

Sustainability Report 2026

Leading with responsibility.
Driven by commitment.
Shaping the future.



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Foreword

by the Management Board



Dear Readers,

Sustainability is a continuous driver of our efforts to develop Baker Tilly responsibly and with a long-term perspective. This commitment shapes our actions in matters large and small and forms the foundation for sustainable corporate governance.

We view our ESG approach as an integral part of our overall strategy. It sets the framework within which we make decisions and assume responsibility. Our activities are guided by the three ESG dimensions – Environment, Social, and Governance – with the aim of balancing economic success with environmental stewardship and social responsibility.

A particular focus is on our employees and our corporate culture. We believe that an inclusive, supportive and respectful working environment is an essential prerequisite for long-term success. At the same time, we recognize our responsibility to make a contribution beyond our own organization – whether through social commitment or through responsible business conduct.

We see sustainability not as a destination, but as an ongoing journey of continuous improvement. This report provides insight into the topics and areas of action that guide us in this endeavor. It highlights not only where we stand today and what we have achieved, but also our ambitions and areas for further improvement.

Going forward, we will continue to advance our ESG activities and work consistently to live up to our responsibility as a business.

We hope you enjoy reading this report.

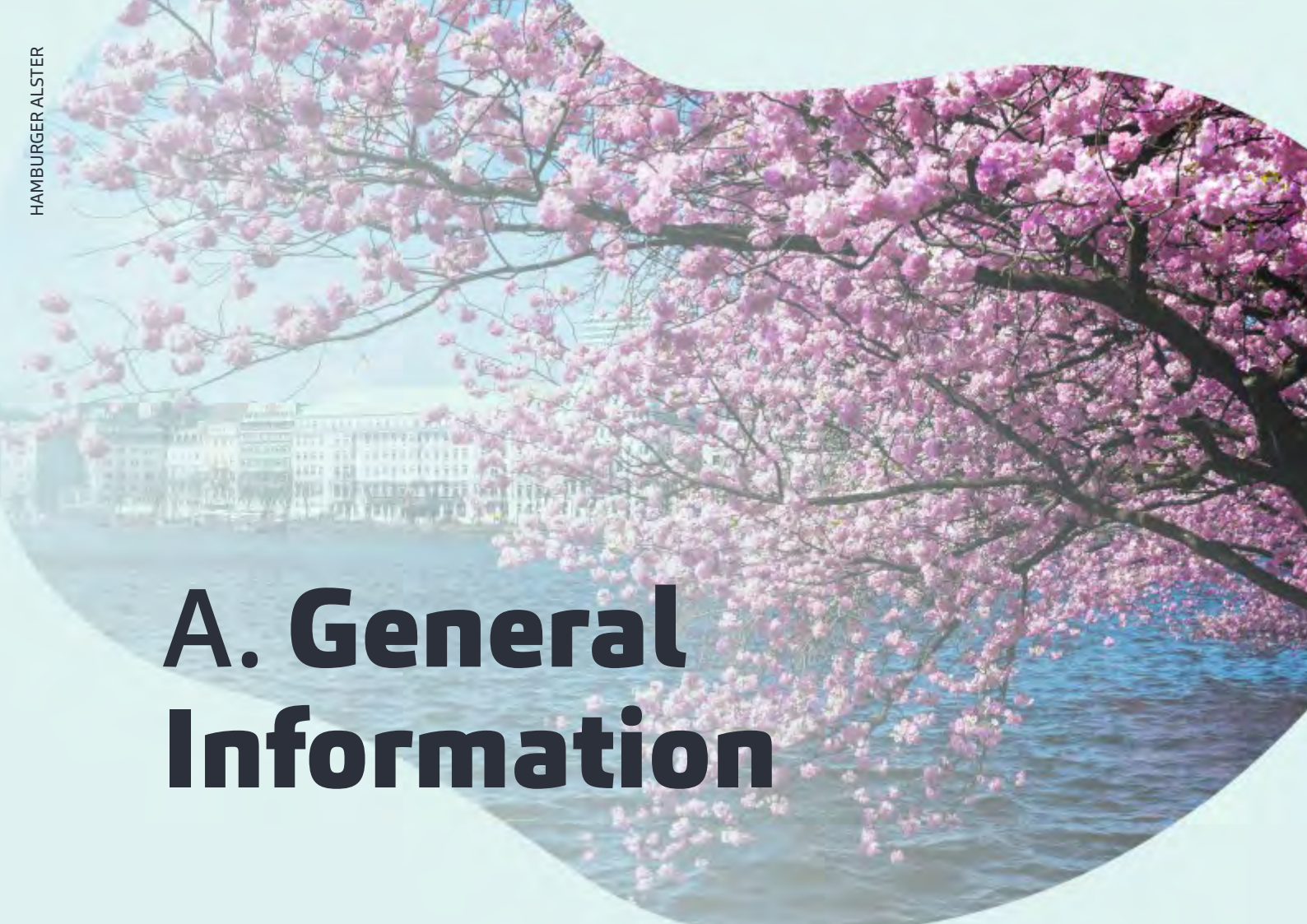
Prof. Dr. Thomas Edenhofer

Dr. Thomas Gemmeke

Ralf Gröning

Oliver Hubertus

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A. General Information

Baker Tilly in Germany

With a broad spectrum of advisory services in the areas of Audit & Advisory, Tax, Legal, and Consulting across ten locations – Berlin, Dortmund, Düsseldorf, Frankfurt am Main, Hamburg, Leipzig, Munich (including Regensburg), Nuremberg, Schwerin, and Stuttgart – Baker Tilly is among the largest partner-led advisory firms in Germany. As of December 31, 2025, Baker Tilly employed a total of 1,740 people in Germany, including 139 partners. Baker Tilly brings together 45 nationalities, and women account for 50.9 percent of our workforce. Our global network, Baker Tilly International, is represented worldwide with 50,400 employees in 147 countries.

The overarching goal of our business activities is to protect and enhance the value of our clients' assets. For us, sustainability is not merely an aspiration – it is an integral part of how we conduct our business. Through this

report, we provide transparent insight into how we pursue this objective in line with our established sustainability goals – that is, with the highest environmental, social, and ethical standards. We highlight the progress we have made and identify opportunities for further improvement.

We help our clients establish the right framework to identify and manage the internal and external risks they face at an early stage and to seize opportunities for economic growth. In doing so, we aim both to continuously improve the sustainability of our own business processes and to support our clients on their journey toward greater sustainability.

