



**GET AN IDEA OF OUR SUSTAINABILITY STRATEGY
AND WORK WITH US TOWARDS THE GLOBAL GOALS!**

SUSTAINABILITY REPORT

[SUSTAINABILITY-REPORT.HAUSKA.COM](https://www.hauska.com/sustainability-report)

THIS REPORT

This Online Sustainability Report about the Hauska & Partner Group covers our activities in Austria and Croatia, and fulfils the requirements from UN Global Compact regarding the yearly Communication on Progress Report.

We update this permanently established online report on an ongoing basis and prepare PDF extracts according to the specified reporting dates.

During 2018 all our stakeholders will be invited to review this report and contribute to our ongoing updates and adaptations.

DOWNLOADS

Sustainability Report 2018-01-17 (PDF; xxxx KB)

UPDATES

Here you will find dates and content of future updates.

HAUSKA & PARTNER

Update: 2018-01-17

Hauska und Partner was founded in 1990 in Austria, in 2000 the branch office in Croatia was opened. Core competencies lie in the areas of corporate and communications consulting, in particular stakeholder relations, issues management, CSR/sustainability management, reputation management and public affairs & lobbying.

Current ownership structure:



The group is led by a team of all Croatian partners, as well as Leo Hauska (CEO) and Bernhard Wanasek (CFO). More information about the company at www.hauska.com.

“With this report, we not only reaffirm our commitment to the 10 principles of the UN Global Compact, but also enhance our contribution to the sustainable development goals. We invite all our stakeholders to join our efforts and work with us towards these global goals.”

Leo Hauska
CEO Hauska & Partner Group



CORPORATE STRATEGY

Update: 2018-01-17

Successfully meeting the challenges of changing industries defined our strategic directions in 2016 and 2017. Although we still cultivate our strong standing as corporate and communications consultants, we took the opportunity to enter more intensively the areas of sustainability, strategy and organizational development, business and marketing plans. The opportunities open partially from international trends or global agendas, partially from regulatory developments, digital transformation, but mostly from changing societal habits, needs and trends of our clients' customers and other stakeholders.

At the same time we continue our own transformation. This report documents our current move: In recent years, we have made significant progress in integrating CSR into our corporate strategy. Today, we are going one step further and align our strategy to the principles of social responsibility and the global goals.

More than 5 years ago, we have developed our current mission: „We contribute with corporate relations services to business, society and environment“. Now, we use the SDGs for its target and impact-oriented implementation. We are doing that based on our vision „Leading the Corporate Relations Business“ and our values: excellence, contribution, passion & dedication, reliability and diversity.

This report contains the areas from our Materiality Map that were especially significant in 2016 and 2017. Each of the following chapters describes our management approach to the topic and points out the related SDG to which we contribute:



INNOVATE



EMPOWER COLLEAGUES



ADVANCE CLIENT RELATIONS



CONSULT RESPONSIBLY



STRENGTHEN MARKET POSITION



FOSTER CSR COMPETENCE



STIMULATE COLLABORATIVE THINKING



INNOVATE

Update: 2018-01-17

“Responsible companies gear their innovation to social needs.” This is one of the key points of the CSR mission statement published in 2009 by respect – austrian business council for sustainable development. We worked on the creation of this mission statement and we are now implementing it.

Innovation is also the most important material topic selected by our internal and external stakeholders 2016, and it is the key criterion when it comes to mastering the transformation of our society. As corporate relations are dealing with societal interactions and are therefore deeply involved in ongoing change, we see this topic as important part of our corporate strategy. We therefore strive to continuously improve our services, develop new products and new solutions.

SDGs to which we contribute:



Key Performance Indicators:

5 new products and services in the last 3 years

2 new lectures for CSR education developed

During the last years, we continued to support our clients in their transformation to sustainable corporations through the development of new services:

