

# EUROKAI Non-Financial Group Report for 2019

## Introduction

This Non-Financial Group Report is produced pursuant to Sections 315b and 315c in conjunction with Sections 289c to 289e of the German Commercial Code (HGB) and relates to the EUROKAI Group for the business year 2019. It is available publicly on our internet site at:

<http://www.eurokai.de/Investor-Relations/Corporate-Governance>

## Enterprise and business model

The focus of work in the companies consolidated in the EUROKAI Group is on container handling in continental Europe. The companies operate container terminals, in some cases with partners, at La Spezia, Ravenna and Salerno (Italy), in Hamburg, Bremerhaven and Wilhelmshaven, in Tangier (Morocco), Limassol (Cyprus), Lisbon (Portugal) and Ust-Luga (Russia). The EUROGATE Group further has shareholdings in a number of inland terminals and railway-operating companies.

Secondary services are provided in the form of intermodal services (carriage of sea containers to and from the terminals), repairs, depot storage and trading of containers, cargo-modal services, and technical services.

The EUROKAI Group is managed via three segments: CONTSHIP Italia, EUROGATE and EUROKAI, the joint-venture company EUROGATE, pursuant to the regulations of IFRS 11, being incorporated in the EUROKAI Group "at equity." EUROKAI is a financial-holding company.

## This Report

All information refers to the parent company, including those domestic and foreign companies which EUROKAI incorporates into its Group Financial Statement or which are classified as affiliated companies.

This Report covers the principal and operating companies. No report is made here of those companies in which the EUROKAI Group participates via minority shareholdings outside

Germany, since they must be categorised as relatively minor as regards their share in the business result and the potential for exertion of influence.<sup>1</sup>

The shares in Medcenter Container Terminal S.p.A. held indirectly by Contship Italia S.p.A. were sold in April 2019. Further, operations at the Cagliari International Container Terminal (CICT Porto Industriale Cagliari S.p.A.) were closed in September 2019. The terminals are included in the information given in this Report up to their deconsolidation or liquidation respectively.

This Report treats of matters which are necessary to understand the course of business, the business result and situation of the Group and of the impact of its business activity on non-financial aspects. It references the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards 2016). The description of the concepts set out here has been drawn up referencing the Standard 103 of the Global Reporting Initiative (GRI Standards 2016). The description of the concepts set out here has been drawn up following Standard 103 of the Global Reporting Initiative (GRI). The management of these aspects does not follow any Group-wide approach. Instead, these matters are managed non-centrally in the corporate groups. Accordingly the following pages set out both the concept for CONTSHIP Italia and the concept for EUROGATE. Pursuant to these aspects, report is made of key non-financial figures which in their selection reference the GRI Standard appropriate to their subject.

As part of the report process EUOKAI has checked whether risks exist which are linked with our own business activity, our business relations, and with our products and services, and which have or will have serious negative impacts on the non-financial aspects as set out in law and have a high likelihood of eventuation. The outcome has shown no net risks subject to compulsory report as defined in the German CSR Implementation Act (CSR-RUG).

### **Importance of sustainability**

For EUOKAI sustainability means, above all, ensuring the future viability of the Corporate Group. Therefore, on the basis of a stable economic development, in its business activity and internal processes, EUOKAI pays equal attention to economic efficiency, environmental protection and social responsibility. Compliance with legislation and internal guidelines forms the natural and basic prerequisite for daily work. Through efficient seaport operations EUOKAI enables its customers to enjoy the reliable carriage of goods, for the container terminals are the hubs of international trade. At the same time EUOKAI strengthens the local

