Audit Report

Annual Financial Statements as of 31 December 2025

Renewables Grid Initiative e.V.
Berlin

Forvis Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

141880

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The tables may contain rounding differences that vary from values derived from mathematical calculations.

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INDEX OF ABBREVIATIONS

AcP	Accounting Principle
AO	*Abgabenordnung:* German Fiscal Code
AuS	Auditing Standard of the IDW
e.V.	*eingetragener Verein*: Registered Association
HFA	*Hauptfachausschuss:* Main technical committee of the Institute of Public Auditors in Germany
HGB	*Handelsgesetzbuch:* German Commercial Code
IDW	*Institut der Wirtschaftsprüfer in Deutschland e.V., Düsseldorf:* Institute of Public Auditors in Germany
n. F.	*Neue Fassung:* new version
RGI	Renewables Grid Initiative e.V., Berlin

To Renewables Grid Initiative e.V., Berlin

A. AUDIT ENGAGEMENT

We were engaged by the management of

Renewables Grid Initiative e.V.
Berlin
(hereinafter also "Association" or "RGI")

to audit and to report on the annual financial statements for the financial year ending 31 December 2025.

As a registered Association, RGI is not obliged to keep accounting records and prepare financial statements according to HGB but has instead kept such records pursuant to § 239 et seq. HGB voluntarily and has also prepared annual financial statements comprising a balance sheet and an income statement and had these audited by an external auditor, again voluntarily.

In performing the audit engagement awarded to us by the management of the Association, we conducted our audit of the annual financial statements as of 31 December 2025 together with the accounting system in accordance with § 317 HGB (German Commercial Code) [Handelsgesetzbuch] and the German generally accepted standards for the audit of financial statements.

In accordance with § 321 (4a) HGB, we confirm our observance of the applicable regulations governing independence during the performance of our audit.

This audit report has been prepared by us in accordance with the generally accepted standards for the preparation of audit reports (IDW PS 450 n. F. (10.2021)).

The performance of our engagement and our responsibility, also towards any third parties, are governed by the general engagement terms for German public auditors and public audit firms as amended on 1 January 2024, attached as an appendix. Accordingly, our liability is limited in accordance with No. 9 of the general engagement terms. Towards third parties, No. 1 (2) and No. 9 of the general engagement terms apply.

B. REPRODUCTION OF THE AUDITOR'S REPORT

We issued the following unqualified auditor's report. This document is a translation of the German auditor´s report, which is the solely legally binding version.

"**Independent auditor's report**

To Renewables Grid Initiative e.V., Berlin

Audit opinion

We have audited the annual financial statements of Renewables Grid Initiative e.V., which comprise the balance sheet as of 31 December 2025 and the income statement for the financial year from 1 January 2025 to 31 December 2025.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to all merchants.

Pursuant to § 322 Abs. 3 sent. 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for the audit opinion

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institute of Public Auditors in Germany (IDW) [Institut der Wirtschaftsprüfer in Deutschland]. Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements" section of our auditor's report. We are independent of the Association in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

Responsibilities of the executive directors for the annual financial statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to all merchants.

In addition, the executive directors are responsible for such internal controls as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Association's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Auditor's responsibilities for the audit of the annual financial statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor's report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institute of Public Auditors (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal controls relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls of the Association.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Association to cease to be able to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.”

C. SUBJECT, NATURE AND SCOPE OF THE AUDIT

I. Subject of the audit

The subject of our audit was the annual financial statements prepared in accordance with the principles of German commercial law and the supplementary provisions of the articles of association together with the accounting of the Association.

We point out that the management of Renewables Grid Initiative e.V. is responsible for the accounting and the preparation of the annual financial statements and the internal controls established for this purpose and the information provided to the auditor.

In preparing the annual financial statements, the legal representatives are responsible for assessing the Association's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. Furthermore, they are responsible for preparing the annual financial statements on the basis of the going concern principle, unless this is precluded by factual or legal circumstances.

Our responsibility is to issue an opinion on the annual financial statements together with the accounting records based on the audit we have performed.