- **Materiality Mapping** – *We realized that the materiality analysis is one of the biggest challenges for companies, but it forms the basis of sustainability reporting and is therefore the core element of sustainability management. Using our method of “materiality mapping”, we made it easier to prioritize the main topics, as we made the connections between the topics visible and the stakeholders did not just have to rate detached concepts. Several customers – and ourselves – have already worked with this 2015 developed tool. The materiality analysis, which were previously carried out incorrectly by most companies using wrong criteria for the matrix, should therefore bring better results in the future.*
- **Advanced Stakeholder Dialogue** – *In 2016, we complemented our mapping tool with an expanded event format: in our “results-oriented stakeholder dialogue”, the participants also provide information about their desired future involvement beyond commenting on and evaluating selected topics. However, this small step has a big impact: it is the basis for working with stakeholders beyond the scope of dialogue, and it lays the foundation for joint projects.*
- **Extended Stakeholder Mapping** – *In addition to the stakeholder dialogue, in 2016 we developed an extended model for stakeholder analysis. New to the computerized tool are its four flexibly selectable analysis criteria and the visualization of all results in a single graphic. With the help of this tool, our customers can carry out in-house analyzes themselves.*
- **SDG-Workshop** – *Many companies are currently faced with the task of coordinating their existing sustainability management with the new sustainable development goals. We support our customers with a specially developed workshop.*
- **CSR Educational Films** – *2017 was another big challenge for many companies on our agenda: creating a common CSR understanding throughout the company. We developed a new combination of tools: First, 10-minute videos explain in a simple and sometimes entertaining way what CSR and sustainability mean. Expert statements and cartoons encourage employees to engage with their company’s CSR / sustainability management. Thus, the videos fulfil the function of short keynotes in company-internal events and invite to further discuss the topic. Second, printed folders are available for each video. These show important elements from the film and contain all important statements and texts as well as additional information on selected topics. Third, companies can buy a whole package including moderated workshops. All these new services are provided through e new streaming platform.*

In addition, we have also developed two new CSR courses during the last year:

- **Relevant & Material Topics** – *For the course for the Academic CSR Consultant at the University of Applied Sciences of BFI Vienna we developed a one-day course on “Materiality”.*
- **CSR Strategy** – *For the training academy of the Austrian Chamber of Commerce, we developed a one-day-course for CSR strategy development.*

What do our stakeholders say?

“Our cooperation with H&P has never been simple. Which is exactly where we see your greatest advantage. Often, before meetings we have prejudices on the assignment and its simplicity. H&P always breaks up such prejudice and makes each assignment a new challenge. Not only in design, but in strategic approach to communication and (re) positioning the approach.

So, before designing we always have to take into account which innovation is introduced to be able to shape them. Additional efforts bring new knowledge and skills. We can say that with advanced modules of H&P communication we have to shape in design – we innovate and advance.”

Tomislav Kraljević, Owner of Bestias, Designer



EMPOWER COLLEAGUES

Update: 2018-01-17

Individual growth and professional positioning of our consultants is key to our success. We are therefore constantly working to improve human resources management, to further develop internal decision-making structures, and to consistently pursue the concept of a learning organization.

SDGs to which we contribute:



Key Performance Indicators:

77% of our employees have been working with us for more than 5 years (-9)

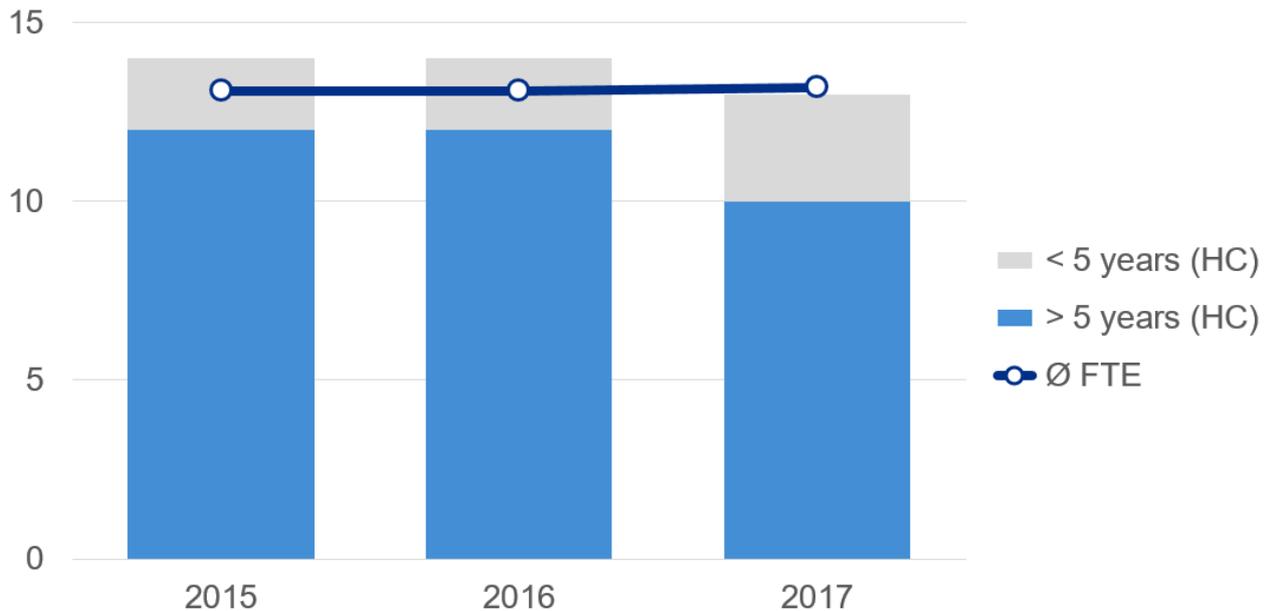
62% of the leading positions in the company are filled by female colleagues (+5)