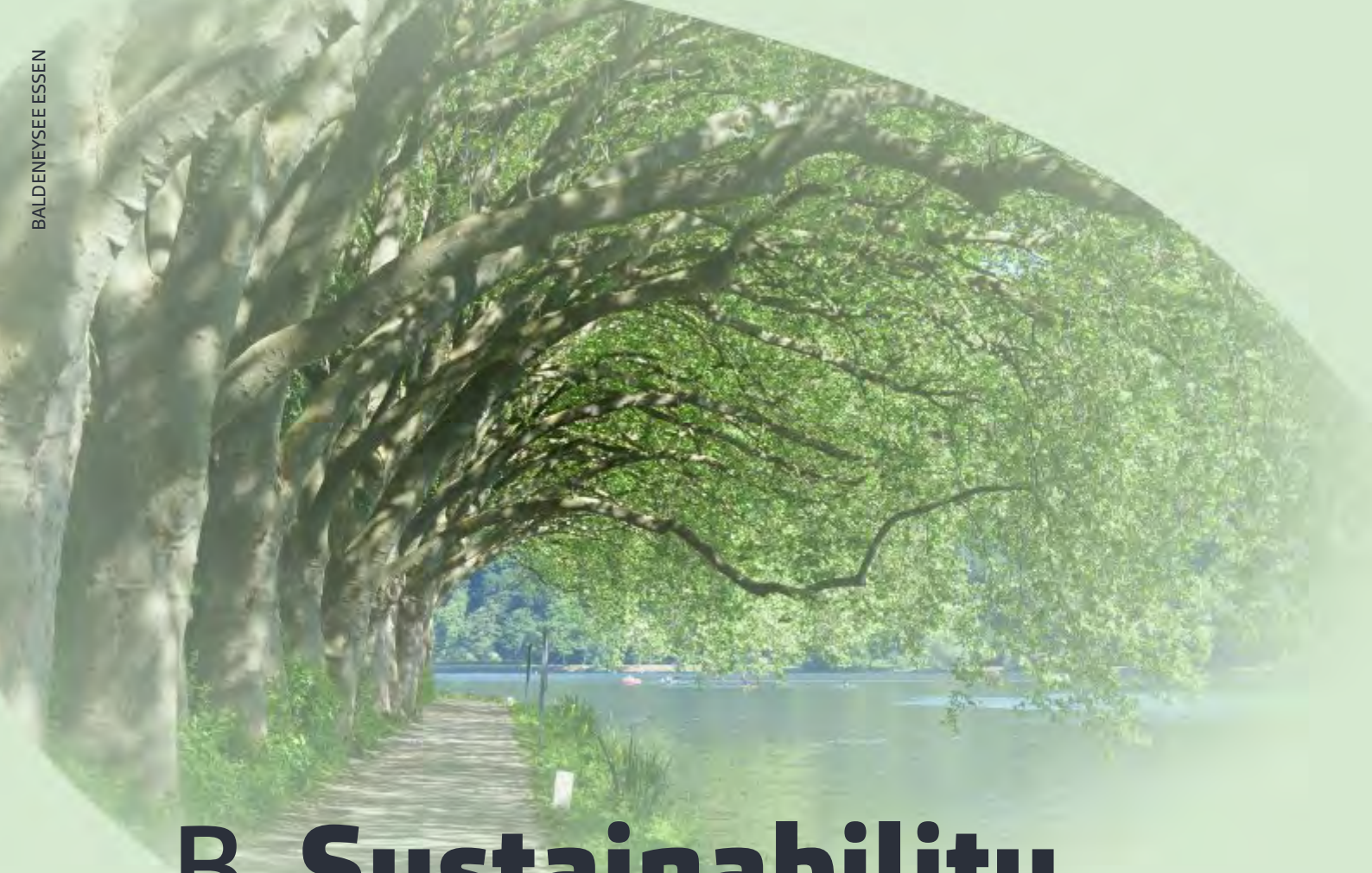


About This Sustainability Report

This sustainability report covers the 2025 reporting year and provides a comprehensive and transparent overview of Baker Tilly's activities in Germany. The report places particular focus on the areas of Environment & Nature, People & Society, and Compliance, Integrity & Trust.

At the same time, the report reflects the central elements of our sustainability strategy to date. Information about our global network and the sustainability contributions of individual member firms is available in English at <https://www.bakertilly.global/>

This is the fourth edition of Baker Tilly's Sustainability Report in its current comprehensive format. In part, the sustainability report draws on (internationally) recognized reporting frameworks, without claiming full compliance with any of these standards. It will continue to be published on an annual basis and only in electronic form.



B. Sustainability at Baker Tilly: An Overview

Sustainability is highly important to us, reflected in two complementary dimensions: On the one hand, we take responsibility as a business toward our employees, clients, society, and the environment, and we have embedded this commitment in our compliance policies and organizational structure. On the other hand, the combined expertise of our Competence Center Sustainability is integrated into our advisory and audit services. Our goal is to develop individual, tailored solutions that take into account all relevant sustainability requirements.

In addition, we work continuously to reduce our own ecological footprint. To this end, we rely on a wide range of concrete measures and initiatives in which we actively involve our employees. In doing so, we foster a culture of environmental awareness in everyday work and create the conditions for resource-efficient and responsible ways of working.

Sustainable Human Resource Management as a Success Factor

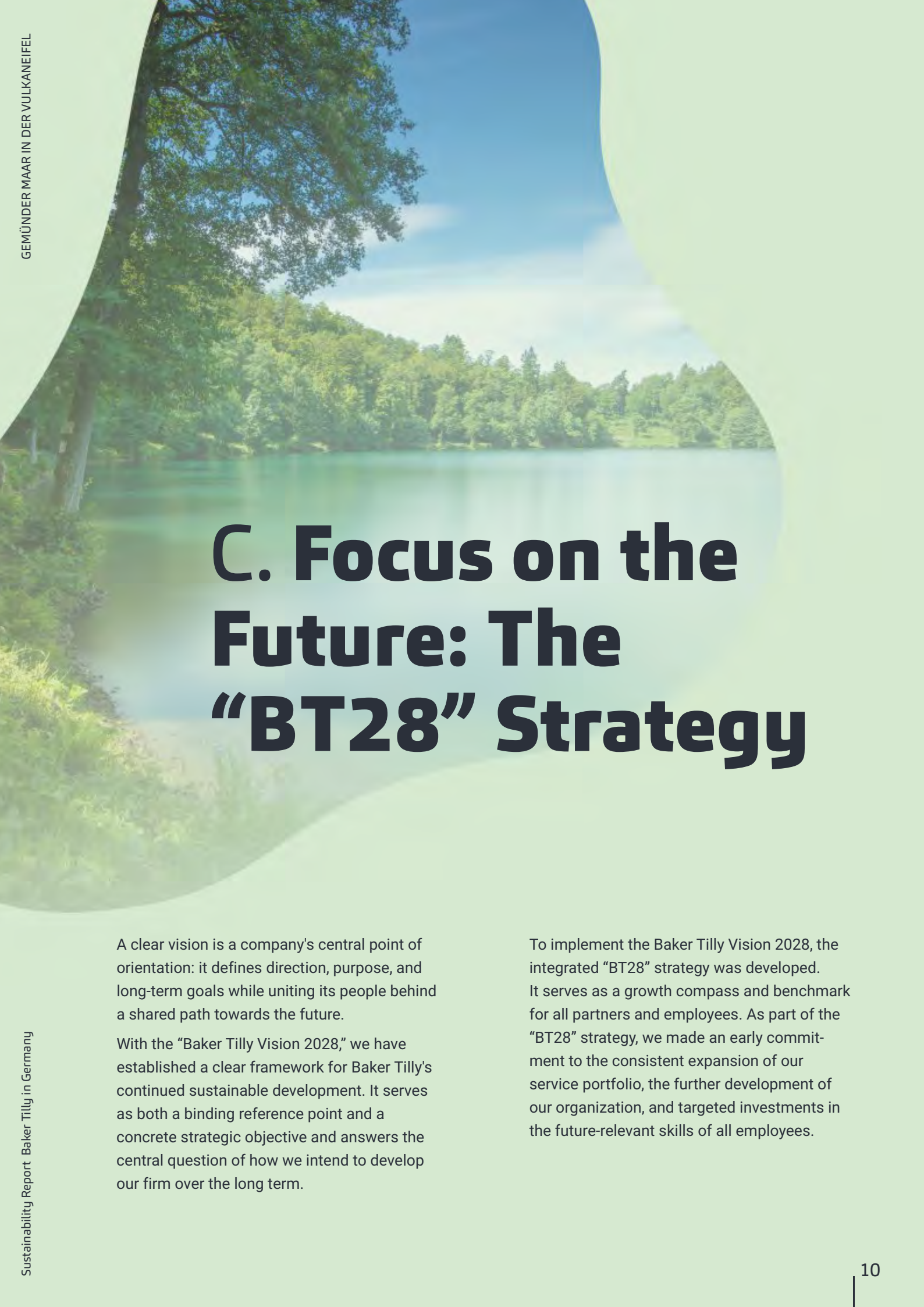
A people-centered corporate culture is a cornerstone of Baker Tilly's sustainable success. From onboarding through career development to partnership, we are committed to providing stability, targeted professional development, and opportunities to assume responsibility. This creates long-term career prospects for our people while strengthening the company's shared future.

