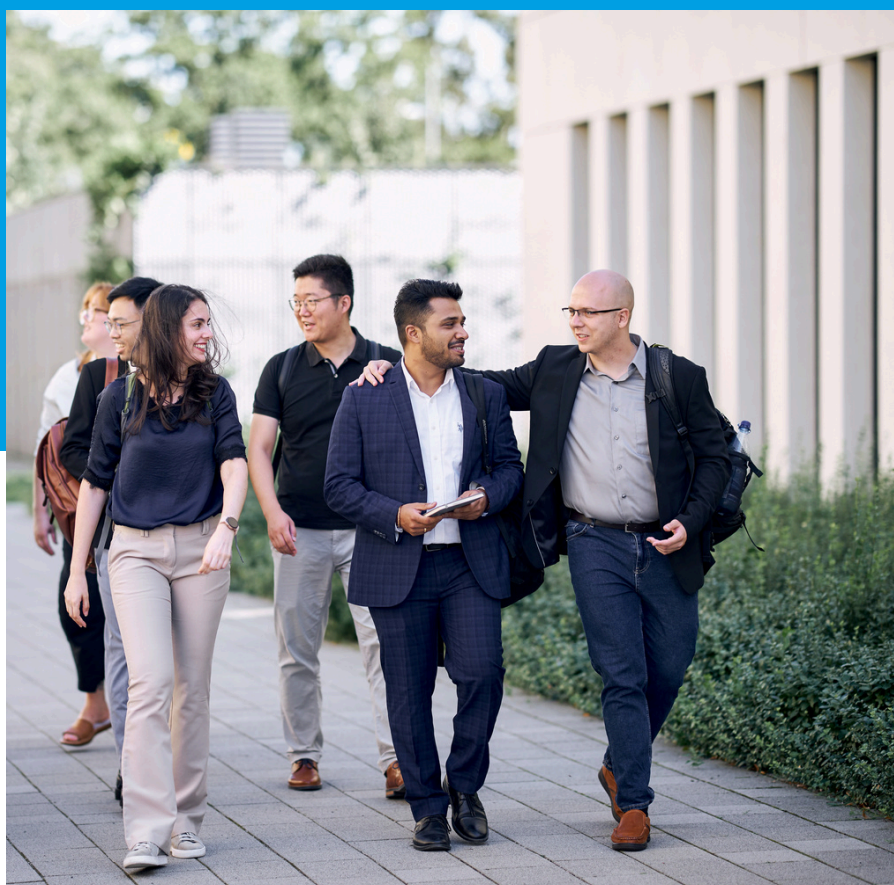
HHL LEIPZIG GRADUATE SCHOOL OF MANAGEMENT

CARBON FOOTPRINT REPORT

Report on Greenhouse Gas Emissions of HHL gemeinnützige GmbH (HHL) for the years 2019 – 2023. This report was prepared with reference to GRI standards.



2019 – 2023

A WORD FROM THE DEAN

Dear Readers,

With great pleasure, I introduce the Carbon Footprint Report for 2019-2023 from HHL Leipzig Graduate School of Management. This report marks a significant step forward in our commitment to fostering a sustainable future for our esteemed institution. It gives us valuable insights into areas where we can improve our ecological footprint by examining our current CO2 emissions.

Moreover, this analysis catalyzes our ongoing pursuit of innovative solutions to streamline our processes and bolster our sustainability practices. As a university, having a deep sense of our responsibility to shape the world of tomorrow, we steadfastly strive to reduce our carbon emissions.

PROF. DR. TOBIAS DAUTH
Dean and Managing Director
of HHL

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1 REPORT FUNDAMENTALS

This report presents the greenhouse gas emissions of HHL gemeinnützige GmbH for the years 2019 to 2023. This report was prepared with reference to GRI standards. The requirements of the GRI standards refer to those of the "GHG Protocol Corporate Accounting and Reporting Standard" ("GHG Protocol Corporate Standard"). This standard is part of the GHG Protocol, which was developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD).

