

Towards a more sustainable future



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Contact us:

*Hauska & Partner, Ilica 246a
Zagreb, Croatia*

zagreb@hauska.com

This report documents our continuous progress, providing insight into our strategies and implications for related global goals and targets.

It covers all material aspects of our company and shows how a consultancy can create value for society: being focused on supporting the sustainable development of our clients and making them fit for the coming challenges of the future.

We invite you to give us feedback about this report but also to join our efforts in advancing sustainable practices.

This Sustainability Report covers our activities in Croatia, and fulfills the requirements from UN Global Compact regarding the yearly Communication on Progress Report.

About us

For over 20 years, Hauska & Partner has been consulting clients in establishing relations with their stakeholders and communicate their purposes. In recent years, we have established ourselves as valued professionals providing advice in strategic communications, organizational development, CSR and sustainability.

STRATEGIC CONSULTING

issue and risk management
reputation management and positioning
stakeholder relations
investor relations, M&As, IPOs
media relations & campaign implementations
internal relations & corporate identity
integrated communications
political, economic and social analyses
sectoral analyses & position papers
trainings & workshops

CSR & SUSTAINABILITY

sustainability strategies
integrating ESG in business strategies
CSR processes & programs
non-financial/sustainability reporting

ORGANIZATIONAL DEVELOPMENT

corporate culture development
employer branding
employee experience
employee engagement
storytelling & leadership

VISION

We lead the corporate relations business

With excellence in corporate relations, our consultants lead in creating value for our clients, business, society and environment. We are respected as a state of the art, open-minded learning organization in bringing new values.

MISSION

We contribute with corporate relations business to economy, society and environment

With our clients and other stakeholders we jointly create sustainable success in their businesses and relations. We manage relations to assure the highest quality results for our clients and stakeholders. Our consultants are ambitious learners who are happy to share knowledge and co-create sustainability and success.

STRATEGY

We create corporate relations touchstones

We inspire and encourage our clients, teams, partners and professionals to innovate and incorporate the advanced knowledge in corporate relations.

We enable co-operation, contribution and continual learning to invigorate positive changes and excellence to corporate relations professionals.

Offering unique value to the market

We help our clients in communicating their purpose, becoming more responsible, providing excellent workplaces to their employees. Our unique set of services and individual strengths of our consultants provide a unique perspective and unique value on the market.

Cooperating with us, the clients can improve their communication, processes, how-how, impacts and business results.

OUR APPROACH

Enabling

We encourage, organize and facilitate the ideas of our clients. They know their business. We know how.

Organizing

We systematize various areas and organize a context for clients in which we make their business easier.

Creating

Together with our clients we create new solutions. We suggest creative approaches.

Guiding

We guide clients to understand their challenges, become aware of their potentials and trends, and come up with solutions.

Advising

We advise clients on how to approach problems, solve them, build relationships and communicate.

Educating

We educate clients in new knowledge and skills. We train and empower them.

OUR VALUES

Excellence
Reliability
Contribution
Passion & Dedication
Diversity

A note from our Managing Director

The year 2021 was in many ways “a year of the new”. It was our moment for big decisions, ambitious plans and heartfelt changes. We found our resilience but also new perspectives in our own adaptability. Driven by our dedication to supporting our clients in their business, market and organizational challenges, we re-confirmed our three strategic areas in consulting: sustainability, organizational development and corporate relations.



The world that is constantly changing, creates unexpected challenges, fast technological developments and numerous business opportunities. To provide excellent and reliable service, we use complex approaches to understand and analyze new regulations, trends, methodologies and developments. We also realized that whatever we do evolves around enabling sustainability and raising organizational capabilities.

Subsequently, we can be successful in what we do only if we are open, enthusiastic, ambitious in learning and developing solutions and brave in their implementation.

This approach requires a diverse set of expertise and interests. Therefore, in 2021 we welcomed new colleagues with stronger expertise, invested resources in learning, advanced ICT solutions and approached the market with greater courage.

To increase our own sustainability, we focused on learning and knowledge sharing, improving internal processes, and developing new or upgraded services for our clients.

Turning the page and creating new beginnings was not easy. However, we were rewarded by our clients' trust and satisfaction, and great relations with our stakeholders with whom we created meaningful projects.

Ultimately, we confirmed and enhanced our reputation of excellent consultants for the new era of coping with VUCA challenges. We trust that in 2022 we will realize our goals in all three areas: Performance, People and Partnerships.