An audit of compliance with other statutory provisions was part of our audit engagement only to the extent that such other provisions customarily have an effect on the annual financial statements.

II. Nature and scope of the audit

Our audit was conducted in accordance with § 317 HGB and the German generally accepted auditing standards required for the audit of financial statements as promulgated by the Institute of Public Auditors in Germany (IDW) [Institut der Wirtschaftsprüfer in Deutschland]. Those standards require that we plan and perform the audit such that misrepresentations due to fraud or error materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting are detected with reasonable assurance.

The subject of our engagement was neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust, nor regulatory offences committed outside the scope of accounting. Pursuant to § 317 (4a) HGB, an audit of the financial statements also does not have to cover whether the Association's ability to continue as a going concern or the effectiveness and efficiency of the management can be assured.

However, we have planned and performed the audit to obtain reasonable assurance about whether the accounting records are free from material misstatement. The legal representatives of the Association are responsible for the establishment and implementation of suitable measures to prevent or detect irregularities; monitoring is the responsibility of management, which also takes into account the risk of circumvention of control measures.

The audit included assessing the accounting policies, measurement methods and classification principles applied, and significant estimates made by the management as well as critically evaluating the overall presentation of the annual financial statements.

Our starting point was the prior year's annual financial statements as of 31 December 2024 audited by us and the unqualified audit opinion thereon.

On the basis of the risk of material misstatements, we prepared a risk profile for disclosures in the accounting. For this purpose we conducted audit procedures for assessing risk and first obtained an understanding of the Association as well as an overview of its economic and legal environment. Based on this understanding, we analysed the objectives and strategies of the Association as well as their implementation in order to determine business risks that could lead to significant errors in accounting.

Based on discussions with management, the examination of the Association's organisational documents and our professional judgement, we reviewed and assessed the design of the Association's internal controls and which measures the Association had taken to particularly ensure the propriety and reliability of the accounting in order to mitigate business risks, but not with the purpose of expressing an opinion on the effectiveness of the Association's internal controls.

On the basis of our risk assessment, we subsequently identified specific audit areas and developed the audit plan accordingly. In this audit plan we determined the focus of the audit and the audit objectives for each audit area as well as the nature and scope of the audit procedures. The chronological sequence of the audit and staff deployment was also planned therein.

The following key audit points were established in the reporting year:

- Audit procedures used to obtain evidence for the audit consisted of analytical audit steps and substantive testing
- Revenue recognition
- Existence of cash and cash equivalents
- Presentation of the Association's reserves
- Accuracy of deferred income

Due to the manageable size of the Association and the low complexity of the organisational structures and internal controls, we primarily performed statement-based audit procedures (analytical audits and case-by-case reviews), in particular:

- Obtaining bank confirmations
- Obtaining confirmations from lawyers
- Obtaining confirmations from tax advisors

We performed the audit - in accordance with our time schedule – from October 2025 to June 2026.

The management provided us with all explanations and evidence we requested.

In the written letter of representation provided to us, the legal representatives of the Association assured us that the explanations and evidence were complete. Furthermore, they stated that all business transactions had been recorded and disclosed in the annual financial statements.

D. FINDINGS ON AND EXPLANATIONS OF THE ACCOUNTING

I. Generally accepted accounting principles

1. Accounting records and other documents audited

Our audit verified that the formal and material propriety of the accounting complied with German generally accepted accounting principles and other legal requirements.

The accounting records of the Association were maintained properly. The records were complete. Based on the findings of our audit, the accounting records and other documents audited complied in all material respects with legal regulations and the supplementary provisions of the articles of association. The information extracted from other documents audited was in all material respects properly reflected in the accounting records and in the annual financial statements.

The organisation of the accounting, the accounting-related internal controls, data flows and recordkeeping were fundamentally appropriate for ensuring the completeness, the accuracy, the timely and orderly recording and booking of business transactions.