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<sup>1</sup>The companies in question are: boxXpress.de GmbH, „Brückenhaus“ Grundstücksgesellschaft m.b.H., DHU Gesellschaft Datenverarbeitung Hamburger Umschlagsbetriebe mbH, EUROGATE Beteiligungs-GmbH, EUROGATE City Terminal GmbH, EUROGATE Container Terminal Wilhelmshaven Beteiligungsgesellschaft mbH, EUROGATE Geschäftsführungs-GmbH & Co. KGaA, EUROGATE International GmbH, EUROGATE KV-Anlage Wilhelmshaven GmbH, EuroXpress HGF GmbH, HVCC Hamburg Vessel Coordination Center GmbH, IPN Inland Port Network GmbH & Co. KG, IPN Inland Port Network Verwaltungsgesellschaft mbH, J. F. Müller & Sohn AG, MSC Gate Bremerhaven Verwaltungsgesellschaft mbH, North Sea Terminal Bremerhaven Verwaltungsgesellschaft mbH, PCO Stauereibetrieb PAETZ & Co. Nfl. GmbH, REMAIN Holding GmbH, SCL Service-Centrum Logistik Bremerhaven GmbH, TRIMODAL LOGISTIK GmbH, Contrepair S.r.L., Con-Tug S.r.l., Immobiliare Rubiera S.r.l., La Spezia Shunting Railways S.p.A., Spedemar S.r.l., Terminal Container Ravenna S.p.A., boxXagency Kereskedelmi és Szolgáltató Kft, CONTRAIL Logística S.A., EUROGATE Container Terminal Limassol Ltd., EUROGATE Tanger S.A., TangerMedGate Management S.a.r.l., OJSC Ust-Luga Container Terminal, Medgate FeederXpress Ltd., FLOYD Zrt.

economy and provides jobs. Its business activity impacts on both people and environment, for instance through the Group's consumption of resources.

### **Materiality-determination process**

The non-central structure of the Group essentially governs the process of materiality determination for identifying, prioritising and validating the contents of this Report. In this process the materiality analyses, undertaken in 2016 in accordance with the guidelines of the GRI, served as starting point at the level of CONTSHIP Italia and at the level of EUROGATE.

In selecting the material topics in this Report these particular materiality analyses have been used as the basic materiality threshold for the initial prioritisation of topics. The main topics in the Non-Financial Report have been derived therefrom in the following pages. These demonstrate on the one hand a high degree of relevance for an understanding of the course of business and situation of the Group. On the other hand, the Group's business activity impacts particularly on the aspects set out in the German CSR Implementation Act (CSR-RUG). The outcome of this process comprises three material non-financial aspects: energy consumption (environmental matters), health and safety at work (employee matters), and the combatting of bribery and corruption.

### **External audit**

The contents of this Non-Financial Report have been subjected to an audit in accordance with ISAE 3000 (revised) with limited audit assurance. The scope of the audit and the auditor's assessment will be found in the Auditor's Assurance Report on pages 11 – 13.

## **Environmental matters – energy consumption and energy intensity**

Large amounts of energy are employed in carrying out the Group's business activities. Energy consumption is a major control factor in resource management and has a direct impact on the costs incurred, and thus on the business result. Most of this energy consumption is due to the use of diesel, which is mainly needed to drive the straddle carriers for supplying container-handling services at the terminals. Further material energy consumers are quay cranes, buildings and open-area lighting. Electricity and gas, for instance, are also used as energy providers in these areas.

At the same time energy consumption has a vital impact on the environment, since it uses natural resources and generates greenhouse gas emissions. Limitation of climate change and minimisation of our own contribution to climate change are a socially significant issue. Moreover those costs which are associated with the use of energy are drivers of the energy-management activities of EUROKAI.

The strategic orientation of the two segments consolidated in the EUROKAI Group, CONTSHIP Italia and EUROGATE, differ in issues of energy consumption and as regards their progress.

**CONTSHIP Italia:** Apart from the purchase of energy, CONTSHIP Italia manages its concept for energy reduction non-centrally. All companies in the CONTSHIP Italia Group have a Code of Conduct which fixes Group values and guidelines. This also covers the reduction of energy consumption. Each employee is required to declare his adherence to this principle. A QSE (quality, health and safety) Guideline at the maritime terminals governs compliance with statutory regulations and serves as a support measure to emphasise the importance of a sustainable business development. The Guideline further comprises principles governing the avoidance of accidents and contamination, the monitoring and control of environmental impacts, and an efficient use of resources, with the aim of continually improving processes and performance. Line managers and management bodies are expected to encourage and promote a resource-saving attitude.

The container terminals are certified in accordance with the environmental-management systems DIN EN ISO 14001. Each local management is involved in this process and in the framework of the management system. At the level of the individual companies analysis is made of their energy-consumption figures and the financial impacts of targeted savings. No formal, quantitative reduction targets are set, but the qualitative target exists of an absolute reduction in energy consumption compared with the previous year. Energy audits are carried out at least every four years pursuant to EU Resolution 2012/27; the first audit took place in 2015; a second followed in the year under report. From these audits are drawn proposals for potential measures to reduce energy consumption.