SANJA PETEK MUJAČIĆ
Managing Director, Partner

How we see Sustainability

We live in an everchanging VUCA world that poses new challenges on a nearly daily basis to governments, businesses and individuals. Our focus on providing guidance and advice to our clients as well as maintaining physical, mental and material wellbeing of our people and general sustainability of our small operation remains our biggest challenge - but also a daring opportunity.

Set of services we offer are unique to the Croatian, and possibly regional market. Our three pillars - CSR, organizational development, and strategic relations - do not function as siloses; rather, they are all interconnected under one roof, sustainable development. Therefore, working with us provides our clients not only consulting on specific area of business development, but an opportunity to consider overall sustainability of their operations.

“ We help ambitious companies and organizations to manage their impacts responsibly and create a sustainable and prosperous future. ”

As for our own sustainability, the biggest impact we see in how we create the culture of collaboration, personal development, openness and feedback for our team-members. This is closely entwined with partnerships we forge with our other stakeholders like expert and interest associations, peers, sustainability community, institutions and the media.

Many aspects and impacts recognized by bigger companies with significant direct physical impact are not material to us; this does not exclude us from partnering with them to create positive impact. Therefore, regardless of the fact that we as an organization do not have a major climate impact - for example - we partner with our clients to assist them in managing their own and thus contribute to the European and global climate goals. To this end, we also advocate urgency in climate change management and participate in dialogue aimed at this on the national level.

Our stakeholders

We maintain constant dialogue with our stakeholders, to improve and further our development and contribution.

Employees
Clients

Potential clients
Business partners and suppliers

Expert and interest associations
CSR and sustainability community
High education and academic institutions
Peers and competitors
Civil society organizations
Media

Our concept of consulting embraces strong focus on responsibility management. We abide by the strictest business standards and are recognised on the market as uncompromisingly ethical consultants.

We maintain simple and straightforward, the 3Ps approach: Performance, People and Partnerships. We continue to do this by following and matching our plans and actions with UN Sustainable Development Goals and UNGC Principles.

Contribution to the SDGs

The 2030 Agenda for Sustainable Development remains the compass for our operations more than ever.

TARGET 4-7



EDUCATION FOR SUSTAINABLE DEVELOPMENT AND GLOBAL CITIZENSHIP

We organize, support and participate in programs raising know-how and capabilities related to sustainable development, human rights, diversity and corporate responsibility. We encourage higher education institutions in developing curricula related to these topics.

Highlights 2021: We held a series of events, lectures, panels on sustainable development, the European Green Deal, SDGs and ESG integration. We implement these subjects in all courses we lectured at universities.

TARGET 5-1



END DISCRIMINATION AGAINST WOMEN AND GIRLS

We participate and endorse programs and forums aimed at realizing gender equality and improving the position of women and girls in our society.

Highlights 2021: We supported clients in developing diversity and inclusion policies as well as programs for women empowerment. Our MD Sanja Petek Mujačić participated in awareness-raising action on equal pay for women.

TARGET 5-5



ENSURE FULL PARTICIPATION IN LEADERSHIP AND DECISION-MAKING

We endorse and encourage higher women's participation in decision-making structures. We advise our clients in developing diversity culture and enabling opportunities for women.

Highlights 2021: We participated in the activities of the Gender Equality Alliance, a platform promoting equal opportunities for women.

TARGET 8-5



FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY

We provide a stable workplace, diverse and inclusive for all our employees, regardless of abilities, gender or any other diversity. We consult our clients in developing equality cultures. We participate in raising awareness on labor equality and promote advanced practices.

Highlights 2021: We supported the international conference Employment Challenges of Members of Vulnerable Groups.

TARGET 8-6



PROMOTE YOUTH EMPLOYMENT, EDUCATION AND TRAINING

We offer training and internship programs for students and participate in higher education programs. We consult our clients in programs providing scholarships and advancing youth education and employment.

Highlights 2021: 139 hours dedicated to higher education programs.

TARGET 8-10



UNIVERSAL ACCESS TO BANKING, INSURANCE AND FINANCIAL SERVICES

For 20 years we have advised banking and finance sector in their corporate and stakeholder relations. This includes specific programs dedicated to financial accessibility and literacy.

Highlights 2021: Consulting and educating the banking sector in ESG integration.



We provide consulting in diversity and inclusion management to our clients and support them in developing diversity policies, programs and reporting on diversity matters. We participate and support public forums and debates on inclusion.

Highlights 2021: Managing Partner Daria Mateljak is Diversity Charter Ambassador and participated in developing Workplace Inclusion Champions Program.



CSR and sustainability consulting is one of our major consulting business streams. We consult large companies in integrating sustainability in their business strategies, developing CSR programs, engaging stakeholders and reporting on sustainability.

