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Mr Andreas Barckow, Chair
International Accounting Standards Board
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only submitted electronically via: https://www.ifrs.org/projects/open-for-comment/

Re.: IASB Exposure Draft (ED)/2024/7 – Equity Method of Accounting – IAS 28 Investments in Associates and Joint Ventures (revised 202X)

Dear Mr Barckow

The IDW (Institut der Wirtschaftsprüfer in Deutschland e.V.)[1] is pleased to comment on the International Accounting Standards Board's IFRS Accounting Standard Exposure Draft (ED)/2024/7 *"Equity Method of Accounting – IAS 28 Investments in Associates and Joint Ventures (revised 202X)".*

We welcome the fact that the research project originally initiated as a result of the Agenda Consultation 2011 has reached a further milestone with the publication of this ED and is now expected to lead to both some clarifications in the application of the equity method as well as improved information for users in the foreseeable future.

However, we would have liked the IASB to have carried out a fundamental review of the equity method, as suggested by many stakeholders. The fundamental question of whether the equity method is a one-line consolidation or a measurement basis remains unanswered. Thus, the Board missed a good opportunity to introduce a more robust, principles-based approach to the equity method and

[1] The IDW is a voluntary membership organisation representing the interests of the profession of public auditors in Germany and counts over 79 % of this profession as members.

GESCHÄFTSFÜHRENDER VORSTAND:
Melanie Sack, WP StB, Sprecherin des Vorstands;
Dr. Torsten Moser, WP;
Dr. Daniel P. Siegel, WP StB

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to address conceptual inconsistencies more comprehensively. In this context, we refer to our answers to Questions 1, 6 and 11.

Nevertheless, the IASB's response to selected application questions, as proposed in the ED, will provide preparers with short-term solutions to some long-standing application difficulties, reduce diversity in practice and lead to more comparable and understandable information for users. In this respect, we see the proposals as an improvement on the status quo.

Question 1: Measurement of cost of an associate

(Appendix A and paragraphs 13, 22, 26 and 29 of [draft] IAS 28 (revised 202x))

Paragraph 32 of IAS 28 requires an investor that obtains significant influence to account for the difference between the cost of the investment and the investor's share of the net fair value of the associate's identifiable assets and liabilities either as goodwill (included in the carrying amount of the investment) or as a gain from a bargain purchase (recognised in profit or loss). However, IAS 28 does not include requirements for how an investor measures the cost of the investment on obtaining significant influence – for example:

(a) whether to measure any previously held ownership interest in the associate at fair value; or

(b) whether and if so how to recognise and measure contingent consideration.

The IASB is proposing an investor:

(a) measure the cost of an associate, on obtaining significant influence, at the fair value of the consideration transferred, including the fair value of any previously held interest in the associate.

(b) recognise contingent consideration as part of the consideration transferred and measure it at fair value. Thereafter:

(i) not remeasure contingent consideration classified as an equity instrument; and

(ii) measure other contingent consideration at fair value at each reporting date and recognise changes in fair value in profit or loss.

Paragraphs BC17–BC18 and BC89–BC93 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

a) In general, we agree with the Board's proposal that an investor measure the cost of an associate, on obtaining significant influence, at the fair value of the consideration transferred, including the fair value of any previously held interest in the associate.

However, we believe that in this context it should be clarified how transaction costs in connection with the purchase of an associate should be dealt with, more specifically, whether transaction costs incurred can be capitalised as part of the initial investment. If the Board were to decide that transaction costs can be capitalised as part of the initial investment, this would be in line with a previous agenda decision of the IFRS IC according to which *"the cost of an investment in an associate at initial recognition determined in accordance with paragraph 11 of IAS 28 comprises its purchase price and any directly attributable expenditures necessary to obtain it."*[2]

This issue shows how helpful it would be to clarify conceptually whether the equity method is a single-line consolidation method or a measurement method. In the case of a consolidation method, the transaction costs would generally be recognised as an expense when they are incurred (analogous to IFRS 3). In the case of a measurement method, transactions costs would be included in the carrying amount of the investment.