115,4 training hours per employee last year (-4,5)

Striving for Partnerships

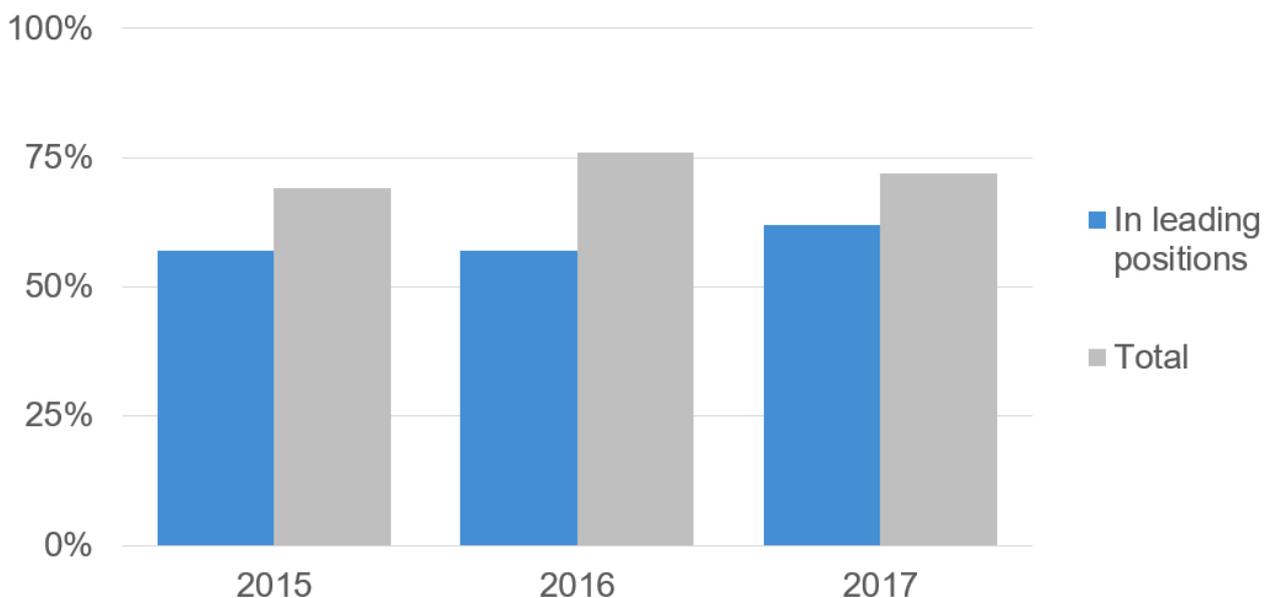
The number of employees has remained stable in recent years: the full-time equivalent was just over 13 people. We also manage to keep our employees as long as possible: 77% of our employees have been working with us for more than 5 years, and the average length of employment has slightly risen in recent years and is currently at 12,8 years.

Stable Employment



The majority of our employees are female (72%). Further, female colleagues fill 62% of the leading positions in the company.

Female Employees



In addition to classic promotions and career development opportunities, we offer employee participation schemes. In the past year, this was adopted by another colleague. Currently, a total of 6 people are involved in the company. Details about the current structure can be found in the chapter [“About – Hauska & Partner”](#).

Focus on Individual Development

With an aim to support and monitor the development of our employees we use the PDP (Personal Development Plan) system. Most of our employees (77%) are subject to this system, which enables them to set personal objectives and articulate their contribution to the company. In addition, we support the ongoing education in a variety of ways: through internal workshops, the promotion of external seminars or

studies and the encouragement of informal learning. The average number of hours of education per employee has therefore continued to rise in recent years, reaching 115,4 hours in 2017.