Highlights 2021: We consulted eight clients in producing sustainability reports; implemented educational programs in financial sector; consulted OTP banka in integrating ESG criteria.



We participate in, support and organize public events promoting sustainability in all walks of life. We regularly publish content in the media and social networks aimed at raising awareness of sustainable practices and living. We provide content including advice on responsible waste management, energy efficiency, etc.

Highlights 2021: H&P was co-organizer of the annual CSR conference, organizer of a panel discussion on Sustainable Finance and CSR academy with business magazine Lider.



We are dedicated to the capacity building of our clients and other stakeholders related to climate change. We educate and advise our clients on how to approach climate change issues and how to integrate adequate responses into their business strategies.

Highlights 2021: Consulting companies in introducing strategies and action plans in accordance with the European Green Deal framework.



We strongly advocate transparency in business operations, both our own and our clients. We advise our clients in developing anti-corruption policies and raising the ethical behaviour of their employees and other stakeholders. We regularly publish content related to ethical behaviour in the media and social networks.

Highlights 2021: Our Partner Gorana Pavičić Nišević is a member of the CSR and Anti-corruption Commission of the ICC Croatia.



We actively participate as members of CSR and sustainability related organization and support their work with our know-how and engagement.

Highlights 2021: We continued our long-term partnerships with organizations like CBCSD and ICC Croatia. We (co-)organized and led seven panel discussions fostering dialogue.

Managing impacts

Our strategy prioritizes not only our own development and growth as a company, but also managing our material impacts on society, economy and environment. We realize that our three strategic topics overlap in many aspects and work to utilize this to bring benefit to all our stakeholders.

PERFORMANCE PEOPLE PARTNERSHIPS

RESPONSIBLE CONSULTING

Offering reliable service and excellence in projects.
Giving advice which can improve our clients' economic, social and environmental performance.
Being trusted and entrusted with assets and intangible values.
Strong focus on our clients and their issues and ambition to help them realize success.
High loyalty and outstanding ethical principles.

COLLABORATIVE ACTION

Encouraging collaborative thinking and cultures to achieve common goals of our clients, business partners and other stakeholders.
Believing that the best results are achieved only by inclusion and engagement of our stakeholders, including diverse opinions, views, concerns and ideas that enrich all our projects.
Managing company transparently, ethically and by including our colleagues in planning and decision-making.

FOSTERING SUSTAINABILITY

Avid monitoring of economic, social and environmental status of our community enables us to encourage and initiate networking, partnering, dialogues and collaborations to advance sustainable development.
In light of climate change action, we strive to strengthen our indirect positive impact by consulting clients in adopting robust climate strategies.
We are truly dedicated to the realization of SDGs.

EMPOWERMENT

Striving to empower each other, and encourage collaborative thinking and cultures to achieve common goals of our clients, business partners and other stakeholders.
Equally valuing our similarities and our differences, and taking efforts to understand each other and merge diverse experience and knowledge to build strong network of people who work together as one team.
Respecting human rights, fostering diversity and inclusion are our main principles.

3Ps: Performance

As a consultancy focused on sustainability, organisational development and change management, we are aware of the responsibility of our clients' impacts on the environment, society and governance.

Advising them in impact management, we strive to leverage their sustainability potential to create market and stakeholder values. Our purpose is not only to support their business growth but also to facilitate sustainability-related transformation.

A Year of Breakthroughs

In 2021 we have redesigned, or better to say, reaffirmed our consulting purpose. Our clients faced numerous challenges due to impacts of the VUCA world, emerging trends, market opportunities and regulatory changes. These reflected in their ambitions to integrate sustainability and ESG criteria into their business strategies and develop their organizational capabilities by advancing their responsibility and capabilities. Demands to increase resilience and appropriate development prompted our clients to change their priorities. Such trends have substantially resonated with our desires to redirect our own business strategies into the areas which we recognize as crucial to achieving long-term sustainability for our clients.

At the beginning of 2021, we set out our new business strategy outline, having confirmed and embraced our corporate values as the base to confirm the three major areas of developing our consulting endeavours: sustainability, ESG and CSR consulting, including sustainability reporting; organizational development consulting, including culture, leadership development and employer branding strategies; and change and issues management consulting, that covers a wide spectrum of consulting related to corporate relations, risk issues management, stakeholder relations management and issues response actions.

All three areas still comprise reputation and corporate brand management, but take it to another platform, using all elements of what makes a whole corporate character today. We use corporate communication and relationship management as means that help us achieve our clients' ultimate goals. All of them, ultimately, share an ambition and strive to be more successful service and product providers, more attractive employers and more active in responsibly and sustainably managing their environmental, social, economic and governance influences.