Social Commitment through the Baker Tilly Foundation

By establishing our Baker Tilly Foundation in 2018, we have strengthened our commitment to social responsibility. The Foundation supports projects and initiatives in the areas of child and youth welfare as well as education. Guided by our principle – **“Taking responsibility today for a better tomorrow”** – we provide targeted support to people and projects that make a sustainable contribution to the common good. A dedicated chapter of this Sustainability Report presents the Foundation's work.

Sustainability as a Strategic Driver beyond Compliance

For us and our clients, non-financial reporting is more than a regulatory obligation. It presents an opportunity to drive sustainable transformation that connects environmental, social, ethical, and economic goals.



C. Focus on the Future: The “BT28” Strategy

A clear vision is a company's central point of orientation: it defines direction, purpose, and long-term goals while uniting its people behind a shared path towards the future.

With the “Baker Tilly Vision 2028,” we have established a clear framework for Baker Tilly's continued sustainable development. It serves as both a binding reference point and a concrete strategic objective and answers the central question of how we intend to develop our firm over the long term.

To implement the Baker Tilly Vision 2028, the integrated “BT28” strategy was developed. It serves as a growth compass and benchmark for all partners and employees. As part of the “BT28” strategy, we made an early commitment to the consistent expansion of our service portfolio, the further development of our organization, and targeted investments in the future-relevant skills of all employees.

Baker Tilly Vision 2028



Baker Tilly is a full-service provider for Audit, Tax, Legal, and Advisory.

We grow as one company. Within this business model, together with our partners around the world, we focus on internationally operating clients and are their first point of contact for interdisciplinary projects.

Our actions are guided by appreciation, respect, and diversity. We collaborate seamlessly across all service lines and competence centers and leverage our complementary expertise to deliver exceptional services. We are a team of dedicated, responsible, and high-performing people.

Baker Tilly is a learning and transparent organization, characterized by standardized digital processes.

We foster professional excellence and personal development. An open feedback culture enables us to improve every day. With excellent performance, we consistently exceed our clients' expectations. We celebrate personal development milestones as well as our shared successes.



D. Focus on Environment and Nature

Compared with many other industries – such as manufacturing or logistics – our core business processes, namely advisory and audit services, generate relatively low greenhouse gas (GHG) emissions and require comparatively low consumption of natural resources. Accordingly, our direct impact on the “Environment and Nature” sustainability category is limited. Nonetheless, we implement targeted measures to achieve continuous improvements within our sphere of influence.

Our focus is placed in particular on travel associated with client engagements, employee commuting, and energy consumption across our offices.

When interpreting the figures presented here, which relate exclusively to the 2025 reporting period, it is important to note that our workforce increased by almost four percent last year compared with previous years – which is inevitably associated with rising resource consumption. In addition, the increased use of mobile working arrangements by our employees has shifted a considerable portion of resource consumption to employees' private households, which makes capturing this component of our GHG emissions significantly more difficult.



Mobility

For Baker Tilly, too, the broad acceptance and intensive use of videoconferencing in recent years have led to greater use of virtual meetings. In 2025, around 117,500 video conferences were held by and with Baker Tilly. Videoconferencing has become an established form of communication and provides, in many situations, an effective complement to face-to-face meetings, particularly with regard to the responsible use of resources. At the same time, personal interaction remains a central component of our client service and is indispensable for building trusted relationships, in particular when addressing often sensitive matters.

In addition, there are occasions – such as court hearings, negotiations, or certain committee meetings – where personal attendance is required by law or considered more effective. Our travel policies are therefore designed not only to enable but also to encourage all employees to travel as sustainably as possible, with a particular focus on reducing GHG emissions.



In the reporting year, travel patterns developed differently: while the number of kilometers travelled by air increased (+14 percent), rail travel declined slightly (-2.7 percent). Accordingly, GHG emissions associated with air travel increased (see the table “GHG Emissions from Air and Rail Travel”).

As an incentive to use climate-friendly rail travel, Baker Tilly has booked first-class rail travel for business trips since 2021.

GHG Emissions from Air and Rail Travel

	Number of Flights	Flight Kilometers	KG CO ₂ (GHGP)	Rail Kilometers
2022	1,262	909,070	123,342	1,420,182
2023	2,155	1,911,010	277,207	2,093,762
2024	2,318	1,791,898	257,910	2,230,509
2025	2,719	2,036,651	293,137	2,170,435

A large part of our business travel is undertaken by car, as this option is often the most practical and efficient solution. Our employees use various transport options, including company cars, private vehicles, rental cars, and taxis. For company cars, the total distance travelled is recorded without distinguishing between private and business use. Business travel undertaken in private vehicles are evaluated based on the mileage claimed through the travel expense reimbursement process. Trips by taxi and rental car are converted into corresponding mileage figures based on the reimbursed costs (see the table “GHG Emissions from Business Travel by Road”).

GHG Emissions from Business Travel by Road

	Number of Company Cars	Miles driven (in thousands)					CO ₂ in g/kg mixed	CO ₂ in kg
		Company Car	Private Car	Rental Car	Taxi	Total		
2022	177	3,404	510	29	32	3,975	160	634,021
2023	194	3,512	640	35	51	4,237	156	660,957
2024	198	3,064	627	65	60	3,817	153	582,062
2025	201	3,157	595	55	64	3,870	136	527,354

At the office locations where the necessary infrastructure is in place, we have installed EV charging stations to enable employees to charge their vehicles during working hours. This creates an additional incentive to encourage the use of electric mobility. This approach has proven successful: although the total distance traveled by car increased slightly overall, the increased use of hybrid and electric vehicles made it possible to reduce GHG emissions from passenger vehicles by nine percent in 2025 (see the table “GHG Emissions from Business Travel by Road”).

To further promote the use of public transportation, our employees receive a monthly subsidy of 50 euros for the “Deutschlandticket Job.” This offering is used extensively: by the end of 2025, 793 job tickets had been subsidized, meaning that nearly half of Baker Tilly’s employees have opted for a job ticket.

Cycling is also becoming an increasingly popular mode of commuting. To encourage this trend, we offer employees access to a Job Bike (Jobrad) leasing scheme, which we support with a monthly subsidy of 20 euros per employee. By the end of 2025, 134 employees (+13 percent) had already taken advantage of Baker Tilly’s Job Bike offering. Including the bikes used by family members, this results in a total of 159 Job Bikes. At individual locations, we also provide secure bicycle parking facilities or allow bicycles to be parked in underground parking garages.

Electricity Consumption

As in many companies, the share of mobile working has increased significantly at Baker Tilly as well. In numerous areas, working remotely two to three days per week has now become the standard. This is associated with changed office space requirements: office capacity is no longer directly aligned with the number of employees, since workstations are increasingly shared. This offers several advantages: From an economic perspective, it enables more efficient use of office space and allows only moderate expansions despite continued growth. From an environmental perspective, more intensive use of existing capacity reduces the energy required for heating and cooling and conserves resources.

In terms of electricity consumption, air conditioning systems and our IT infrastructure – as central work equipment – are among the largest consumers. We therefore place particular emphasis on selecting IT equipment with low energy consumption, both during operation and in standby mode.

In 2018, we began the phased migration of our data center in Düsseldorf to the cloud. This process was successfully completed in 2025, reducing the operation of the on-site data center to the minimum level required. In addition to our primary objectives such as IT security and system availability, we also expect a more efficient use of resources, since the selected cloud providers benefit from significant economies of scale in the operation of their data centers.

Electricity consumption declined by around 20 percent compared with the previous year (see the table “Own Electricity Consumption in kWh”). However, comparability with the prior year is limited due to location-specific factors and billing-related differences.

	Own Electricity Consumption in kWh
2022	1,416,559
2023	1,193,430
2024	1,184,497
2025	951,677

Other Resources

Reducing paper consumption represents another important lever in advancing our sustainability efforts. In particular, the ongoing digitalization of our work processes has enabled us to increasingly replace historically paper-based ways of working.

A corresponding shift can also be observed among our clients: the majority of our clients and their banks now request audit reports in digital format, which we sign with digital certificates. Accordingly, a large number of documents that were previously provided in hard copy as standard were prepared and signed electronically in 2025. In addition, we have provided employee payslips exclusively in digital form since 2016.