In 2018 work began to retrofit LED lighting on various terminal cranes. In 2019 retrofitting of further equipment continued (rail-track and rubber-tyre gantry cranes) and in La Spezia work began on the conversion of open-area lighting. For the intermodal companies a planning basis has been drawn up for the installation of LED lighting on the operating site.

**EUROGATE:** Management of energy use at EUROGATE is undertaken centrally through the holding company of the EUROGATE Group (EUROGATE Holding). All German terminals follow internal energy-policy guidelines. A defined reduction target for energy consumption has been developed based on these guidelines: by 2020 energy consumption per moved container is to be reduced by 20% in comparison with 2008. There is also a reduction target for lowering emissions (by 25% per moved container by 2020 compared with 2008). Since CO<sub>2</sub> emissions are closely linked in the business with the consumption of fossil fuels, management takes place on the basis of input (use of energy), not of output (CO<sub>2</sub> emissions). In this context EUROGATE is investing in renewable energy for self-supply. When undertaking capital investments and making purchasing decisions, energy efficiency is a deciding criterion.

The certified energy management system under DIN EN ISO 50001, being an applied due diligence process, plays a central role in energy management and its further development. As part of the energy management system the consumption of energy is analysed and evaluated in regular workshops. Both, the consumption of energy and all projects, both completed and planned by those in charge, are summarised in an annual management review and submitted to the managing directors of the individual companies. Evaluation of improvement to energy efficiency is carried out here with reference to the targets set.

Various major and minor measures come into play in dealing with the energy efficiency of the main energy consumers. Measures are continually undertaken and projects carried out for the utilisation of potential savings, e.g. a detailed collection and evaluation of consumption data for the straddle carriers. The focus is on a continual reduction in the use of fossil fuels. Energy-efficiency measures have both a technical and operational focus. EUROGATE continues to make every effort to strengthen its employees' sense of responsibility with regard to resource saving and involves them systematically in energy-reduction measures, e.g. by training employees in resource-saving methods of driving straddle carriers. EUROGATE regularly checks to see whether more energy-efficient technologies can be introduced. Thus in 2019 conversion of the lighting on numerous straddle carriers, quay cranes and in open areas was continued.

Moreover EUROGATE itself generates renewable energy from two wind farms, four solar-energy plants, and one wood-chip power station. It also runs three combined heat and power plants for energy generation.

The most important key performance indicators for CONTSHIP Italia and EUROGATE with regard to energy are:

- CONTSHIP Italia: trend of energy consumption in megawatt hours (MWh) in total
- EUROGATE: trend of energy intensity – energy consumption per container in per cent

Energy consumption is regularly monitored. The following table shows the current status of target attainment:

	<b>CONTSHIP Italia*</b>	<b>EUROGATE**</b>
Target	Reduction in energy consumption	Reduction in energy consumption per moved container by 2020 of 20% (compared with 2008).
Status 2018	139,556 MWh (including 9,363 MWh of renewable energy)	Reduction of 16.8 % per moved container
Status 2019	73,976 MWh (including 6,680 MWh of renewable energy)	Reduction of 17.8 % per moved container
Notes	A reduction was achieved. This was mainly due to the sale of the shares held indirectly in the Gioia Tauro Medcenter Container Terminal and closure of operations at the Cagliari International Container Terminal.	The improvement in energy intensity is mainly due to technical and operational measures in the use of straddle carriers and quay crane consumption figures.

\* Excluding quantities of fuel from purchased intermodal services and excluding heating-energy consumption in office buildings in La Spezia.

\*\* In calculating the kWh statistics for containers, the container-related consumption figures for the principal companies (EUROGATE Container terminals, EUROGATE Technical Services GmbH and EUROGATE Holding) have been taken as a basis.

## Employee matters – health and safety at work

The protection of our own employees, and those from outside, against work-related injuries or sickness, and the maintenance of their health, is of great importance. The majority of the work performed is carried out using heavy equipment at the terminals (mainly straddle carriers and quay cranes), and is subject to the impact of weather. The subject of safety-at-work is of a relevance above all other employee matters. Given the physical nature of this work and the deployment of much of our staff in a three-shift system, the promotion and protection of health is particularly important.