Sustainability at heart

Having confirmed our consulting ambitions and goals we set to achieve with our clients, we expressed our business strategy outline that we wish to support the ambitious clients. This decision may sound as a headache strategy, and partially it was, indeed. The decision to withdraw from some previous core-business areas reflected our courage and belief that we can contribute more by committing our consulting efforts to niches which are still underdeveloped on the Croatian market.

SUSTAINABLE DEVELOPMENT GOALS



TARGETS

8.5, 8.6, 8.10, 10.2, 12.6,
12.8, 13.3

UNGC PRINCIPLES

1, 2, 6, 7, 8, 9, 10

In this decision we were driven not only by our values, but also by our strong desire and confidence that we can contribute more substantially to the future development of our clients by embarking on a less-travelled journey, jointly with them.

Seeking new solutions to climate change, human rights, social and environmental challenges and improving governance mechanisms, were much stronger motives than earning more from higher sell-point potential services.

We see the year 2021 as our true change year in which we selected consulting services closer to our values, our heart and our competencies. We have grown our competencies in these areas for years, and we take pride of being leaders in the quality of consulting that we provide.

Lead by uncompromised ethical principles in our work, we consult our clients, with a strong sense of their industries, challenges and business goals. In-depth approach and analysis of their context and specific challenges helps us provide exactly what they need, fairly, delivering quality for the price of our services.

Our clients face numerous challenges and we find our purpose in helping them solve complex or difficult problems. Our approach, dedication, and high ambition to solve issues enable them to lean in for guidance, facilitation, advice, education, and executive support.

Contribution is our value by which we measure success – being a valuable participant in our clients’ goals realization with added values for the society and environment.



Indicators & trends

Following the difficult year 2020 marked by Covid-19 pandemic challenges, 2021 brought us diverse developments. In many ways, it was a tipping-point year for us. Having refreshed our leadership and reaffirmed our desired consulting purpose, we understood and embraced that this year and all the following ones would demand more courage in business decisions and certain sacrifices in terms of our immediate performance.

Emerging topics of sustainability, ESG integration and companies incited by post-pandemic urgency to rethink the way they operate and organize their workplace, confirmed our decision to dedicate our consulting in these areas. Therefore, 2021 was for us a year of many changes - in our structure, way of work, and consulting portfolio. We generated EUR 319,750 in fee income having provided services in CSR & sustainability, corporate relations, and organizational relations to 30 clients. Although the income was at the previous year's level, increased costs due to necessary investments in human capital and technology caused a less favourable result.

Our total revenue amounted to EUR 352,662. Over 90 percent of our income was generated in our strategic areas, with a third of income coming exclusively from CSR and sustainability services.

We had 16 clients retained from the previous year, with 12 clients whom we consulted for three or more years, which proves our capability of successfully supporting clients throughout their versatile challenges. Newly acquired clients in 2021 contributed to ten percent of our fee income base, but some of them would extend into the oncoming years. The trends continued to develop to the favour of project-based contracts, out of which we 55 percent of our fee income.

Relative to our industrial consulting participation, we generated 32 percent of our fee income from the financial and banking sector; 24 percent from the energy sector; 20 percent from the industrial production sector; and 13 percent from the ICT sector.

Our clients’ feedback is valuable for the development of our consulting and shaping our consulting areas for the future, depending on their perceptions and forecasts of their challenges and needs.

In 2021 we conducted our client quality management in direct contacts with clients by discussing with them the particulars of our services. From these inputs, our client satisfaction levels ranged to high-end of excellence, with accents on our capabilities of understanding clients’ challenges and industries, overall success in collaboration, ethical principles of work and dedication to clients’ goals. We received no client complaints and received positive testimonials of our work.

OTP banka has cooperated with H&P for many years. Regardless of the consulting field - strategic communications, sustainability and responsibility or employer branding, their consultants always provide high-class services, tailored to our needs.

Szabolcs Annus, Senior Director HR and Corporate Affairs, OTP banka d.d.

Our long-term continued cooperation with H&P is based on their expertise, dedicated preparations for each workshop and understanding of our real needs.

H&P team always has a wider picture of our topics and issues that supports us in making a desired step forward in our business.