In order to further reduce diversity-in-practice in the context of obtaining significant influence by an investor or joint venturer, we would also be grateful for additional guidance on the following issues that regularly arise in practice and are not yet addressed in the ED:

- An investor obtains significant influence over an entity or purchases additional ownership interests in an entity, while significant influence remains unchanged. However, this associate or joint venture only owns assets or groups of assets and therefore does not have any business within the meaning of IFRS 3. In practice, there are many entities that only own a single asset (e.g. a property). However, if an associate or joint venture does not contain a business, it cannot have goodwill. In

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[2] We refer to the International Financial Reporting Committee (IFRIC) agenda decision "IAS 28 Investments in Associates – Potential effect of IFRS 3 Business Combinations (as revised in 2008) and IAS 27 Consolidated and Separate Financial Statements (as amended in 2008) on equity method accounting", dated 9 July 2009.

such a case, it is unclear how the investor should account for any difference between the amount paid and the share of the fair value of the identifiable net assets of the associate or joint venture.

- Further, it is unclear how to deal with investments in associates or joint ventures that have arisen because the investor has lost control of a subsidiary (e.g. due to an increase in capital in which the investor did not participate or due to regulatory intervention). In these cases, no consideration is provided. The question arises as to how the carrying amount of such an associate should be determined.
- There are further transactions – than those listed in paragraph 13 of the ED – that may result in changes in an investor's share of the associate's net assets of an or joint venture, e.g. share-based payment transactions within the associate or joint venture or changes in non-controlling interests that change the equity attributable to the parent/investor (especially if they lead to a dilution of the investor's share). In our view, additional guidance on such transactions would be helpful to further reduce diversity in practice.

b) The IDW concurs with the IASB's proposals regarding the recognition and measurement of contingent consideration in connection with the obtaining of significant influence by an investor.

Question 2: Changes in an investor's ownership interest while retaining significant influence

(Paragraphs 30–34 of [draft] IAS 28 (revised 202x))

IAS 28 does not include requirements on how an investor accounts for changes in its ownership interest in an associate, while retaining significant influence, that arise from:

(a) the purchase of an additional ownership interest in the associate;

(b) the disposal of an ownership interest (partial disposal) in the associate; or

(c) other changes in the investor's ownership interest in the associate.

The IASB is proposing to require that an investor:

(a) at the date of purchasing an additional ownership interest in an associate:

(i) recognise that additional ownership interest and measure it at the fair value of the consideration transferred;

(ii) include in the carrying amount the investor's additional share of the fair value of the associate's identifiable assets and liabilities; and

(iii) account for any difference between (i) and (ii) either as goodwill included as part of the carrying amount of the investment or as a gain from a bargain purchase in profit or loss.

(b) at the date of disposing of an ownership interest:

(i) derecognise the disposed portion of its investment in the associate measured as a percentage of the carrying amount of the investment; and

(ii) recognise any difference between the consideration received and the amount of the disposed portion as a gain or loss in profit or loss.

(c) for other changes in its ownership interest in an associate:

(i) recognise an increase in its ownership interest, as if purchasing an additional ownership interest. In (a)(i), 'the fair value of the consideration transferred' shall be read as 'the investor's share of the change in its associate's net assets arising from the associate's redemption of equity instruments'.

(ii) recognise a decrease in its ownership interest, as if disposing of an ownership interest. In (b)(ii) 'the consideration received' shall be read as 'the investor's share of the change in its associate's net assets arising from the associate's issue of equity instruments'.

Paragraphs BC20–BC44 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

The IDW agrees with the IASB's proposals for both the purchase of an additional ownership interest and the disposal of an ownership interest (partial disposal) in an associate. We also consider the proposals for dealing with other changes in the investor's ownership interest in an associate to be appropriate.

However, we would also like to point out that the Board's decision to account for each purchase of an additional ownership interest in an associate as a separate purchase means that the investor must perform a notional purchase price allocation each time. This can be very time-consuming and costly (e.g., due to the required consideration of deferred tax effects in accordance with paragraphs 23

and 30(b) of IAS 28 in the ED). Particularly with regard to large multinational groups with a large number of shareholdings, which are frequently adjusted or changed, the question arises as to whether this is still proportionate to the benefits achieved. In addition, difficulties for investors in associates and joint ventures regarding the timely receipt of information cannot be ruled out. Under certain circumstances, practical relief for investors would therefore be welcome.