The introduction of the special electronic mailbox for tax advisors (beSt) in 2023 marked a

further step towards digital communication. Baker Tilly was involved from the outset. Since then, correspondence has increasingly been conducted electronically, making it possible to further reduce paper- and fax-based communication channels.

In 2023, we retendered our managed print services and, in the process, reduced the number of printers in use by almost one-third. Across our German offices, 106 printers are currently still in use. At the same time, we significantly reduced both paper consumption and the associated GHG emissions: The number of printed and copied pages fell from more than four million to 2.4 million in 2025 – a decline of approximately 45 percent, with a continued downward trend (see the table “Reduced Paper Consumption”).

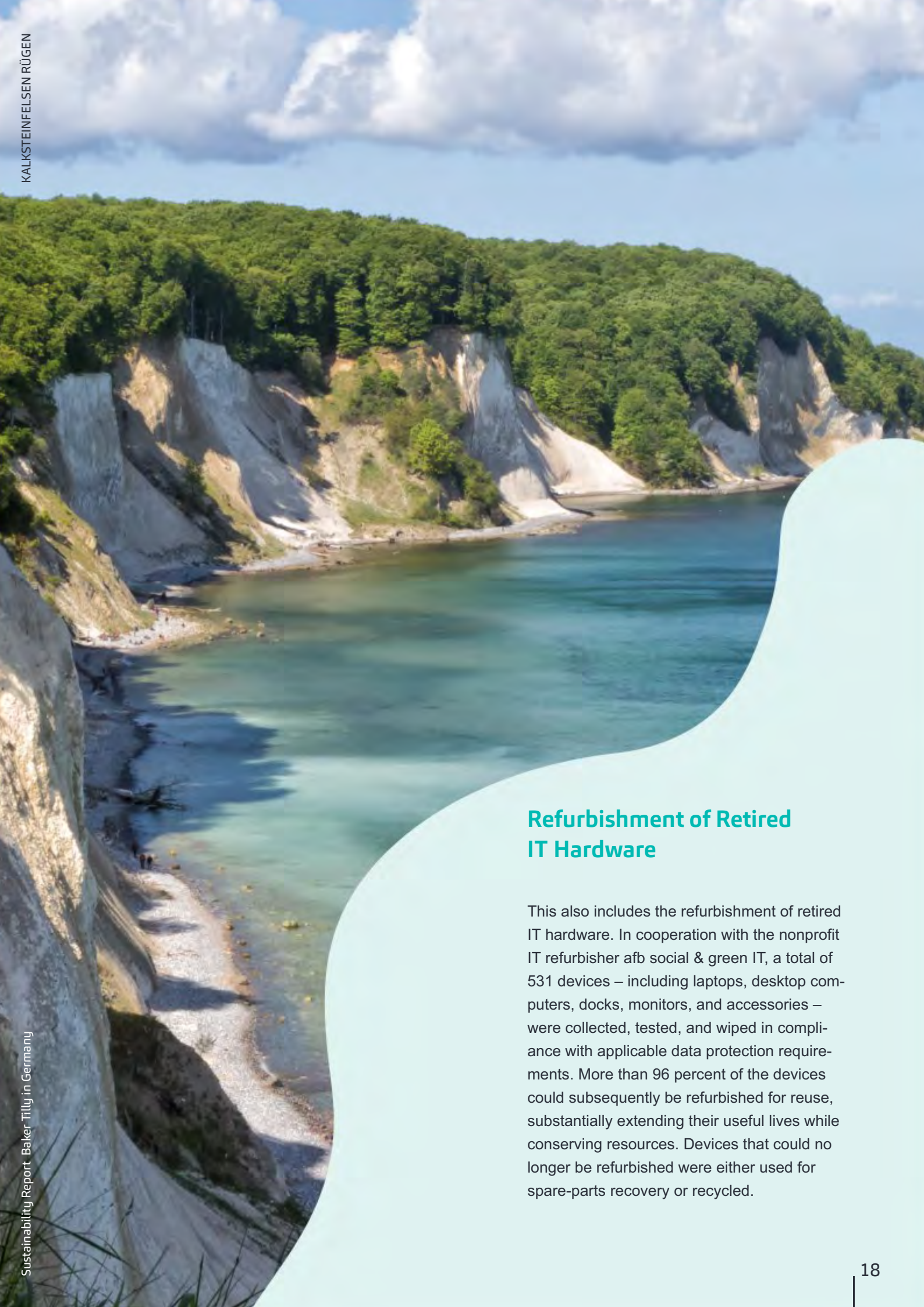
Reduced Paper Consumption

	Pages Printed	Paper Consumption in kg	CO ₂ in kg*
2022	4,424,426	22,708	27,249
2023	3,169,088	16,024	19,229
2024	2,856,354	14,433	17,320
2025	2,422,407	12,223	14,667

**1,2 kg CO₂ per kg of paper*

Across all business areas and office locations, Baker Tilly is committed to minimizing waste generation wherever possible and ensuring that waste is directed into established recycling streams.

The drinking-water dispensers installed at numerous of our office locations have significantly reduced the need for purchased bottled beverages. In cases where this is not practical, reusable systems are used instead. In addition, recyclable waste is consistently separated at all office locations.



Refurbishment of Retired IT Hardware

This also includes the refurbishment of retired IT hardware. In cooperation with the nonprofit IT refurbisher afb social & green IT, a total of 531 devices – including laptops, desktop computers, docks, monitors, and accessories – were collected, tested, and wiped in compliance with applicable data protection requirements. More than 96 percent of the devices could subsequently be refurbished for reuse, substantially extending their useful lives while conserving resources. Devices that could no longer be refurbished were either used for spare-parts recovery or recycled.



E. Focus on People and Society

With their commitment, motivation, and professional expertise, our employees shape the success of our client work and thereby the success of Baker Tilly. Against this backdrop, our goal is to create a working environment that enables both personal and professional development and fosters shared growth. Our

focus is on providing modern and attractive working conditions, offering a broad range of learning and development opportunities, promoting diversity, and supporting the reconciliation of work and family life.

Attracting and Developing Talent

Our Talent Acquisition activities aim to attract qualified professionals and high-potential talent to Baker Tilly while offering them attractive and challenging career opportunities.

We achieve this not only through targeted employer-branding initiatives, including our presence on social media, but also through direct personal interaction – for example, at university and career fairs across Germany. Therefore, we have maintained a wide range of long-standing partnerships with universities, creating value for both students and Baker Tilly, while also offering a variety of early-career development programs.

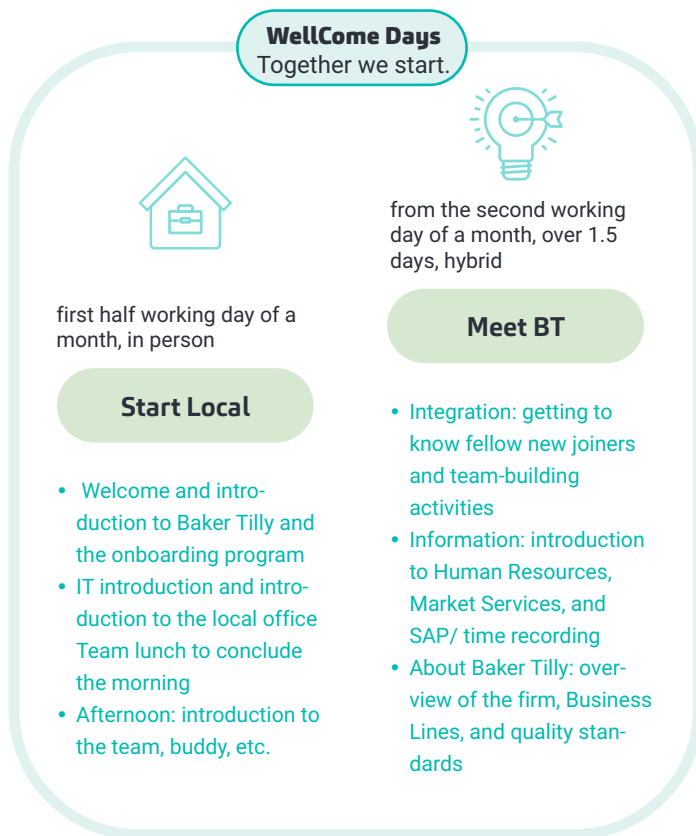
Our own recruitment and networking events also provide valuable opportunities to connect with potential new colleagues and give them early insights into our working environment.