Slađana Bojić Andrić, Head of HR, OTP Leasing

Although a small company, we are dedicated to integrating ESG criteria in our business strategies and measure impact. In environmental segment H&P focuses on supporting clients and raising awareness and capabilities of companies in combating climate change and introducing the best practices of environmental and nature protection. Social aspect being equally important, we support our clients in developing more sustainable management of their value chains and embedding advanced human rights practices into their business processes. In governance, we invest efforts in assisting the clients in strengthening their governance mechanisms.

We measure our sustainability development by participating in the Croatian Sustainability Index (HRIO) ever since its establishment. In 2021, we scored a total of 383 points (compared to SME average of 159.74 and the maximum scorer 418 points). We were additionally granted 78 (out of max. 100) points by the Expert Commission, scoring the final 461 points. In the governance segment, we scored 100 percent (SME average: 39 percent). In 2021, we initiated reordering our own governance mechanisms and our plan is to modernize our own code of conduct, anti-corruption policy and other corporate documents in 2022. We are ambitious to improve our HRIO score in the next evaluation.

During 2021 we continued supporting OTP banka in their raising their employee engagement, boosting its internal and external responsibility and sustainability through numerous projects. The year 2021 was especially significant in the bank for increasing their ESG capabilities in integrating sustainability into their core business. We have supported them in this. One of the worthy initiatives was "Green light for Green" in which we consulted the bank in raising their waste management capabilities, responsible use of materials and supported them in their goal to become a "plastic-free bank". We launched the employer branding project, with the strategy expected to be finalized in 2022. For their sustainability and CSR efforts, OTP banka was selected a finalist in HR Days award and won a bronze for Ideaportal project of employee engagement, and was nominated a finalist in IPRA Golden Globe Awards.

In 2021 we supported eight clients in developing sustainability reports, materiality and stakeholder engagement and three in stakeholder engagement and sustainability planning, from various sectors: energy, infrastructure, materials production, FMCG, finance, telecom, and gaming industry.

Climate action support

Our direct environmental impacts are minimal, having in mind that we are a small enterprise with prudent environmental practices. Our environmental footprint is minimal as we work in a small office, separate waste, carefully monitor consumption of resources and predominantly walk, bike or use public transportation.

However, our secondary impacts, or vicarious influence is far more significant, since we advise large companies in their responsible practices related to climate changes mitigation, responsible climate related planning, environmental protection and preservation of natural capital.

Our most significant impacts in 2021 were the launch of comprehensive sustainability knowledge raising and education programs for our clients and other companies. Having introduced the importance of ESG impacts integration in business strategy, products development, operational performance and EU Taxonomy in our education helped raise our clients' capabilities in planning, managing and reporting on their environmental efforts.

Goals for 2022

- Develop existing and launch new client services in sustainability, especially ESG, diversity management and organizational development. KPI: number of new products developed and launched.
- Expand the number of clients in our strategic areas, specifically in sustainability, ESG, consulting and non-financial reporting as well as organizational consulting, employer branding and culture. KPI: increased fee income based on these areas.
- Increase our portfolio in industries in which we have proved our expertise: finance, energy, ICT, and industrial production. KPI: increased number of clients.
- Expand our services to strategic planning in sustainability and organizational development by driving their strategy development in these areas. KPI: number of clients consulted.
- Continue educating the market in integrating sustainability and ESG in their business strategies and developing their stakeholder relations. KPI: number of initiatives and hours dedicated to clients' and market education.
- Boost performance quality control and engage clients in addressing their most pressing sustainability issues. KPI: feedback from clients.



3Ps: People

Transformation was the key word in our internal "world" during 2021.

Changes on all levels beginning from the very top provided us with new ideas and approaches, but also altered the way we collaborate, work with clients, present ourselves to the world and see what the world sees in us.

A Year of Changes

New management, refreshed team and an additional portfolio of services? Yes, and all that in only one year! The very beginning of the year introduced our new Managing Director, who in turn brought along a fresh start not only for our team, but also in the way we work and collaborate. "Transformation" was the operating term in 2021, focusing on our culture, internal processes, as well as the development of individual and team capabilities.

Snapshot: focus on internal strengths

We started by refreshing our strategy, which included a strong focus on the development of lean internal processes that serve first and foremost to the professional and expert development of our consultants, as well as their empowerment.

We refreshed our Personal Development Plans and introduced more frequent one-on-one meetings with the MD to discuss progress and provide feedback. Mentoring streams were established, engaging senior consultants in all strategic services to support the development of younger colleagues consistently and in a structured way. Furthermore, we organized a series of consulting sessions with an organizational coach to work on team dynamics, openness and atmosphere, as well as team sessions focused on presenting strategic directions and follow up on company results.

The purpose of change was to create a shift in the culture of the organization, but also strengthen the awareness of personal responsibility and role (individual changes).