Question 3: Recognition of the investor's share of losses

(Paragraphs 49–52 of [draft] IAS 28 (revised 202x))

Paragraph 38 of IAS 28 requires that if an investor's share of losses equals or exceeds its interest in the associate, the investor discontinue recognising its share of further losses. However, IAS 28 does not include requirements on whether an investor that has reduced the carrying amount of its investment in an associate to nil:

(a) on purchasing an additional ownership interest, recognises any losses not recognised as a 'catch up' adjustment by deducting those losses from the cost of the additional ownership interest; or

(b) recognises separately its share of each component of the associate's comprehensive income.

The IASB is proposing an investor:

(a) on purchasing an additional ownership interest, not recognise its share of an associate's losses that it has not recognised by reducing the carrying amount of the additional ownership interest.

(b) recognise and present separately its share of the associate's profit or loss and its share of the associate's other comprehensive income.

Paragraphs BC47–BC62 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

In general, the IDW welcomes the IASB's decision to clarify certain narrow application issues regarding an investor that has reduced its interest in an associate to nil. However, due to the matter's high practical relevance, we would have preferred the Board to develop fundamental principles on the basis of which each

practical issue can be assessed, taking into account its specific facts and circumstances.

Nevertheless, we generally agree with most of the proposals, but consider additional guidance and explanations necessary to better understand the future requirements and thus be able to apply them correctly and uniformly.

a) The IDW concurs with the proposal that, at the date of purchasing an additional ownership interest, an investor does not deduct its share of any previous losses not recognised from the cost of the additional interest.

   However, in this context, it seems unclear whether, following the purchase of an additional ownership interest in an associate, the original and the new interests must be considered together or separately for the purposes of applying paragraph 48 of IAS 28 in the ED. Paragraph 51 of the Basis for Conclusions seems to indicate that the original and the newly purchased interests will be considered together from now on. However, this appears to contradict the approach described in paragraph 23 of the Basis for Conclusions, whereby an investor measures additional ownership interests in an associate after obtaining significant influence as an accumulation of purchases. We would therefore welcome further clarification and an accompanying illustrative example that shows how profits and losses from an investment in an associate are recognised over time. Ideally, the illustrative example would include a loss-making phase of an associate, which would reduce the investor's net investment to nil. After this, the investor purchases an additional ownership interest in the associate. The example should show how to deal with the profits and losses generated by the associate in subsequent years from the investor's perspective.

   In addition, we note that there may also be cases in which a net investment that has been reduced to nil is subsequently increased, e.g. due to a reversal of an impairment loss or a recapitalisation without a change in ownership interests. The question arises as to whether paragraph 49 of IAS 28 in the ED can be understood as a general principle that losses should generally be “caught up”, except for the purchase of additional ownership interests.

b) For us, the purpose or benefit of separately recognising the investor's share of profit or loss and its share of other comprehensive income when the net investment in an associate has been reduced to nil is unclear. We would therefore welcome it if the reasons for this proposal could be explained in more detail. Regarding the example given in paragraph 52 of IAS 28 in the ED, we believe that adding the reverse case (i.e., an investor's share of

profit or loss: CU100 (profit) and a share of other comprehensive income: CU250 (loss)) could contribute to a better understanding.

Question 4: Transactions with associates

(Paragraph 53 of [draft] IAS 28 (revised 202x))

Paragraph 28 of IAS 28 requires an investor to recognise gains and losses resulting from transactions between itself and an associate only to the extent of unrelated investors' interests in the associate. This requirement applies to both 'downstream' transactions (such as a sale or contribution of assets from an investor to an associate) and 'upstream' transactions (such as a sale of assets from an associate to an investor).

If an investor loses control of a subsidiary in a transaction with an associate, the requirement in IAS 28 to recognise only a portion of the gains or losses is inconsistent with the requirement in IFRS 10 to recognise in full the gain or loss on losing control of a subsidiary.

The IASB is proposing to require that an investor recognise in full gains and losses resulting from all 'upstream' and 'downstream' transactions with its associates, including transactions involving the loss of control of a subsidiary.