When selecting our future Baker Tilly professionals, we consider both professional qualifications and personal competencies as well as individual development potential. In 2025, we successfully recruited a total of 290 new employees on a permanent basis. In addition, more than 291 interns or working students join Baker Tilly each year to begin their professional careers.

We have eliminated paper-based applications and use the full range of digital media throughout the recruitment and onboarding process. Through our comprehensive, four-stage onboarding process and an individually tailored orientation plan, we ensure a structured and targeted integration of new colleagues into the team. A total of 4,843 participant hours (+33%) were devoted to these initial onboarding activities in 2025. In addition, from day one, new joiners are supported by a so-called “buddy,” who helps them settle in and facilitates their integration.



Baker Tilly-Onboardingprocess



during the first weeks, virtual/online

Learning@BT

- Training courses to support the use of new applications and systems (training menu)
- Webinars and e-learning modules tailored to individual needs
- Additional learning opportunities are available at the Baker Tilly Academy



within the first 6 months, in person

Be Connected!

- Cross-office networking to foster interdisciplinary collaboration
- Business skills workshop to strengthen personal and professional competencies
- An unforgettable outdoor activity and shared evening event

Targeted Learning and Development: Connect – Belong – Succeed

We regard the professional and personal development of our employees as an essential prerequisite for sustainable growth. With a comprehensive range of learning and development opportunities for all employees, we consistently deliver on our claim, "Connect – Belong – Succeed."

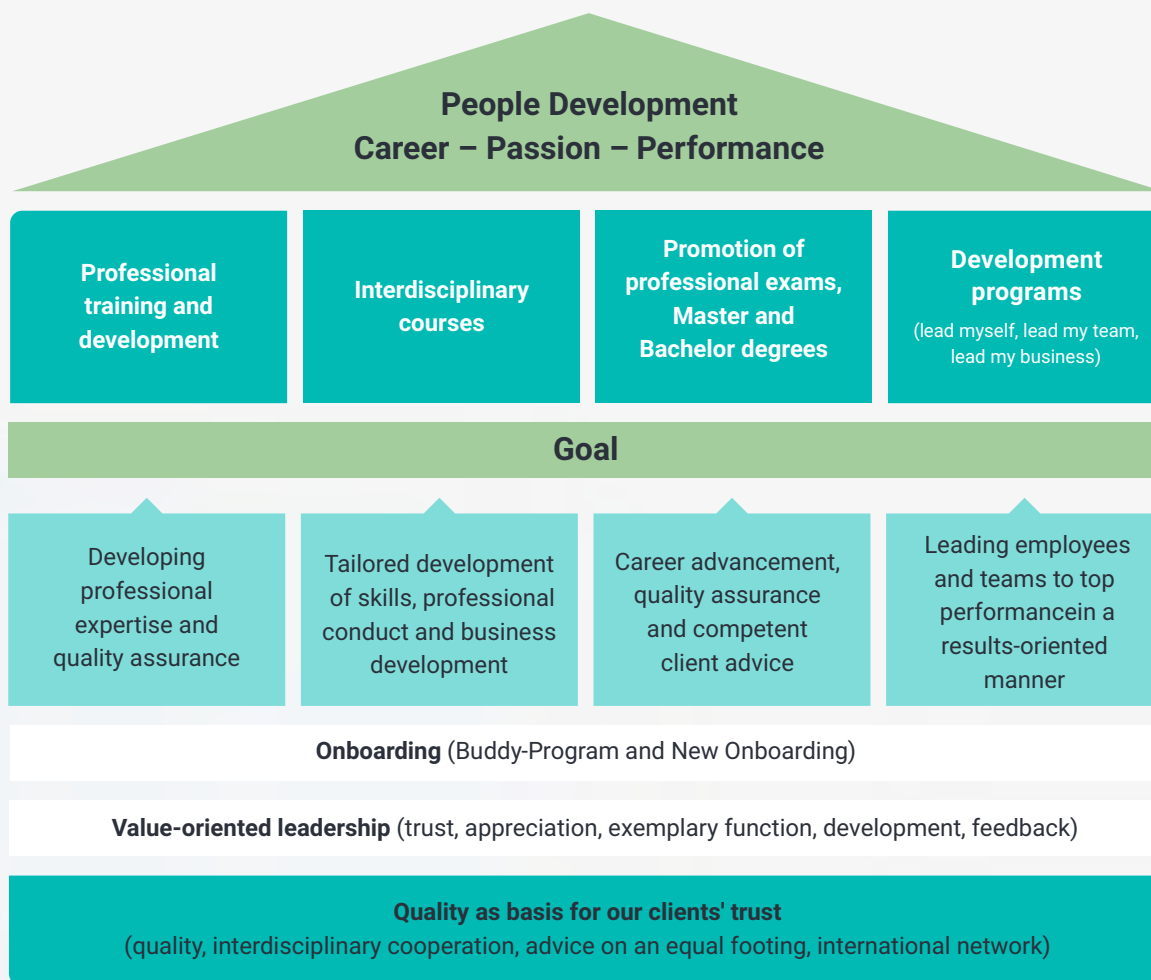
As part of our professional learning and development program, we offer a wide range of technical curricula as well as mandatory training in accordance with professional standards and regulatory requirements. In addition, we support young professionals and employees in the early stages of their careers in particular through an extensive training program comprising a total of 43 courses in the areas of Audit & Advisory, Legal, and Tax.

Our technical training programs accounted for a total of 13,994 training hours. Beyond this, we also support our employees in their personal development: through interdisciplinary and soft-skills training, we successfully delivered our broad range of offerings with a total of 13,932 learning hours.

In total, all learning and development activities accounted for 30,360 hours, corresponding to an average of approximately 19,8 hours (+29%) per employee.



**+29 percent:
19.8 hours for
continuing education
per employee**



Professional Qualifications for Tax Advisors, Auditors, and Specialist Lawyers

We actively support our employees' individual development and career goals in a targeted and sustainable manner. This includes preparing for professional qualification examinations such as the German tax advisor examination, the German public auditor examination, specialist lawyer certification programs, and other professional qualifications, including the CFA and CISA designations. Baker Tilly supports employees in achieving their individual qualification goals through a combined model of financial assistance and dedicated study leave. In 2025, twelve employees passed the German tax advisor examination and seven employees passed the German public auditor examination.

A Culture of Appreciative Leadership

Appreciative leadership is an essential component of our corporate culture. With our Leadership Excellence Program, we systematically develop leadership skills across Baker Tilly. The program's modules "Lead Myself," "Lead My Team," and "Lead My Business" promote a values-based approach to leadership and support the sustainable effectiveness of leadership. Twelve participants took part in the program in 2025.

Professional exchange and networking are encouraged through a range of regular events, including the annual Audit & Advisory Day, the Tax Advisors' Day, the Lawyers' Day, and a training and networking event for administrative staff. These events combine current professional topics with opportunities for personal interaction and professional networking.

In addition, our learning and development offering in Germany is complemented by a broad range of international training programs available through our global network. In addition to worldwide learning opportunities, these programs also promote cross-border and cross-cultural exchange with colleagues around the world.



Attractive Working Conditions

Modern and attractive working conditions form the basis for our employees' well-being and performance and are therefore essential for both business and individual success. Therefore, we consistently ensure full compliance with all occupational health and safety requirements while providing a modern, high-quality working environment and equipment. By combining office work, client engagements, and mobile working, we have established an efficient and flexible working model for all employees.