Safety at work involves not only the health and wellbeing of our employees, but also has a vital impact on their performance. In particular, handling work in our seaports requires a high level of safety awareness.

The management of safety at work and protection of health is the responsibility, both at CONTSHIP Italia and EUROGATE, of the individual companies and their respective managing directors, since it is influenced particularly by local factors. Nevertheless, the overarching objective of the EUROKAI Group is to minimise the number of industrial accidents and to prevent accident-related deaths.

**CONTSHIP Italia:** In Italy strict statutory requirements are in force for the protection of workers' health. Both the management personally, and the companies themselves, may be subject to arrest in case of proven misconduct. Based on these requirements, various structural and

organisational measures are established. Each individual company analyses, documents and reports accidents to the Industrial Safety Officer and the competent government departments, pursuant to statutory requirements in Italy. Accidents and near-misses are monitored and evaluated. These evaluations serve as vital information input for health-and-safety risk assessments. Regular training courses address the areas of risk identified. In 2019 a health programme was launched, which addresses how to cope with stress and mental strain in the workplace and is designed to provide information about a healthy diet and a healthy lifestyle. The maritime terminals of the CONTSHIP Italia Group are certified in accordance with OHSAS 18001. From the certification audits are drawn proposals for potential measures to avoid industrial accidents and to improve occupational health.

**EUROGATE:** Management of safety at work, along with occupational health, is the responsibility of the individual companies and each of their managing directors. Based on the respective workflows, the individual companies and each of their management boards set guidelines and operating instructions for safety at work and update them constantly. As part of their duty of supervision, managers have a duty to assess dangers and to monitor compliance with the guidelines and operating instructions in their area of responsibility. Each terminal has an occupational health physician and a specialist in safety at work, and safety officers are appointed.

At EUROGATE technical and organisational measures have been taken to lower dangerous risks and reduce accidents. Ongoing measures include regular training courses and instruction sessions on safety standards and guidelines for accident avoidance, plus a check on their compliance. Standards are in force governing compliance with safety-at-work rules, e.g. the duty to wear personal protective clothing and equipment in the terminal. Workplaces are regularly inspected to assess dangers in the workplace and to advise on measures for risk minimisation. Any injuries which have been incurred and accidents which have taken place are categorised and evaluated.

At the German terminals, along with regular occupational health days, particular "safety days" are also organised, at which the subject of safety takes a central place for a day in various workshops and training courses. Managers also take part in these, since they bear particular responsibility in functioning as role models.

The most important key performance indicators for CONTSHIP Italia and EUROGATE with regard to safety at work and protection of health are:

- The number of notifiable accidents at work and commuting accidents
- The number of fatal accidents at work and commuting accidents

The number of accidents at work is regularly monitored as an indicator of industrial safety. The following table shows the current status of target attainment:

	<b>CONTSHIP Italia*</b>	<b>EUROGATE**</b>
Target	To minimise the number of industrial accidents and to prevent accident-related deaths	
Status 2018	Industrial accidents: 87 Accident-related deaths: none	Industrial accidents: 320 Accident-related deaths: none
Status 2019	Industrial accidents: 61 Accident-related deaths: none	Industrial accidents: 366 Accident-related deaths: none
Notes	The target for reducing the number of industrial accidents was not attained. As part of the set monitoring process for safety at work, the analysis of the risk situation, of the seriousness of the accident and of its cause is being used to develop measures to counteract this development.	

\* In Italy accidents must be reported if a person is killed or so injured in an accident that he or she is unable to work for more than one day. Some processes at the work sites are carried out by external contractors. Their employees account for about 40% of total employees at the work sites. The key statistic for CONTSHIP Italia does not cover accidents to temporary contract workers and external contractors.

\*\* In Germany accidents must be reported if a person is killed or so injured in an accident that he or she is unable to work for more than three days. The key performance indicator for EUROGATE covers both accidents to its own employees and accidents to temporary contract workers. Accidents to external contractors are not covered.