Paragraphs BC63–BC84 of the Basis for Conclusions explain the IASB's rationale for this proposal.

Do you agree with this proposal?

If you disagree, please explain why you disagree and your suggested alternative.

The proposed requirement that investors should recognise in full gains and losses resulting from all transactions with their associates is a significant amendment to the existing requirement in IAS 28 and eliminates the conflict between IFRS 10 and IAS 28 on the accounting for the sale/contribution of a subsidiary to its associate or joint venture.

The IDW agrees with the proposal. In our opinion, the Board is now pursuing a more pragmatic and cost-efficient approach which, according to the explanations in paragraphs 72 et seq. of the Basis for Conclusions in the ED, is also not at the expense of users' information needs and therefore has our full support.

It is only in relation to paragraph 54 of IAS 28 in the ED that we would like to ask for further clarification. It is not clear to us when contributions could lack commercial substance. Normally, a contribution is accompanied by changes in the

rights of the investors, which in our view should always result in a transaction with commercial substance.

Question 5: Impairment indicators (decline in fair value)

(Paragraph 57 of [draft] IAS 28 (revised 202x))

Paragraphs 41A–41C of IAS 28 describe various events that indicate the net investment in an associate could be impaired. Paragraph 41C of IAS 28 states that a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is objective evidence of impairment. One of the application questions asked whether an investor should assess a decline in the fair value of an investment by comparing that fair value to the carrying amount of the net investment in the associate at the reporting date or to the cost of the investment on initial recognition.

The IASB is proposing:

(a) to replace 'decline...below cost' of an investment in paragraph 41C of IAS 28 with 'decline...to less than its carrying amount';

(b) to remove 'significant or prolonged' decline in fair value; and

(c) to add requirements to IAS 28 explaining that information about the fair value of the investment might be observed from the price paid to purchase an additional interest in the associate or received to sell part of the interest, or from a quoted market price for the investment.

The IASB is also proposing to reorganise the requirements in IAS 28 relating to impairment to make them easier to apply, and to align their wording with the requirements in IAS 36 ‚Impairment of Assets'.

Paragraphs BC94–BC106 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

The IDW welcomes the proposed amendments with regard to determining whether a net investment in an associate could be impaired. In particular, the replacement of "decline...below cost" of an investment in paragraph 41C of IAS 28 with "decline...to less than its carrying amount" can, in our view, significantly reduce current discussions in practice.

Moreover, we recommend ensuring the greatest possible consistency in terms of content and wording with the requirements of IAS 36. In this context, the general question arises as to why the requirements for impairment in the case of a net investment in an associate or joint venture must be formulated separately in IAS 28 and cannot be integrated directly into IAS 36. By doing so, all potential inconsistencies between IAS 28 and IAS 36 could be eliminated in one fell swoop.

Question 6: Investments in subsidiaries to which the equity method is applied in separate financial statements

Paragraph 10 of IAS 27 permits a parent entity to use the equity method in IAS 28 to account for investments in subsidiaries, joint ventures and associates in separate financial statements

The IASB is proposing to retain paragraph 10 of IAS 27 unchanged, meaning that the proposals in this Exposure Draft would apply to investments in subsidiaries to which the equity method is applied in the investor's separate financial statements.

Paragraphs BC112–BC127 of the Basis for Conclusions explain the IASB's rationale for this proposal.

Do you agree with this proposal?

If you disagree, please explain why you disagree and your suggested alternative.

In general, we concur with the proposed retention of paragraph 10 of IAS 27.

Retaining paragraph 10 of IAS 27 unchanged maintains the status quo, which should be in the interests of jurisdictions that permit or require entities to prepare separate financial statements in accordance with IFRS Accounting Standards and that require the use of the equity method for investments in subsidiaries, associates and joint ventures, even if the proposed amendments are likely to negate most of the benefits of the 2014 amendments relating to the reintroduction of the option to use the equity method in the separate financial statements of subsidiaries.

In this context, we refer to the concerns of Mr. Tadeu Cendon, as set out in paragraphs AV5 et seqq. of the Basis for Conclusions, which we consider to be justified and reasonable.