The health of our employees is highly important to us. To this end, we work closely with our occupational health service and offer various advisory and support services, including guidance on ergonomic workplace design and preventive vaccinations. In addition, we strongly promote our employees' membership of the Urban Sports Club. 319 employees (+17%) took advantage of this benefit in 2025.

Since all Baker Tilly offices are located in Germany, child labor, forced labor, and compulsory labor can be ruled out within our company. Due to the specific nature of our business activities, there is also no significant risk of work-related injuries, as our employees' work is performed predominantly in an office environment.

The primary occupational safety risks relate to business travel and commuting. In the past financial year, however, no illnesses or injuries attributable to working conditions were identified among our employees; in total, only three occupational or commuting accidents were reported.



Diversity and Equal Opportunity

As an internationally oriented company and part of a global network, we are convinced that diversity is a key driver of innovation and sustainable growth. Different cultural backgrounds, experiences, and perspectives strengthen our collaboration and create added value – both for our clients and for our company.

This diversity is also reflected in our workforce: at Baker Tilly in Germany, people from more than 45 nations work together. We are committed to fostering an inclusive and respectful working environment in which all employees can realize their full potential. To strengthen this commitment, all employees and leaders are required to complete mandatory training on the German General Equal Treatment Act (AGG). This raises awareness of fairness, inclusion, and equal treatment while helping to consistently prevent discrimination. We regard diversity, equity and equal opportunity as a leadership responsibility that we put into practice in our daily actions.

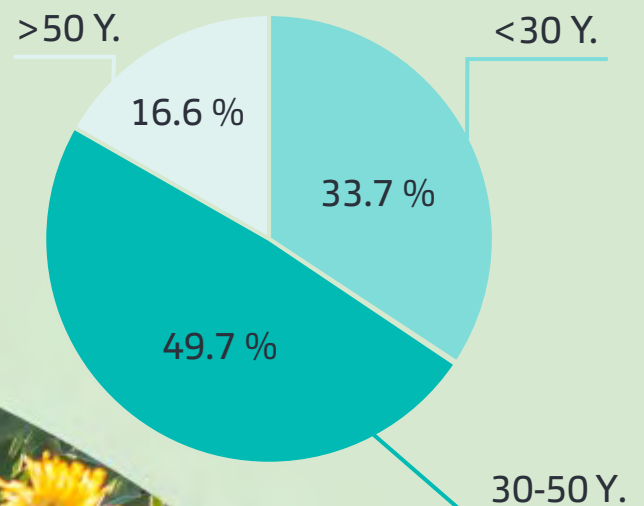
The comparatively low proportion of women in senior positions has prompted us to strengthen the development of female leaders through targeted initiatives. To this end, we have established a dedicated Female Empowerment Program, designed to support high-potential female employees in achieving their individual career aspirations. At their regular meetings, participants work in a small group on topics such as self-confidence, resilience, and leadership skills – in 2025, there were twelve participants per program cohort. The program follows a structured curriculum and combines in-person modules with virtual coaching sessions, fostering both personal development and professional ambition.

Workforce Profile

The gender distribution among our 1,740 employees is largely balanced. The part-time rate among permanent employees is 27 percent.

Women currently account for 17.9 percent of our partnership, with 25 female partners. We continue to consider this proportion as too low and are addressing it through targeted initiatives, including our established Female Empowerment Program.

Age structure





**At Baker Tilly in
Germany, people
from more than 45
nations work together.**

Work-Life Balance

With the offerings of our Family Services, we support our employees in better balancing their professional and family responsibilities. Our comprehensive range of services includes support in finding childcare, counseling services for mental health, and emergency childcare support.

In addition, our well-established and flexible working model, makes an important contribution to achieving a healthy work-life balance. In 2025, a total of 74 employees took parental leave, including 59 women and 15 men.

Compensation

Fair and equitable compensation is a fundamental element of equal opportunity. We therefore ensure that remuneration at all levels is market-based, competitive, and performance-driven, regardless of gender. Differences in compensation arise solely from the respective (prior) professional experience and individual performance. Baker Tilly participates each year in several market benchmarking studies covering compensation for all professional staff. The goal is to ensure that base salaries and bonus arrangements remain competitive and aligned with market practice over the long term.

Measures for a Safe and Respectful Working Environment

Our collaboration and our shared success are built on a corporate culture characterized by mutual appreciation and respect.

Therefore, Baker Tilly maintains a zero-tolerance approach to unfair treatment, harassment, violence, and any form of discrimination. To ensure this effectively, we have established both internal and external reporting channels through which employees as well as external parties can confidentially report suspected unethical or unlawful conduct or raise concerns if they have been personally affected. All reports received through these channels are carefully reviewed, and appropriate action is taken where necessary.

To protect our diverse and trust-based corporate culture, we pursue a consistent zero-tolerance policy. In 2025, no reports were received under the German Whistleblower Protection Act.



F. Social Commitment: The Baker Tilly Foundation

We embrace our responsibility beyond the boundaries of our firm. Promoting the well-being of society is at the heart of our commitment- extending beyond our professional activities.

Against this backdrop, the Baker Tilly Foundation supports people and initiatives that actively advocate for societal causes. Its primary focus is on initiatives in the areas of child and youth welfare, education (including higher education and continuing education), and upbringing.

Applications for funding projects can be submitted directly through the Foundation's website. Many of the projects supported originate from recommendations made by our people.



The Foundation's Funding Priorities by Theme 2025



Supporting Social Projects for Children and Young People through the Baker Tilly Foundation

In 2025, the Baker Tilly Foundation continued to focus on educational projects for socially disadvantaged children and young people. Numerous initiatives run by charitable organizations were selected to provide targeted support to young people in difficult life situations. After more than five years of operational activity, it has become evident that the Foundation's commitment is increasingly being noticed and valued. This is reflected both in the rising number of project funding applications received and in the Foundation's growing presence in the community. Since its establishment, more than 300 funding applications have been submitted to the Baker Tilly Foundation, approximately one quarter of which have been approved.



Selected Projects Funded in 2025



Kinderzentrum St.Vincent



HilfsWaise e.V.



Jumpers Schwerin



LOOP Kinderhilfe



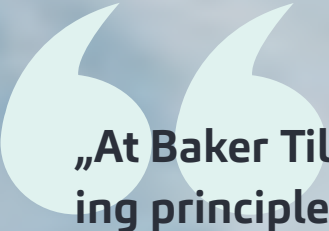
Nicolaidis YoungWings Stiftung



SOS-Kinderdorf Stuttgart



Kinderhospiz Bärenherz



„At Baker Tilly, social responsibility is more than a guiding principle—it is reflected in our actions. The Baker Tilly Foundation is a visible expression of our long-term commitment to the communities we serve. Over the years, this commitment has resulted in resilient networks and trust-based partnerships that have a tangible impact. We will continue to further strengthen and expand these relationships. Our focus remains unchanged: supporting initiatives for children and young people and promoting access to education as the foundation for participation, opportunity and future prospects. Especially in uncertain times, 'Now, for tomorrow' means taking responsibility today in order to create greater stability and opportunities for young people tomorrow.“

Thomas Mattheis

Managing Director, Baker Tilly Foundation

We report in detail on the activities of the Baker Tilly Foundation in our annual Foundation Report. The 2025 edition of the report is available for download [here](#).





G. Focus on Compliance, Integrity, and Trust

Baker Tilly is committed to the highest standards of compliance and sustainability. We attach the utmost importance to our compliance framework and, throughout the 2025 reporting period, took a series of measures to ensure compliance with all relevant legal, regulatory and ethical standards.



Organizational Structure

Our commitment to compliance is reflected in the clear assignment of responsibilities. Baker Tilly is a German audit and advisory group that is owned and led by its partners. The Group complies with all applicable professional and other statutory requirements. The Group's operating entities are subject to the respective oversight of the following professional regulatory bodies:

- Chamber of Public Accountants, Berlin (Wirtschaftsprüferkammer Berlin),
- Chamber of Tax Advisors, Düsseldorf (Steuerberaterkammer Düsseldorf),
- Chamber of Tax Advisors, Nuremberg (Steuerberaterkammer Nürnberg), and
- Munich Bar Association (Rechtsanwaltskammer München).

