

## Reference letter - Development of an external ESG reporting system

The company UEB, Dr. Franz Environmental and Waste Management Consulting Ltd. has been active in the fields of waste, environment, emission control, traffic and occupational safety since 2009. We support waste producers and disposal companies in licensing and certification procedures, in dealing with authorities, in organizing training courses and in creating expert reports.

In discussions with corporate clients, our company has identified a growing interest in additional ESG services: Environmental, Social, Governance (ESG), i.e. sustainability reports on climate protection, human rights and corporate governance. Family businesses in particular need support in navigating the complicated European and German ESG laws. Even if they are not required to report themselves, smaller companies need to be able to provide their reporting clients and banks with data on the sustainability of their operations.

From August 2024 to January 2025, we commissioned interim managers Zuerl and Mueller to set up an ESG reporting system that we can offer to our customers as an external "all-inclusive" package. Depending on requirements, we also offer only those parts that a customer company needs.

We have received the following solutions:

- Structured overviews of the relevant EU regulations TR (Taxonomy Regulation) and CSRD (Corporate Sustainability Reporting Directive). Instructions on how to create reports for the related ESRS standard, covering all three ESG areas: Environmental, Social and Governance. Support for smaller companies in applying the voluntary VSME standard. Instructions for reports to BAFA, the Federal Office of Economics and Export Control, in accordance with the German LKSG (Lieferkettensorgfaltspflichtengesetz).
- Conducting a materiality analysis at the beginning of the reporting process.
- Methodological advice on the efficient involvement of all internal and external stakeholders.
- Calculation and reduction options for greenhouse gas emissions resulting from business activities. On the one hand at the level of individual products, the so-called Product Carbon Footprint, and on the other hand for the entire company, the so-called Corporate Carbon Footprint, divided into three areas of the value chain Scope 1, 2 and 3.
- Review of offsetting greenhouse gas emissions through CO2 certificates and handling of the CBAM customs compensation mechanism when importing goods from outside the EU.
- Analysis and list of various software tools for sustainability reporting.

Karlheinz Zuerl and Hansjoerg Mueller opened a new field of activity for our environmental and waste management consultancy in a related area. They developed a methodical approach that allows us to customize outsourced sustainability reports and carbon footprint calculations for medium-sized companies of various sizes in all sectors. The result was successfully verified with data from existing companies. Due to their very practice-orientated approach at the company level and their extensive detailed knowledge of the legal regulations, we can only recommend working with both ESG specialists.

Germany, Speichersdorf, 24th January 2025

Dr. Felix Franz, Partner