2 DESCRIPTION OF HHL

HHL Leipzig Graduate School of Management (HHL) is a university-level business school with an entrepreneurial focus. It was established in 1898 at the initiative of Leipzig businessmen to train professionals in an increasingly complex and globalizing world and to develop scientifically based responses to the pressing questions of the time. In the tradition of the principle of the honorable merchant, which remains a part of its logo today and forms the basis of HHL's self-understanding. In this tradition, HHL contributes to educating people who see their task not in short-term profit maximization but in applying their skills and entrepreneurial spirit within the context of long-term developments. Today, HHL is one of the leading international business schools. About 30% of the students are international, coming from approximately 60 different nations.

In addition to scientific grounding, HHL places value on practical training and supports students further through coaching and mentoring programs in the development of their personal skills. For many years, HHL has been built on a mission that describes the essential pillars of our mandate:

"We educate entrepreneurial, responsible, and effective business leaders through excellence in research, teaching, and practice."

HHL pursues its mission with the goal of contributing to a better future. Through its university tasks in research, teaching, and transfer, it helps to educate people who later make decisions impacting organizations, people, the environment, and society. HHL assists them in acquiring the necessary competencies for a successful life path and supports students in their personal development and in gaining the necessary values and reflection ability to make decisions that positively affect everyone's future. HHL has defined three competence dimensions as traits to describe the specific competencies to be imparted to students, namely 'Entrepreneurial Thinking', 'Responsibility', and 'Effectiveness'.

The term “educate” also characterizes HHL's self-understanding as an organization with a clear educational mandate. HHL offers four master's programs and a doctoral program at three campuses.

3 MANAGEMENT OF GREENHOUSE GAS EMISSIONS

HHL actively engages in reducing its greenhouse gas emissions in line with the goals of the Paris Climate Agreement. For years, the administration has invested in internal measures and optimized processes to reduce emissions in its three main buildings – the University House, the Academic House, and the Schmalenbach Building. For example, nearly all lights were upgraded to energy-saving LED technology between 2021 and 2023, and demand-oriented controls such as motion detectors were installed. In 2023, a comprehensive renovation of the Academic House was carried out, which included updating the insulation, leading to significant future heating cost savings. For 2024, it is planned to renovate the heating system in the Schmalenbach Building to further increase its efficiency.

There are also several student initiatives continuously advocating for sustainability progress at HHL. An example is the Energy Club, which organizes the annual Energy Conference. This conference serves as a platform for exchanging ideas with scientists, politicians, and consultants about new trends in the energy sector that are also relevant for HHL.

To quantify the effectiveness of these efforts, HHL has decided to compile a Carbon Footprint Report. This report for the first time records emissions in the categories of Scope 1 and Scope 2 for the years 2019 to 2023. In the future, Scope 3 will also be included in the report. Furthermore, HHL plans to set concrete emission reduction targets in the coming years.

4 ORGANIZATIONAL BOUNDARIES

Organizational boundaries have been defined with reference to the methodology described in the GHG Protocol. As detailed in the GHG Protocol Corporate Standard, a company has three options for defining its organizational boundaries: the equity share approach, financial control, or operational control. HHL has opted for the operational control approach. HHL itself has no subsidiaries and is not involved in any associated companies.

5 IDENTIFICATION AND CATEGORIZATION OF EMISSION SOURCE

The greenhouse gas emission sources documented in this report were identified with reference to the GHG Protocol's methodology. According to the requirements of the GHG Protocol, these emissions have been classified under the following categories:

- Direct Greenhouse Gas Emissions (Scope 1): Emissions from sources that are owned or controlled by the company.
- indirect Greenhouse Gas Emissions (Scope 2): Emissions from the generation of purchased electricity, heat, and steam consumed by the company.
- Other indirect Greenhouse Gas Emissions (Scope 3): Emissions that are a consequence of the activities of the company but arise from sources not owned or controlled by the company.

HHL calculates and reports the greenhouse gas emissions from Scope 1 and Scope 2. The emission sources and categories are presented in the following table. These categories are significant for HHL and its activities.

SCOPE 1 - CATEGORIES (direct emissions)	SCOPE 2 - CATEGORIES (indirect emissions)
Refrigerants	District Heating
	Electricity

6 DATA COLLECTION AND CALCULATION METHOD

HHL calculates and reports its greenhouse gas emissions in reference to the GRI standards 305-1 and 305-2, considering emissions from Scope 1 and Scope 2.