Governance Structure and Administration

The Baker Tilly partnership – comprising all equity partners of the Baker Tilly entities – has established the following governance bodies:

- Partners' Meeting
- Partner Council
- Management Board

The partnership operates under a partnership agreement that clearly defines the responsibilities, rights and duties of each governing body.

In addition, the partnership has consolidated various administrative and business-support functions into the following Business Services:

- Human Resources (HR)
- ITC
- Finance & Controlling (FiCo)
- Market Services
- Legal & Compliance

Within the two Business Lines, Legal & Tax and Audit & Advisory, responsibility for quality assurance is assigned to the following functions:

- Quality Legal & Tax und
- National Office

In addition, dedicated officers have been appointed for specific compliance functions:

- **Anti-Money Laundering Officer:** Our Anti-Money Laundering Officer is responsible for overseeing compliance with anti-money laundering and counter-terrorist financing requirements and for ensuring that the internal processes for preventing and mitigating these risks are appropriate. This function is performed by:
 - Dr. Thomas Gemmeke, Attorney-at-Law, who serves as the member of the management of Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft and of Baker Tilly Rechtsanwalts-gesellschaft mbH responsible for anti-money laundering matters;
 - Johannes Herbold, Attorney-at-Law, who serves as Anti-Money Laundering Officer for Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft and its group companies as well as Baker Tilly Rechtsanwalts-gesellschaft mbH;
 - Bernhard Rehbein, Attorney-at-Law, who serves as Deputy Anti-Money Laundering Officer for Baker Tilly Rechtsanwalts-gesellschaft mbH;
 - Dr. Marc Lüdders, German CPA (Certified Public Accountant), who serves as Deputy Anti-Money Laundering Officer for Baker Tilly Holding GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft and its group companies
- **Data Protection Officer:** The Data Protection Officer is responsible for ensuring compliance with data protection laws and for protecting the personal data of our clients, their employees as well as our own employees. In 2025, this internal function was performed for all Baker Tilly entities by Maximilian Pörtner, Attorney-at-Law.
- **Human Rights Officer:** We are aware of the importance of respecting human rights in our business environment. As part of our commitment to assuming social responsibility and ensuring that human rights considerations are appropriately integrated into our business practices, this position was filled in the previous year by an internal officer. Throughout the 2025 reporting period, the position remained vacant due to an internal re-assignment of responsibilities. Suitable candidates are currently being evaluated.

The Anti-Money Laundering Officer and his deputies are supported by a team consisting of an additional attorney-at-law and an employee holding a Master of Laws (LL.M.) degree.

Quality Assurance Manual for Legal & Tax

To ensure the consistently high standards expected of our legal and tax services, the Legal & Tax Business Line has established a quality assurance manual. This manual serves as practical guidance for our employees and sets out clear procedures and measures designed to ensure the quality of our advisory services. Particular emphasis is placed on processes such as the four-eyes principle and follow-up procedures, as well as our commitment to providing comprehensive advice and guidance for clients and to pursuing the most prudent course of action.

In addition, Dr. Klaus-Jörg Dehne, Attorney-at-Law and Head of Quality Legal & Tax, serves as the permanent point of contact for technical matters and provides training to Baker Tilly's professionals on all questions of technical quality assurance.

Quality Management System for Audit & Advisory (QMS)

For the Audit & Advisory Business Line, we have established a quality management system (QMS) in accordance with statutory, professional, and other legal requirements. The aim of this QMS is to provide reasonable assurance that we and our professional staff comply with the applicable professional standards and legal and regulatory requirements, and that engagements are performed in accordance with these professional obligations. The QMS is based on a risk-based approach and comprises the following components:

- **Risk assessment process**

We define quality objectives and identify and assess risks that could prevent those quality objectives from being achieved. Based on this assessment, we design and implement policies and procedures in response to the identified quality risks.

- **Information and communication**

We ensure that all employees are informed about the applicable quality standards. Information is communicated regularly and transparently throughout the organization.

- **Monitoring and continuous improvement process**

We conduct regular internal inspections as well as other monitoring and coaching activities in order to assess the design and operating effectiveness of our QMS policies and procedures, evaluate the quality of our engagement performance, and identify opportunities for improvement. The insights gained are incorporated into our continuous improvement process.



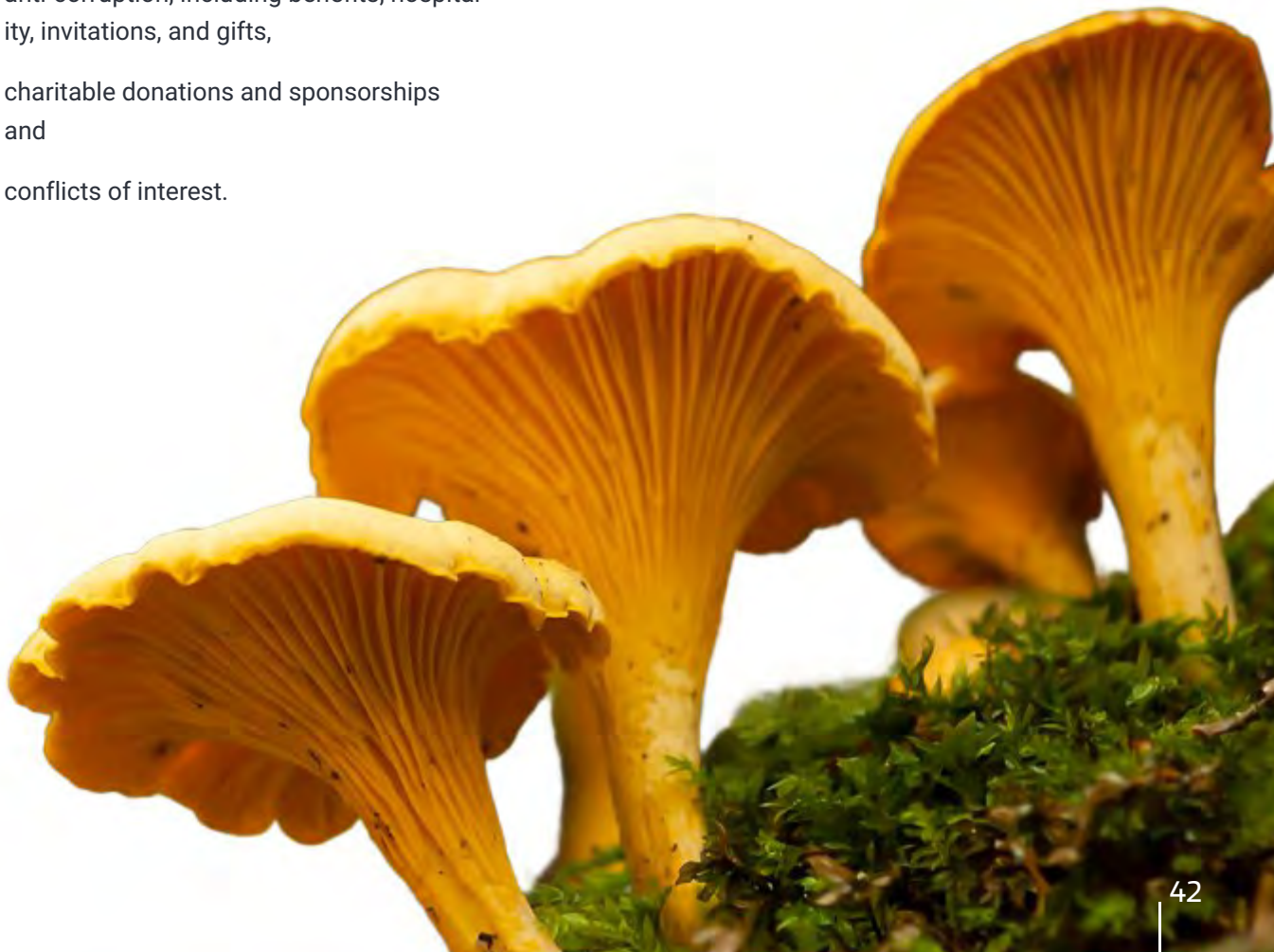
Compliance Measures

In addition to our quality management system (QMS) implemented in our Legal & Tax and Audit & Advisory Business Lines, we have established various compliance measures to promote ethical conduct and ensure compliance applicable legal and regulatory requirements:

- **Code of Conduct:** Our Code of Conduct is a cornerstone of our corporate culture. It forms the basis for our ethical standards and sets clear guidelines for the conduct expected of our employees and executive managers. The Code of Conduct is binding for all employees and executive managers and is available to all our people through our intranet. The aim of the Code of Conduct is to eliminate uncertainties regarding appropriate conduct and to prevent situations that could call the integrity of our actions into question. It also provides transparency for our business partners regarding the integrity standards applied across the Baker Tilly entities. The Code of Conduct addresses, among other things:

- anti-corruption, including benefits, hospitality, invitations, and gifts,
- charitable donations and sponsorships and
- conflicts of interest.