2. Annual financial statements

The annual financial statements we have audited for the financial year from 1 January 2025 to 31 December 2025 have been in all material respects properly derived from the accounting records and the underlying documents of the Association. The balance sheet and the income statement were in all material respects prepared in accordance with German commercial law and regulations governing the accounting for associations including the principles of proper accounting and the supplementary provisions of the articles of association.

The opening balances were properly taken over from the prior year's annual financial statements. Statutory regulations on recognition, disclosure and measurement were in all material respects observed.

Size-related relief in accordance with § 274a HGB and § 288 HGB was exercised appropriately.

The Association did not prepare any notes as it is not required by law. All required disclosures have been disclosed below the balance sheet.

II. Overall presentation of the annual financial statements

1. Explanations on the overall presentation of the annual financial statements

On the basis of the audit we performed by executing our professional duties, we are of the opinion that the annual financial statements as a whole give a true and fair view of the net assets, financial position and results of operations of the Association in accordance with generally accepted accounting principles.

2. Measurement bases

The Association did not prepare any notes.

In conjunction with our audit, we did not determine any changes in the measurement bases (exercising accounting policy and measurement options as well as using discretionary judgement) nor any measures designed to have a significant influence on the net assets, financial position and results of operations of the Association.

The following significant accounting and valuation methods were applied in the annual financial statements:

The difference between the carrying amounts of assets and liabilities is presented as equity in the balance sheet in accordance with IDW AcP HFA 14 No. 35. Due to the fact that RGI is a non-profit organization pursuant to § 51 et seq. AO, any remaining net assets are presented as an equity reserve in the balance sheet in accordance with § 62 AO. For disclosure purposes a thereof remark is added to inform about the amount of earmarked or project-bound reserves.

The income statement has been extended to include the appropriation of profit and loss in line with IDW AcP HFA 14 No. 39. Additions to/deductions from the reserves are presented in the appropriation of profit and loss.

E. FINAL REMARKS

Publication or reproduction of the annual financial statements of Renewables Grid Initiative e.V., Berlin, for the financial year from 1 January 2025 to 31 December 2025 in a form different from the certified form, which is attached as an appendix to this report, again requires our consent if our auditor's report is quoted or if reference is made to our audit. We herein refer to § 328 HGB.

Berlin, 4 June 2026

Forvis Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Signed by: Helge Schäfer	Signed by: Lempart, Nils
Helge Schäfer	Nils Lempart
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]
17.06.2026	16.06.2026

APPENDICES

Anlage 1

Renewables Grid Initiative e.V., Berlin

Amtsgericht Berlin (Charlottenburg) VR 32907

BILANZ zum 31. Dezember 2025

A K T I V A	31.12.2025 EUR	31.12.2024 EUR
A. ANLAGEVERMÖGEN		
I. Immaterielle Vermögensgegenstände	57.384,83	130.575,20
II. Sachanlagen	21.661,00	37.433,00
	79.045,83	**168.008,20**
B. UMLAUFVERMÖGEN		
I. Forderungen und sonstige Vermögensgegenstände		
1. Forderungen aus Lieferungen und Leistungen	489.159,56	486.746,04
2. Sonstige Vermögensgegenstände	23.098,07	38.969,45
	512.257,63	525.715,49
II. Kassenbestand und Guthaben bei Kreditinstituten	4.218.282,60	4.234.762,67
	4.730.540,23	**4.760.478,16**
C. RECHNUNGSABGRENZUNGSPOSTEN	**24.252,16**	**26.048,42**
	4.833.838,22	**4.954.534,78**