## Combatting corruption and bribery

Fair, reliable conduct in accordance with set rules is a *sine qua non* for the long-term success of any company. In the EUROKAI Group the overarching term "compliance" is taken to mean adherence to statutory standards and internal company guidelines and every effort to follow them on the part of the EUROKAI Group companies. These include the relevant guidelines and principles governing the avoidance of bribery and corruption.

**CONTSHIP Italia:** At CONTSHIP Italia there exists a set Code of Conduct, setting out the Group's core values. Corresponding Guidelines for Conduct, which reflect these values, supplement this Code. All activity must be consonant with the law, with the principles of fair competition, with honesty, integrity, fairness, good faith, with respect for the legitimate interests of customers, employees, shareholders, and commercial and financial partners.

In 2019 a Group-wide whistle-blowing system was rolled out. In the course of a comprehensive communication process, all internal interest groups were informed of this procedure. An external ombudsman has been appointed to manage the report procedure.

Responsibility for adherence to compliance-related matters lies with the management of Contship Italia S.p.A., the holding company of the CONTSHIP Italia Group, and the management boards of each of the companies in the CONTSHIP Italia Group respectively. Internal audits support the identification of potential improvements to compliance with the Group's Guidelines. On the basis of the audit results each company develops an action plan, should significant discrepancies have been identified. Professional responsibility for monitoring compliance with guiding principles lies with the compliance-supervision bodies set up in 2018.

**EUROGATE:** EUROGATE has established a compliance management system, which comprises a Compliance Guideline covering a number of points, a Code of Conduct, and an Anti-Corruption Guideline. These regulations came into force on 1 January 2017. The Guidelines and Code summarise the Group's values in the form of a commitment to fair and free competition and form the basis for our understanding of entrepreneurial compliance. These documents state that EUROGATE neither tolerates corruption nor allows discrimination. All commercial decisions must be consonant with the law and be governed by EUROGATE's standards of ethics and integrity set out in the Guidelines.

Professional responsibility for the compliance management system lies with the Legal Department of the EUROGATE holding company. Responsibility for compliance with the Anti-Corruption Guideline lies with the Group Management Board and the management boards of each EUROGATE Group company respectively. Upon the introduction of the compliance management system EUROGATE appointed a Compliance Officer. An external ombudsman has been appointed for anonymous information. Once a year an internal report by the Compliance Officer is submitted to the Group Management Board and the supervisory bodies. This contains inter alia an inventory of the main compliance risks and proposals for new measures or changes.

When the compliance regulations came into force all employees received the Anti-Corruption Guidelines and the Code of Conduct. This process was supported by the Compliance Officer in a communicative capacity at a number of works meetings. Building on the classroom courses which were held in 2017 upon introduction of the compliance management system, workshops took place in 2019 with sensitive areas in the company. Also in 2019 regular reporting took place in the Staff Magazine and Newsletters to provide employees with information and to make them better aware for preventive purposes.

Compliance management at North Sea Terminal Bremerhaven GmbH & Co. (NTB), operated as a joint venture by EUROGATE and APMT, is undertaken separately. The shareholders' Guidelines are discussed with the relevant employees at regular compliance courses. Thus both shareholders' compliance rules are likewise followed at NTB. Responsibility for this lies with the NTB Management Board. The internal Control Handbook sets out the company's main principles for combatting corruption and bribery. Annual training courses are organised in addition. These courses are held jointly with an external partner after the focal issues to be considered on these courses have been set in advance jointly with the Management Board. An annual risk inventory, an annual fraud-risk assessment and monthly evaluations of the internal control system serve to identify any impacts associated with this issue.

The central key performance indicator at CONTSHIP Italia and EUROGATE is the number of confirmed cases of corruption.

The number of corruption cases serves as a key performance indicator of the combat against corruption and bribery and is regularly monitored. The following table shows the current status of target attainment:

	<b>CONTSHIP Italia</b>	<b>EUROGATE</b>
Target	No cases of corruption	
Status 2018	None recorded	None
Status 2019	None	None
Erläuterung	In the business years 2017 and 2018 a basic system was drawn up to monitor the guiding principles. In the course of 2019 an anonymous informant system was established, which is managed by an external ombudsman. Since the report procedure came into force (April 2019) there has been no case of corruption reported and confirmed via the informant system.	The target was attained. There was no confirmed case of corruption during the year under report.

