

Erik Fritzsche's Initial Questions

Implementation of CSRD & Establishment of ESG Reporting

These initial questions provide answers that enable the proper planning of ESG reporting within the company from the outset. Costly adjustments during the process are thus avoided. Specifically, roles, responsibilities, existing structures, and future requirements are examined. Additionally, the questions help assess the value of ESG reporting for the company beyond mere compliance, for example, in terms of strategic goals, business model development, or market communication—and ultimately, profit and corporate value.

The right questions will create the path!

Questions Regarding the Actors and Responsible Parties Within the Company

1. Is there already a report, for example, on a voluntary basis or as a mandatory "non-financial declaration," possibly even in accordance with GRI or another standard?
2. For which legal entity should the report be prepared?
 - a. How many branches and subsidiaries (in Germany, the EU, and worldwide) are included?
 - b. What are the revenue, number of employees, and total assets?
3. Which individuals or units are currently responsible for ESG/sustainability issues?
4. Who within the company is currently designated to lead the reporting process?

Specifically:

 - a. Materiality analysis?
 - b. Data collection and data control?
 - c. Report writing/editing?
 - d. Utilization of the report, especially in corporate and market communication?
5. Are there requirements from supervisory boards, shareholders, external auditors, or customers?
6. What prior knowledge or understanding exists regarding the upcoming reporting obligations? Who has this knowledge?
7. Are there any concepts or plans regarding the resources to be used (staff, finances, time, skills, service providers)?

Questions Regarding the Purpose of ESG Reporting for the Company

8. What is the company's interest in ESG reporting, aside from fulfilling mandatory obligations (CSRD compliance)? What challenges does the company face or anticipate, for example:
- a. In ESG topics, such as reputation, revenue, or attractiveness in the job market?
 - b. In the processes and structures of reporting?
9. Is the reporting primarily intended to ensure compliance with national law?
10. Or are there other utilization aspects that might justify a broader approach?

Specifically:

- a. Strategic planning?
- b. Business model development?
- c. Employee recruitment and retention?
- d. Market communication?
- e. Branding?
- f. Securing reputation against, for instance, allegations of greenwashing or human rights violations in the supply chain?

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