Internal processes underwent a comprehensive overhaul that lasted into 2022. Apart from PDPs, we revisited other internal processes like 360 degrees evaluation, workplace assessment survey and account review system to help us get simply understood and clear results for all our business areas. We also revised the number and use of our holiday days and set up a new system with more days of vacation on all levels.

Following the fundamental changes in how the workplace and working time are perceived in the pandemic, we decided to set up a hybrid work model, with three working days in the office, focused on team coordinations, brainstormings and other joint work, while for the remaining two employees are free to choose their place of work. We continued the practice of holding a regular weekly consultancy meeting, respecting all epidemiological measures.

SUSTAINABLE DEVELOPMENT GOALS



TARGETS

4.7, 5.5, 8.5, 8.6, 10.2

UN CG PRINCIPLES

1, 2, 3, 4, 5, 6

In 2021 we also invested in new IT equipment and transferred all our internal databases and digital workspaces from a physical server into cloud-based services.

Refreshment also meant a spruce up of our office, adding more areas for teamwork and collaboration.

Education, internal and external, as well as mentoring, are one of the key cornerstones of our organisation. Along with other more conventional forms of individual and group learning, we decided to tap into our own already acquired skills and knowledge and thus organised an internal knowledge-sharing system.

A total of 15 team workshops were held in 2021 in which all team members had the opportunity to share some of their specific experiences or knowledge. Topics were various, from sustainability, over diversity & inclusion, presentation skills to leadership storytelling. Within this project we again held a five-module GRI education available to all colleagues regardless of their core competences in the company.

External education in 2022, both individual and group, included employer branding courses, UN Global Compact SDG Ambition course, visual storytelling and social media competencies. We remained focused on unstructured individual learning, investing hundreds of hours into research and education. We also participated in numerous expert conferences, webinars and other opportunities for education.



Facts & Figures

Following the changes in 2020, our team continued to change in the reporting year. The most significant was the arrival of the new Managing Director Sanja Petek Mujačić, after near 20-year leadership of Daria Mateljak. While Daria assumed the position of Managing Partner, the two of them completed the Management Board along with CCO Katarina Rimac. Joined by junior partner Gorana Pavičić Nišević, the company boasts a 100-percent female management team. On the entire team basis, we ended the year with 78 percent of women in the organisation.

In 2021 we also experienced further fluctuation in workforce; during the year, four team members decided to leave the company, while four new joined our team. Strategy was expanded by a new pillar, which incited further development of our capacities in strategic areas: communication, organizational development, as well as sustainability and CSR.

Fluctuation influenced our average age just a bit (40.5 years of age in 2020; 39.9 in 2021), while our average age spent in the company somewhat decreased (7.7 in 2021 compared to 9.3 in 2020).

Our Workplace Assessment Survey was refreshed in 2021, and examined employee positions in four areas - financial conditions, professional development and growth, organisational culture and work environment.

On a scale of 1 to 4, the highest grades were given to workplace conditions and life balance area (3.59 out of 4), followed by organizational culture (3.53), professional development (3.50) and financial conditions (3.38). The overall average was at 3.44, an increase from 2020s 3.10 average.

Highest evaluated specific questions pertaining to ethical behaviour (4 out of 4), encouragement to take over responsibilities and projects (3.88), while 3.75 was given to a series of questions spanning from awareness of purpose, strategy and direction of development, over respectful and diverse culture, to the flexibility of work.

Areas that, in turn, need further improvements are the feeling that one's contribution is valued (2.88) and the offer of quality (external) education (2.50).

Thus, one of the main areas in which we found improvement necessary in 2019 and 2020 continues to be important in 2021 and further on. We continued to increase the average hours of education from 148.3 in 2020 to 160 in 2021, relying on both external education and internal knowledge sharing efforts.

How do we see ourselves as a team and each other? 360 evaluation survey, apart from individual results, offers an insight into our team evaluation. On a scale of 1 to 6, the overall average team grade was an almost round 5.01, with grades ranging from 4.31 to 5.53 for particular areas. Although all grades are high, we can single out "acting in accordance with our values" (5.53), "having the right skills and knowledge for the job" (5.28) and "dedication to teamwork" (5.15) as the best-rated areas. More effort and progress are needed in "leadership skills" (4.31), "clear and efficient communication" (4.92) and "skills in client acquisition and retention" (4.82).

Team self-evaluation showed a bit more self-conscious results, with overall average of 4.71.



In 2021 we again participated in the CSR index survey, now known Croatian Sustainable Development Index (HRIO), which we use as an external indicator for all sustainability aspects of our business. In the category group of small companies.