## Further aspects

Issues of social welfare and human rights overall are rated as not significant or of subsidiary relevance for the EUROKAI Group with regard to risks and impacts on the course of business.

Hamburg, 16 March 2020

The Personally Liable General Partner  
Kurt F.W.A. Eckelmann GmbH, Hamburg

Thomas H. Eckelmann  
Cecilia E. M. Eckelmann-Battistello

*The assurance engagement performed by Ernst & Young (EY) relates exclusively to the German version of the non-financial report 2019 of EUROKAI GmbH & Co. KGaA. The following text is a translation of the original German Independent Assurance Report.*

## **Independent Auditor's Limited Assurance Report**

To EUROKAI GmbH & Co. KGaA, Hamburg

We have performed a limited assurance engagement on the non-financial group report of EUROKAI GmbH & Co. KGaA according to § 315b HGB, for the reporting period from 1 January 2019 to 31 December 2019 (hereafter non-financial group report). Our engagement did not include any disclosures for prior years.

### **Management's responsibility**

The legal representatives of the Company are responsible for the preparation of the non-financial group report in accordance with §§ 315c in conjunction with 289c to 289e HGB.

This responsibility includes the selection and application of appropriate methods to prepare the non-financial group report as well as making assumptions and estimates related to individual disclosures, which are reasonable in the circumstances. Furthermore, the legal representatives are responsible for such internal controls that they have considered necessary to enable the preparation of a non-financial group report that is free from material misstatement, whether due to fraud or error.

### **Auditor's declaration relating to independence and quality control**

We are independent from the Company in accordance with the provisions under German commercial law and professional requirements, and we have fulfilled our other professional responsibilities in accordance with these requirements.

Our audit firm applies the national statutory regulations and professional pronouncements for quality control, in particular the by-laws regulating the rights and duties of Wirtschaftsprüfer and vereidigte Buchprüfer in the exercise of their profession [Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer] as well as the IDW Standard on Quality Control 1: Requirements for Quality Control in audit firms [IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1)].

### **Auditor's responsibility**

Our responsibility is to express a limited assurance conclusion on the non-financial group report based on the assurance engagement we have performed.

We conducted our 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, issued by the International Auditing and Assurance Standards Board (IAASB). This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether the non-financial group report of the Company has been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB. In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a

substantially lower level of assurance is obtained. The assurance procedures selected depend on the auditor's professional judgment.

Within the scope of our assurance engagement, which has been conducted between November 2019 and March 2020, we performed amongst others the following assurance and other procedures:

- Inquiries of employees regarding the selection of topics for the non-financial group report, the risk assessment and the concepts of EUOKAI for the topics that have been identified as material,
- Inquiries of employees responsible for data capture and consolidation as well as the preparation of the non-financial group report, to evaluate the reporting processes, the data capture and compilation methods as well as internal controls to the extent relevant for the assurance of the non-financial group report,
- Identification of likely risks of material misstatement in the non-financial group report,
- Inspection of relevant documentation of the systems and processes for compiling, aggregating and validating data in the relevant areas, e.g. energy management, in the reporting period and testing such documentation on a sample basis,
- Analytical evaluation of disclosures in the non-financial group report,
- Inquiries and inspection of documents on a sample basis relating to the collection and reporting of selected data,
- Evaluation of the presentation of disclosures in the non-financial group report.

### **Assurance conclusion**

Based on our assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the non-financial group report of EUOKAI GmbH & Co. KGaA for the period from 1 January 2019 to 31 December 2019 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB.

### **Intended use of the assurance report**

We issue this report on the basis of the engagement agreed with EUOKAI GmbH & Co. KGaA. The assurance engagement has been performed for the purposes of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement and must not be used for purposes other than those intended. The report is not intended to provide third parties with support in making (financial) decisions.

### **Engagement terms and liability**

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement ([www.de.ey.com/general-engagement-terms](http://www.de.ey.com/general-engagement-terms)). In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We assume no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we do not update the assurance report to reflect events or circumstances arising after it was issued unless required to do so by law. It is the sole responsibility of anyone taking note of the result of our assurance engagement summarized in this assurance report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Munich, 16 March 2020

Ernst & Young GmbH  
Wirtschaftsprüfungsgesellschaft

Nicole Richter  
Wirtschaftsprüferin  
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ppa.