- **Training on the Professional Rules governing the Legal Profession:** Our attorneys receive regular training on the professional rules governing the legal profession to ensure that they remain up to date with the applicable professional and regulatory requirements.
- **Conflict-Check-Tool:** To identify and avoid conflicts of interest at an early stage, we use a dedicated conflict-check tool. This tool enables us to identify potential conflicts and take appropriate measures to safeguard the integrity of our advisory services. In addition, the system screens clients and beneficial owners against applicable sanctions lists and verifies whether they qualify as politically exposed persons (PEPs). These procedures are complemented by the POSTIDENT identity verification process for the identification of natural persons.



- **Engagement Acceptance and Receivables Management:** Our engagement acceptance and receivables management processes are governed by an internal policy. This framework promotes transparency and efficiency in the administration of client engagements and the management of receivables, thereby supporting fair and responsible relationships with our clients and business partners.
- **Whistleblowing System:** All employees at Baker Tilly are guided by clear values and are committed to acting in compliance with applicable laws and regulations at all times. Compliance with legal requirements, professional standards, internal policies, and ethical principles is of the utmost importance to us in order to maintain the trust of our clients, business partners, and our people. Accordingly, we have established a whistleblower system in accordance with the German Whistleblower Protection Act (HinSchG) and the German Supply Chain Due Diligence Act (LkSG), as well as the Professional Charter for German Public Auditors and Sworn Auditors. Our whistleblowing system enables individuals to report actual or suspected violations of applicable laws or our company's in-

ternal policies, including on an anonymous basis. Protecting the confidentiality of whistleblowers is our top priority and is fully ensured through our reporting process. To safeguard the identity of whistleblowers, we have engaged an independent third-party provider that operates a secure electronic reporting platform. This allows them to raise concerns promptly and confidentially, without whistleblowers having to fear disadvantages or disclosure of their identity. At the same time, the system enables us to investigate whistleblowers' reports promptly and to take appropriate corrective action where necessary.

- **Professional Indemnity Insurance:** We are aware of the importance of maintaining appropriate insurance coverage and maintain professional indemnity insurance beyond the statutory requirements. This provides our clients and employees with additional security and confidence in our services. Where appropriate, additional project-specific or engagement-specific insurance coverage is obtained for particular risks. Any claims are coordinated and managed by the Legal & Compliance department in close cooperation with the relevant business functions.

Responsibilities of the Legal & Compliance Department

The Legal & Compliance department supports the Legal & Tax and Audit & Advisory Business Lines, as well as all employees and partners, in complying with applicable professional obligations and implementing our quality standards. The responsibilities of the Legal & Compliance department include:

- **Corporate law matters of the Baker Tilly Group**, including all partnership entities and their affiliated companies, including

- shareholders' meetings and partners' meetings
- preparation and implementation of corporate resolutions
- appointments to governing bodies
- corporate reorganizations and business combination projects
- filings with professional regulatory bodies and commercial register filings (including lists of shareholders)

- **Support for governance bodies**

- Support for Management Board and Partners' Meeting
- Preparation of minutes and communication and information for partners

- **Partner admissions and departures** (in cooperation with HR)

- drafting, execution, and implementation of purchase and current-account agreements
- where applicable, providing new partners with legal and organizational information on the group in advance and as part of onboarding

- **Management of legal disputes relating to the Group or the partnership**

- labor court proceedings (in coordination with HR)
- other legal proceedings accompanied by external legal counsel (in particular liability matters and revocatory actions)
- debt collection proceedings and litigation relating to outstanding fees

- **Engagement letters/liability/insurance**

- standard engagement letters and liability-related documentation (including hold harmless letters and comfort letters)
- professional indemnity insurance
- Directors' and Officers' (D&O) liability insurance
- criminal legal expenses insurance

Responsibilities of the National Office

The National Office supports the Audit & Advisory Business Line and all professionals in complying with applicable professional requirements and implementing the QMS. The National Office comprises the functions "Quality Management," "Accounting & Reporting," "Audit Methodology & Solutions," "A&A Innovation & Business IT," and "A&A Learning." Its principle responsibilities include:

- the further development of Baker Tilly A&A's quality standards, in particular the Quality Management Manual;
- the development and provision of templates and standard documentation;
- the conduct of internal inspections;
- consultations on accounting (IFRS and German GAAP/HGB), sustainability reporting, professional law, and audit methodology;
- the design of professional learning and development programs in close coordination with the Baker Tilly Academy;
- the design and project management for the selection, development, and implementation of audit and other professional tools;
- software asset management (relating to Business Line-specific applications); and
- additional quality-assurance measures.

Enforcement of the Quality Management System for Audit & Advisory

The National Office is authorized to perform inspections at the firm's offices and in connection with individual engagements, partners or employees. The National Office is also authorized and required to investigate any identified breaches of applicable professional conduct requirements or the provisions of the Quality Management Manual. In the case of repeated breaches or matters of particular significance, appropriate remedial measures are taken, including the imposition of conditions, the withdrawal of responsibilities or functions, and adjustments to performance-related compensation.

Working together to strengthen Compliance and Quality Management

Through our strong commitment to compliance and quality management, we promote transparent and ethical conduct while continuously enhancing our processes and maintaining the high standards expected of our firm.

Our professional QMS enables us to proactively manage the quality of our services fostering a corporate culture of integrity and accountability. Through the close collaboration between the Legal & Compliance, Quality Legal & Tax, and National Office functions, we ensure comprehensive oversight and effective support for our governance and corporate culture.



Closing Remarks

With the publication of our first sustainability report in this comprehensive format in 2023, we laid the foundation for a regular publication of our sustainability activities as well as a transparent presentation of the most important developments across our firm. Going forward, these reports will continue to be published annually in the middle of the year, providing a retrospective view of the previous financial year. In doing so, it is our aspiration to communicate openly - not only about our achievements and progress, but also about the goals we have set ourselves and the areas where further improvement is possible. All key figures and analyses are based on the data available at the time this report was prepared. For readability purposes, some figures have been rounded. As a result, minor discrepancies may occur due to rounding.

We would therefore like to express our sincere thanks to all colleagues whose commitment and contributions made this report possible.

Gender Note

Appreciation, respect, and diversity are central components of our corporate culture, which is also reflected in our communication. Where only one grammatical gender is used in this report, this is solely to improve readability and is intended to refer equally to people of all genders.

Four Points of view. One solution. Globally.

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AUDIT & ADVISORY • TAX • LEGAL • CONSULTING

Baker Tilly provides a broad range of innovative and individual consulting services in the areas of Audit & Advisory, Tax, Legal and Consulting worldwide. Globally, our accountants, lawyers, tax advisors and management consultants develop solutions which are precisely tailored to the individual needs of our clients and implement them with the highest standards of quality and efficiency. In Germany, Baker Tilly employs 1,740 specialists in ten different locations and is one of the largest partner-managed consulting firms in the country.



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