P A S S I V A	31.12.2025 EUR	31.12.2024 EUR
A. EIGENKAPITAL		
Rücklagen gemäß § 62 AO	1.194.068,13	1.204.621,41
- davon zweck- bzw. projektgebundene Rücklagen: EUR 479.920,00 (VJ: EUR 570.000,00)		
	1.194.068,13	**1.204.621,41**
B. RÜCKSTELLUNGEN		
1. Steuerrückstellungen	0,00	1.180,19
2. Sonstige Rückstellungen	78.640,02	346.020,76
	78.640,02	**347.200,95**
C. VERBINDLICHKEITEN		
1. Verbindlichkeiten gegenüber Kreditinstituten	5.239,63	2.798,19
- davon mit einer Restlaufzeit bis zu einem Jahr: EUR 5.239,63 (VJ: EUR 2.798,19)		
2. Verbindlichkeiten aus Lieferungen und Leistungen	108.217,76	93.020,23
- davon mit einer Restlaufzeit bis zu einem Jahr: EUR 108.217,76 (VJ: EUR 93.020,23)		
3. Sonstige Verbindlichkeiten	84.464,77	98.864,45
- davon aus Steuern: EUR 81.161,66 (VJ: EUR 73.497,47)		
- davon im Rahmen der sozialen Sicherheit: EUR 2.784,71 (VJ: EUR 7.744,99)		
- davon mit einer Restlaufzeit bis zu einem Jahr: EUR 84.464,77 (VJ: EUR 98.864,45)		
	197.922,16	**194.682,87**
D. RECHNUNGSABGRENZUNGSPOSTEN	**3.363.207,91**	**3.208.029,55**
	4.833.838,22	**4.954.534,78**

Renewables Grid Initiative e.V., Berlin

Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1. Januar bis zum 31. Dezember 2025

		2025 EUR	2024 EUR
1.	Umsatzerlöse	3.597.781,18	3.556.481,89
2.	Sonstige betriebliche Erträge	99.500,17	47.342,15
3.	Materialaufwand	-1.348.731,83	-1.249.339,58
4.	Personalaufwand		
	a) Löhne und Gehälter	-1.440.158,77	-1.431.228,96
	b) Soziale Abgaben und Aufwendungen für Altersversorgung und für Unterstützung - davon für Altersversorgung EUR 1.052,58 (VJ: EUR 1.233,73)	-323.795,80	-304.925,16
		-1.763.954,57	-1.736.154,12
5.	Abschreibungen auf immaterielle Vermögensgegenstände des Anlagevermögens und Sachanlagen	-133.307,71	-34.841,64
6.	Sonstige betriebliche Aufwendungen	-479.985,19	-659.858,72
7.	Sonstige Zinsen und ähnliche Erträge	19.940,87	21.386,70
8.	Steuern vom Einkommen und vom Ertrag	-1.796,20	-5.640,73
9.	**Jahresfehlbetrag**	**-10.553,28**	**-60.624,05**
10.	Vortrag von Rücklagen	1.204.621,41	1.265.245,46
11.	Entnahme aus den Rücklagen	-10.553,28	-60.624,05
12.	**Rücklagen gemäß § 62 AO**	**1.194.068,13**	**1.204.621,41**

Berlin, 4. Juni 2026

Chief Executive Officer

Appendix 3

Renewables Grid Initiative e.V., Berlin

Local court Berlin (Charlottenburg) VR 32907

BALANCE SHEET as of 31 December 2025

ASSETS	31.12.2025 EUR	31.12.2024 EUR
A. FIXED ASSETS		
I. Intangible assets	57.384,83	130.575,20
II. Property, plant and equipment	21.661,00	37.433,00
	79.045,83	**168.008,20**
B. CURRENT ASSETS		
I. Receivables and other assets		
1. Trade receivables	489.159,56	486.746,04
2. Other assets	23.098,07	38.969,45
	512.257,63	525.715,49
II. Cash on hand and bank balances	4.218.282,60	4.234.762,67
	4.730.540,23	**4.760.478,16**
C. PREPAID EXPENSES	**24.252,16**	**26.048,42**
	4.833.838,22	**4.954.534,78**