Due to the non-introduction of a modified version of the equity method for an investment in a subsidiary, the amendments proposed in the ED may result in a different performance (profit or loss and OCI) being reported by a parent in its separate financial statements compared to its consolidated financial statements in respect of its subsidiary. Against this background, we see a considerable risk for earnings management and considerable disadvantages with regard to the clarity and informative value of the information provided in future IFRS financial reports.

In our view, the inconsistencies that are likely to arise from the amendments proposed in the ED for the application of the equity method in separate financial statements and consolidated financial statements are also related to the lack of an answer to the conceptual question of whether the equity method is a one-line consolidation or a measurement basis. We believe that such issues cannot be resolved without clarifying both the purpose and nature of the equity method and the purpose of separate financial reports. However, this would require a major standard-setting project.

Question 7: Disclosure requirements

(Paragraphs 20(c), 21(d)–21(e) and 23A–23B of IFRS 12 and paragraph 17A of IAS 27)

The IASB is proposing amendments to IFRS 12 in this Exposure Draft. For investments accounted for using the equity method, the IASB is proposing to require an investor or a joint venturer to disclose:

(a) gains or losses from other changes in its ownership interest;

(b) gains or losses resulting from ‘downstream’ transactions with its associates or joint ventures;

(c) information about contingent consideration arrangements; and

(d) a reconciliation between the opening and closing carrying amount of its investments.

The IASB is also proposing an amendment to IAS 27 to require a parent – if it uses the equity method to account for its investments in subsidiaries in separate financial statements – to disclose the gains or losses resulting from its ‘downstream’ transactions with its subsidiaries.

Paragraphs BC137–BC171 of the Basis for Conclusions explain the IASB’s rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

The IDW acknowledges the users' interest in additional information on investments in associates and joint ventures. However, we are concerned that gathering the information to meet the proposed disclosure requirements could be challenging, especially for investors in associates. In our view, the determination of gains or losses both from other changes in an investor's ownership interest and from 'downstream' transactions with its associates or joint ventures as well as the provision of the proposed reconciliation are likely to become a significant cost factor, particularly in view of the first-time application of the requirements.

Providing information on the gains or losses resulting from 'downstream' transactions will – at least partially – counteract the cost savings intended by the proposed full recognition of gains and losses in the future. In this context, we are grateful to note that the IASB has waived a potential requirement to disclose gains or losses of investors or joint ventures resulting from 'upstream' transactions with its associates or joint ventures due to cost-benefit considerations.

According to paragraph 23A of IFRS 12 in the ED, an investor or a joint venture partner should make various disclosures on contingent consideration arrangements for its investments accounted for using the equity method. This should apply to the following two cases: (1) the obtaining of significant influence or joint control and (2) the purchase of an additional ownership interest. Regarding the latter case, however, an investor who controls an entity and later increases its controlling shareholding is not obliged to make such a disclosure. We therefore ask for an explanation as to why such disclosures should only be required if an investment in an associate that continues to be accounted for using the equity method is increased.

With regard to the proposed disclosure requirements, we wonder whether, and if so, which of the proposed disclosures actually belong in IFRS 12 or whether they would not be better included in IAS 24 or IAS 28. The boundaries between the scopes of the three standards do not appear clear. We therefore also see a certain potential for overlaps in the proposed disclosures, e.g. with the requirements in the paragraphs 18 et seq. of IAS 24 and paragraphs B12 et seq. of IFRS 12. Hence, more information on the Board's considerations in this regard could be helpful in understanding and applying the new disclosure requirements.

Question 8: Disclosure requirements for eligible subsidiaries

(Paragraphs 88(c), 91A and 240A of IFRS 19)

IFRS 19 permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. It specifies the disclosure requirements an eligible subsidiary applies instead of the disclosure requirements in other IFRS Accounting Standards.

As part of developing proposed amendments to the disclosure requirements in other IFRS Accounting Standards, the IASB regularly considers which of those proposed amendments should be included in IFRS 19, based on the IASB's principles for reducing disclosure requirements for eligible subsidiaries.