Scope 1 Emmisions

The emissions from refrigerants are calculated based on the guide "Calculating HFC and PFC Emissions from the Manufacturing, Installation, Operation, and Disposal of Refrigeration & Airconditioning Equipment (Version 1.0)." A stocktaking of currently used refrigerants was conducted in 2023, serving as the basis for the calculations. There were no significant changes in the devices using refrigerants between 2019 and 2023, so the 2023 data can also be applied to the years 2019 to 2022. The calculations use emission factors from the "IPCC Good Practice Guidelines and Uncertainty Management in National Greenhouse Gas Inventories (2000)," which take into account the Global Warming Potential specified in the guidelines of the ASHRAE Standard 34 and the IPCC Second Assessment Report.

Scope 2 Emmisions

The emissions from electricity consumption are calculated using the location-based method, employing the emission factors (electricity mix) from the German Environment Agency. As no emission factor for 2023 has been provided by the German Environment Agency yet, the 2022 factor is used.

Emissions from district heating are also calculated using the location-based method, using the emission factors (district heating mix) from the German Environment Agency. No emission factor for 2019 is available, so the 2020 factor is used. Additionally, for 2023, in the absence of a current emission factor, the 2022 factor is used.

7 ANALYSIS OF GREENHOUSE GAS EMISSIONS

The greenhouse gas emissions at HHL are primarily driven by the consumption of electricity and district heating (Scope 2).

Scope 1 Emmisionen

The emissions from refrigerants remained constant at 2 tonnes of CO2 equivalents per year from 2019 to 2023. The reason for this stability is that there were no significant changes in the use of refrigerant-containing equipment. Apart from emissions from refrigerants, there were no other relevant Scope 1 emissions at HHL.

Scope 2 Emmisionen

The emissions from electricity consumption varied between 95 and 119 tonnes of CO2 equivalents during the period from 2019 to 2023. In 2020 and 2021, the demand for electricity was lower compared to other years, as many employees shifted to working from home and numerous lectures were conducted online due to the COVID-19 pandemic.

The emissions from district heating fluctuated between 181 and 299 tonnes of CO2 equivalents from 2019 to 2023. The variations in district heating demand are directly attributable to varying weather conditions during the winter months. Depending on whether the winter is harsh or mild, the demand for district heating correspondingly rises or falls. Additionally, the demand for district heating in 2020 was lower compared to other years, due to the COVID-19 pandemic.

Scope 1

CO2 Emissions Equivalents (t)	2019	2020	2021	2022	2023
Refrigerants	2	2	2	2	2
SUMME	2	2	2	2	2

Scope 2

CO2 Emissions Equivalents (t)	2019	2020	2021	2022	2023
District Heating	276	181	299	226	223
Electricity	119	95	101	118	113
SUMME	396	276	399	344	336

Scope 1 + 2

CO2 Emissions Equivalents (t)	2019	2020	2021	2022	2023
SUMME	397	277	401	346	338

Scope 1 Calculations include: Gase FKW.
Scope 2 Calculations include: Gases CO2, CH4, and N2O.

Carbon Footprint Report 2019 - 2023" of HHL gemeinnützige GmbH for the financial year 2023 was subjected to a voluntary limited assurance engagement in accordance with ISAE 3000. The GRI disclosures marked with a GRI disclosures marked with a check mark were audited by the auditing firm Grant Thornton AG.

8 GRI-INDEX

Application Statement

HHL gemeinnützige GmbH has reported the information specified in this GRI Index for the period from January 1, 2019, to December 31, 2023, with reference to GRI standards.

Used GRI 1

GRI 1: Foundation 2021

GRI-Standard	Disclosure	Location
305-1	Direct GHG Emissions (Scope 1)	Section 4. Organizational Boundaries Section 5. Identification and Categorization of Emission Sources Section 6. Data Collection and Calculation Method, Section 7. Analysis of Greenhouse Gas Emissions
305-2	Indirect Energy-related GHG Emissions (Scope 2)	Section 4. Organizational Boundaries Section 5. Identification and Categorization of Emission Sources Section 6. Data Collection and Calculation Method, Section 7. Analysis of Greenhouse Gas Emissions

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