EQUITY AND LIABILITIES	31.12.2025 EUR	31.12.2024 EUR
A. EQUITY		
Reserves in accordance with § 62 AO - thereof earmarked or project-bound reserves: EUR 479.920,00 (prior year: EUR 570.000,00)	1.194.068,13	1.204.621,41
	1.194.068,13	**1.204.621,41**
B. PROVISIONS		
1. Tax provisions	0,00	1.180,19
2. Other provisions	78.640,02	346.020,76
	78.640,02	**347.200,95**
C. LIABILITIES		
1. Liabilities to banks - thereof due within one year: EUR 5.239,63 (prior year: EUR 2.798,19)	5.239,63	2.798,19
2. Trade payables - thereof due within one year: EUR 108.217,76 (prior year: EUR 93.020,23)	108.217,76	93.020,23
3. Other liabilities - thereof taxes: EUR 81.161,66 (prior year: EUR 73.497,47) - thereof social security: EUR 2.784,71 (prior year: EUR 7.744,99) - thereof due within one year: EUR 84.464,77 (prior year: EUR 98.864,45)	84.464,77	98.864,45
	197.922,16	**194.682,87**
D. DEFERRED INCOME	**3.363.207,91**	**3.208.029,55**
	4.833.838,22	**4.954.534,78**

Appendix 4

Renewables Grid Initiative e.V., Berlin

INCOME STATEMENT for the financial year 2025

		2025 EUR	2024 EUR
1.	Revenue	3.597.781,18	3.556.481,89
2.	Other operating income	99.500,17	47.342,15
3.	Material expenses	-1.348.731,83	-1.249.339,58
4.	Personnel expenses		
a)	Wages and salaries	-1.440.158,77	-1.431.228,96
b)	Social security, pension and other benefit costs - thereof old age pensions: EUR 1.052,28 (prior year: EUR 1.233,73)	-323.795,80	-304.925,16
		-1.763.954,57	-1.736.154,12
5.	Amortization of intangible assets and depreciation of property, plant and equipment	-133.307,71	-34.841,64
6.	Other operating expenses	-479.985,19	-659.858,72
7.	Other interest and similar income	19.940,87	21.386,70
8.	Income taxes	-1.796,20	-5.640,73
9.	**Net loss for the year**	**-10.553,28**	**-60.624,05**
10.	Reserves carried-forward	1.204.621,41	1.265.245,46
11.	Withdrawal from the reserves	-10.553,28	-60.624,05
12.	**Reserves in accordance with § 62 AO**	**1.194.068,13**	**1.204.621,41**

Berlin, 4th June 2026

Chief Executive Officer

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2024

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (Wirtschaftsprüferinnen/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 (Textform) 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 agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties. A German Public Auditor is also entitled to invoke objections (Einwendungen) and defences (Einreden) arising from the contractual relationship with the engaging party to 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 agreement in writing (Textform).

(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 submitted as well as the explanations and statements provided in a statement as drafted by the German Public Auditor in a legally accepted written form (gesetzliche Schriftform) or any other form determined 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 a legally accepted written form (gesetzliche Schriftform) or in writing (Textform) as part of the work in executing the engagement, only that presentation is authoritative. Drafts of such presentations are non-binding. Except as otherwise provided for by law or contractually agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing (Textform). 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 consent be issued in writing (Textform), 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 subsequent performance (Nacherfüllung) in writing (Textform) without delay. Claims for subsequent performance 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, claims for damages due to negligence arising out of the contractual relationship between the

engaging party and the German Public Auditor, 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], are limited to € 4 million pursuant to § 54 a Abs. 1 Number 2 WPO. This applies equally to claims against the German Public Auditor made by third parties arising from, or in connection with, the contractual relationship.

(3) 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.

(4) The maximum amount under paragraph 2 relates to an individual case of damages. An individual case of damages 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.

(5) A claim for damages expires if a suit is not filed within six months subsequent to the written statement (Textform) of 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.

(6) § 323 HGB remains unaffected by the rules in paragraphs 2 to 5.

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 (Bestätigungsvermerk), 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 consent, issued in a legally accepted written form (gesetzliche Schriftform), 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 material 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 (Textform), ongoing tax advice encompasses the following work during the contract period:

a) preparation and electronic transmission of annual tax returns, including financial statements for tax purposes in electronic format, for income tax, corporate tax and business tax, 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 (Textform).

(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 and valuation assessments for property units 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 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.