation

final energy demand kWh <sup>2</sup>	38,228,476		38,228,476
CO <sub>2</sub> emission t	5,532		5,532

#### Savings

final energy demand kWh	31,741,382		31,741,382
CO <sub>2</sub> emission t	4,593		4,593

<sup>1</sup> only eligible for Swedish Assets

<sup>2</sup> Calculation based on Final Energy Demand as this is EPC methodology. The %tage reduction of primary energy and site energy is the same, as long as you do not switch the energy source.



## New Construction (7.1)

Eligible portfolio #assets	Germany	Austria	Sweden	Total
# assets	636			
# sqm	44,341			
<b>GEG requirement</b>				
primary energy demand kwh	2,107,102			2,107,102
<b>Reference Portfolio</b>				
primary energy demand kwh	1,134,061			1,134,061

## B. AFFORDABLE HOUSINGS

	GERMANY		AUSTRIA	SWEDEN
	WBS	OVM KPI	WGG/MRG	vulnerable Areas
Units	36,965	10,216	17,259	21,845
Area	2,370,643	682,530	1,296,873	1,593,564
Average Rent €/sqm	5.79	5.61	4.57	9.70
<b>Comparable Rents</b>				
Vonovia Average Rent €/sqm per Country	7.40	7.40	5.18	9.73
OVM Average Rent €/sqm		6.73	-	-
Green Assets - Average Rent €/sqm	7.98	7.98	7.69	10.08

## C. LOW BARRIER

	GERMANY
Units	33,057
Properties	18,187
% Assets DE (Units)	7%







# **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.