The IASB is proposing amendments to IFRS 19 to require an eligible subsidiary:

(a) to disclose information about contingent consideration arrangements; and

(b) to disclose gains or losses resulting from 'downstream' transactions with its associates or joint ventures.

The IASB is also proposing an amendment to IFRS 19 to require a subsidiary that chooses to apply the equity method to account for its investments in subsidiaries in separate financial statements to disclose gains or losses resulting from 'downstream' transactions with those subsidiaries.

Paragraphs BC172–BC177 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative, taking into consideration the principles for reducing disclosure requirements for eligible subsidiaries applying IFRS 19 (see paragraph BC175 of the Basis for Conclusions).

n/a

Question 9: Transition

(Paragraphs C3–C10 of [draft] IAS 28 (revised 202x))

The IASB is proposing to require an entity:

(a) to apply retrospectively the requirement to recognise the full gain or loss on all transactions with associates or joint ventures;

(b) to apply the requirements on contingent consideration by recognising and measuring contingent consideration at fair value at the transition date — generally the beginning of the annual reporting period immediately preceding the date of initial application — and adjusting the carrying amount of its investments in associates or joint ventures accordingly; and

(c) to apply prospectively all the other requirements from the transition date.

The IASB is also proposing relief from restating any additional prior periods presented. Paragraphs BC178–BC216 of the Basis for Conclusions explain the IASB's rationale for these proposals.

Do you agree with these proposals?

If you disagree, please explain why you disagree and your suggested alternative.

We expect that retrospectively applying the requirement to recognise the full gain or loss on transactions with associates or joint ventures will be difficult to implement, and if it is possible, it might be very burdensome, in particular for long-existing investments in associates or joint ventures. We therefore recommend that the Board consult preparers in more detail on this and, if necessary, consider whether simpler transition requirements can be found.

In accordance with paragraph C6 of IAS 28 in the ED, contingent consideration is to be measured at fair value at the transition date. In our view, the requirement should be clarified to the effect that only unpaid amounts are to be measured at the fair value.

Question 10: Expected effects of the proposals

Paragraphs BC217–BC229 of the Basis for Conclusions explain the IASB's analysis of the expected effects of implementing its proposals. Do you agree with this analysis? If not, which aspects of the analysis do you disagree with and why?

n/a

Question 11: Other comments

Do you have any comments on the other proposals in this Exposure Draft, including Appendix D to the Exposure Draft or the Illustrative Examples accompanying the Exposure Draft?

Do you have any comments or suggestions on the way the IASB is proposing to reorder the requirements in IAS 28, as set out in [draft] IAS 28 (revised 202x)?

The IDW had hoped that the IASB would fundamentally review the equity method, as proposed by so many stakeholders. In our view, the Board has thus failed to introduce a more robust, principles-based approach to the equity method. Consequently, not all questions and conceptual inconsistencies could be resolved (we refer i.a. to our answer to Question 6). In addition, we expect further application difficulties and inconsistencies in connection with the application of the equity method in the future.

The issues that we believe still require clarification include the following:

- How should transaction costs related to the purchase of an investment in an associate be dealt with (we refer to our answer to Question 1)?
- By analogy with paragraph 45 of IFRS 3, is there a one-year measurement period to finalise provisional amounts of identifiable assets and liabilities if, e.g., an associate is purchased shortly before the end of the reporting period and the accounting is incomplete at the reporting date?
- In connection with the purchase of an ownership interest in an associate or joint venture, are there any exceptions to the recognition or measurement of items that are subject to specific measurement requirements, such as employee benefits?

Notwithstanding this, the IASB's response to selected application issues, as proposed in the ED, will provide short-term solutions to some long-standing application difficulties, reduce diversity in practice and lead to more comparable and understandable information for users. In this respect, we see the proposals as an improvement compared to the status quo.

Further, we welcome the illustrative examples provided by the Board, which may be supplemented by further examples for more complex situations.

Beyond this, we agree with the planned reorganisation of the requirements in IAS 28 as set out in [draft] IAS 28 (revised 202x) and have no further comments in this regard.

The IDW would be pleased to answer any questions that you may have or discuss any aspect of this letter.

Yours sincerely,

Daniel Siegel

Bernd Stibi
Technical Director
Financial & Sustainability Reporting