Since the methodology of the index has changed, the final result is not comparable with previous years, but it serves to state that in the work environment segment we scored 81 percent, with market average in the SME category being 30 percent.

Goals for 2022

- Strengthen team with new expertise. KPI: raised team capabilities and independent responsibilities.
- Intensify external and internal education in strategic areas. KPI: number of educations and time dedicated.
- Develop individual potentials and perspectives. KPI: raised individual consulting and professional competences.
- Set up mentoring and reverse mentoring framework. KPI: strengthened team work, shorter time in raising high potentials.
- Revise key internal processes (continued from 2021). KPI: a more agile organization.
- Introduce new life balance initiatives. KPI: culture advancement; reduced stress levels.

3Ps: Partnerships

In 2021 it became clear that world is constantly changes and brings additional challenges, due to prolonged pandemic situation. We have mastered online models of work and collaboration to create the sense of shared values, goals and create new initiatives with our stakeholders.

Dedicated to our commitment to advance understanding of sustainability and responsible working environments, we focused on creating and sharing relevant content with our stakeholders, using various formats of collaboration.

Connectedness & Collaboration

Continued VUCA challenges combined with our strategic changes, sharpened our focus on sustainability and organizational development as the two areas in which we recognized our potential for contribution. We confirmed our dedication by prompt response to our stakeholders' growing concerns in these two areas. More than that, we have set an ambitious pace by actively raising agendas in these two areas.

Despite of the downsides of online communication and collaboration methods, we managed to create a steady contribution to raising knowledge and connecting our stakeholders in collaboration.

Key topics: ESG and organizational development

Our goals in forming and supporting partnerships are to actively contribute to the professional advancement, promote and share responsible practices, advance CSR and sustainable development. Besides, due to our stakeholders' needs, we also focused on organizational resilience and growing capabilities of stakeholders to create sound and advanced cultures within their organizations.

New challenges have brought social responsibility and sustainability into the core of interest of many organizations. They realized that they need to reconstruct the old ways of operating, conducting business and engaging their stakeholders.

Responsibility and sustainability management gained in seriousness of approach and increased ambitions to integrate them into business and organizational strategies. We found our natural role in facilitating this transformation by engaging our stakeholders in various formats of dialogues and investing our efforts in sharing knowledge with them.

SUSTAINABLE DEVELOPMENT GOALS



TARGETS

4.7, 5.1, 10.2, 12.6, 12.8, 16.5, 17.2

UN GC PRINCIPLES

1, 6, 8, 10

To achieve our goals in cultivating partnerships in 2021, we participated in the management councils of professional organizations and interest groups, co-organized or initiated various online and offline events, held lectures at universities and other educational institutions and published content related to the topics that help companies and professionals to advance their practices.

Culture, diversity and employer branding

Increased needs of our stakeholders to advance their capabilities in sustainability and organizational development prompted us to initiate, co-organize and participate in about 20 events, education formats collaboration platforms, dialogues and other forms of contributions to interest groups and associations.



To boost organizational leadership and employer branding, we co-organized Employer Branding Academy with our partner Lider Media. The Academy was led by Sanja Petek Mujačić and Đurđica Preočanin Korica, with 25 participants from various industries.

Within our contribution to raising the capabilities of micro-entrepreneurship, Sanja mentored one team in the Startup Factory Program organized by Zicer. She also led the panel on Gen-Z views on employers at the CPRA Student Conference. The conference was organized under the lead of our Assistant Antonela Matijević.

In 2011 H&P supported Volunteer Center Zagreb in raising dialogue on corporate volunteering benefits, exchanging best practice and promoting volunteering.



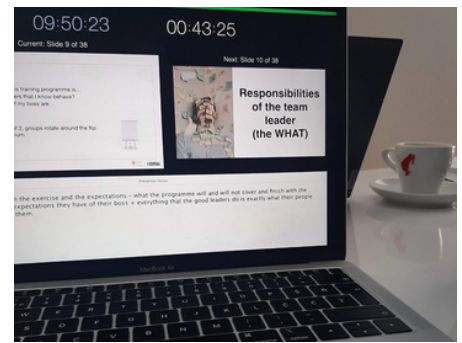
Sanja led a panel: Volunteering as a Driver of Employee Engagement, Employer Branding and Positive Community Impact.

Daria participated as one of the creators of the program Workplace Inclusion Champions, whose development initiated in 2021 by Croatian Business Council of Sustainable Development, in collaboration with Slovenian and Romanian Diversity Charter partners. The program is planned to be implemented in 2022.

We continued our efforts in promoting human rights issues, diversity and equality with the participation at the international conference Employment Challenges of Members of Vulnerable Groups, where Daria moderated a panel discussion The Future of Inclusion: Challenges for Employers and presented initial research on how employers treat D&I in their corporate reporting and communication.

Dedicated to professionalism and excellence

As we find excellence an important value in consulting, H&P supports professional development. Within these initiatives, Sanja was the member of the Judging Committee of the Employer of the Year Stevie Awards, in the category Best Employer, while Daria was a member of the international jury of the Hungarian Public Relations Association PR Excellence Awards. Daria also participated in developing the new CPRA strategy.



Hauska & Partner is a years-long member of CBCSD. Besides their continuous work in the Management Council, H&P is the main communications advisor of CBCSD and all our significant events and initiatives. In addition to communications expertise, we can count on the substantial knowledge and experience of H&P experts in CSR and sustainability, which they selflessly share with us. They are always willing to invest their time, and provide advice or support. H&P people are not only our valuable partners but also our dear friends.

Mirjana Matešić, PhD, Director of Croatian Business Council for Sustainable Development

ESG taking the lead

Being recognized as the hottest challenge of both financial and non-financial industries, integrating ESG criteria into businesses took a lead among stakeholders' interests.

As many years before, H&P supported the 13th national Sustainability Conference in the capacity of co-organizer. Daria Mateljak led the panel on sustainable finance at the conference, with the participation of banking leaders and the Croatian National Bank. H&P also supported Croatian Business Council for Sustainable Development in developing an upgraded sustainability index.

Being the leading non-financial reporting consulting firm in Croatia, we held some significant events. In collaboration with our partner Lider Media we organized a CSR Academy, with three modules dedicated to new ESG and reporting regulations, raising sustainability reporting capabilities and overall know-how on sustainability and CSR; led by Gorana Pavičić Nišević and Daria Mateljak. The same team also held a panel on sustainable finance, with the participation of relevant stakeholders from banks, Zagreb Stock Exchange, industries and interest associations. Daria moderated a panel on corporate sustainability at Lider's conference Marketing and Sales by Numbers.



Indicators & trends

We remained dedicated to our long-standing partnerships with organizations, institutions, companies, media and individuals. We continued and enhanced our contribution to the Croatian Business Council of Sustainable Development, Gender Equality Alliance, ICC Croatia, UN Global Compact, Croatian Public Relations Association, CSR Association with the Croatian Chamber of Economy, U4HR, but also joined new organizations, such as HURA (Croatian Association of Communications Agencies).

Our Managing Partner Daria Mateljak continued her role as the Diversity Charter Ambassador. Gorana Pavičić Nišević continued as a member of the ICC Croatia CSR and Anti-corruption Committee, while Antonela Matijević headed the Student Section of the CPRA and is a students' representative in the Communications Department Council of Croatian Studies Faculty. Overall 442 hours were dedicated to partnerships in 2021.

In 2021, 139 hours were invested in lecturing at higher education institutions. In Croatian Sustainability Index (HRIO) we accomplished 75 percent in the section of Community Relations (compared to the SME benchmark average of 32 percent). In the section of human rights policies, we scored 67 percent (SME average: 23 percent) and in children rights policies we scored 83 percent (SME average 26 percent).

Partnerships with the academic institutions continued by Daria Mateljak lecturing at the Faculty of Croatian Studies, Communications Department, holding courses Sectoral PR and Strategic Thinking, as well as at Edward Bernays University College holding lectures in Sustainable Development and CSR.

Goals for 2022

- By creating dialogues and education opportunities, support the market in implementing new ESG regulations, promote sustainability and influence raising the quality of CSR practices.
- Support connecting and networking of various stakeholders to create advanced leadership practices.
- Contribute to our partner organizations by providing our expertise, co-organizing events and developing new methods of collaboration.
- Promote advanced thinking in the business community, diversity and openness to innovative ideas and collaboration
- Intensify our advocating of sustainable values, diversity and responsible behaviour in public space, social networks and by supporting valuable initiatives.

KPIs: number of events, collaborations, participants, no. of publications and interactions, stakeholders' feedback and testimonials.

S U S T A I N A B I L I T Y R E P O R T 2 0 2 1

Hauska & Partner

www.hauska.hr
zagreb@hauska.com

Photos: H&P archive (front page), team members' personal archives, CBCSD, Volunteer Center Zagreb/HT conference archive, CAPR Student Association conference archive

Stock photos: Unsplash, Canva

SDG visuals: globalgoals.org