	2015	2016	2017
Employees with PDPs	71%	71%	77%
Training hours per employee	43,7	119,9	115,4

The Croatian CSR index is a valuable indicator for the evaluation of our HR management: 2016 and 2017 we scored 87 points, compared to the small companies average of 57 (2016) and 38 (2017). The highest scores we marked related to labour valuation salaries and benefits, as well as investment in education, both scoring 100 points. Responsible recruitment practices and collaborative organizational climate both scored 83, while safety at work scored 50 points. You can find the complete results of the index in chapter [Foster CSR Competence](#).

	2015		2016		2017	
	H&P	Average	H&P	Average	H&P	Average
3. Responsible politics and practices in workplace	71	34	87	57	87	38
3.a Responsible employment policy	67	16	83	43	83	18
3.b Adequate salaries and benefits – work assessment	82	55	100	69	100	58
3.c Investment in education and employability	25	3	100	34	100	12
3.d Workplace quality and safety	50	32	50	55	50	43
3.e Organization climate	100	37	83	68	83	39

We use our annual Workplace Assessment Survey to diagnose potential areas of improvement in the workplace area. In the reporting period, WAS showed relative stability in this area with potentials for improvement in the areas of providing feedback, valuing contribution and sharing values. Employees shared high opinion on the respect of human rights, their privacy in the company as well as enabling life-work balance. Inspired by this feedback at the end of 2017, we started to develop a program for 2018 that is even more focused on joint learning, feedback instruments and “Empowering Colleagues”!

What do our stakeholders say?

“Rarely I run into a team that is brave enough to use individual honesty and group vulnerability to grow as an organization as Hauska & Partner. That’s the best way to stay grounded and grow at the same time.”

Boris Šurija, Behave, HR Consultant



ADVANCE CLIENT RELATIONS

Update: 2018-01-17

Three of our corporate values are particularly relevant to our customer relationships: excellence, contribution, passion & dedication. We dedicate ourselves to the success of our customers with passion and the highest quality standards.

Beyond suppliers, we see ourselves as partners with different roles: as strategic advisor, process or technical consultant as well as operative implementer or even as coach or sparring partner. The best results can be achieved, if we are able to team up with our clients and to develop together tailor-made solutions or enter collaboration ventures.

SDGs to which we contribute:



Key Performance Indicators:

45 clients (+4)

49% of our clients > 3 years (+3)

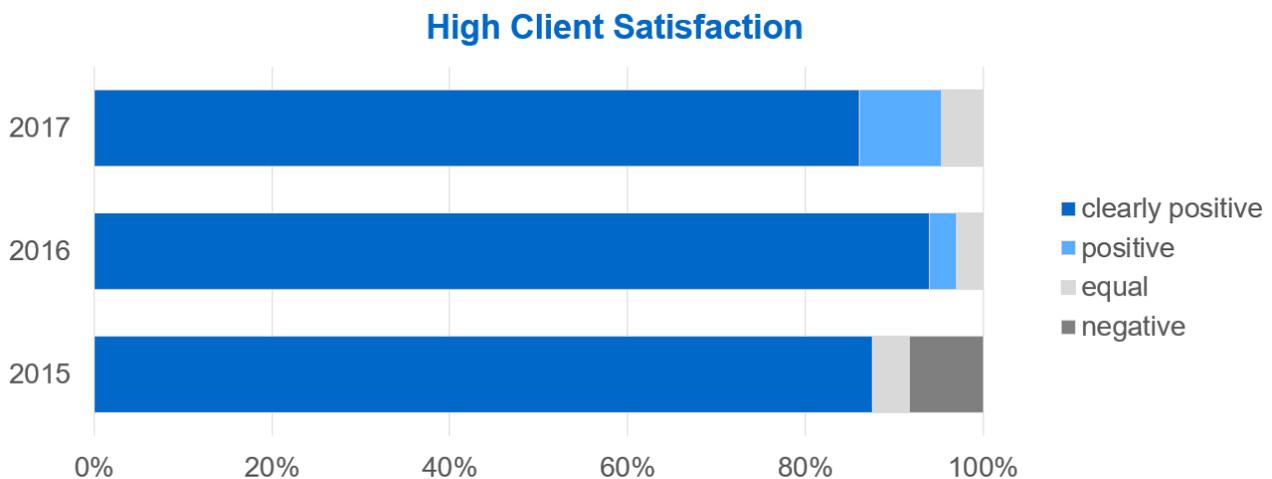
95% of our accounts with satisfied clients (-2)

Growing Client Base

In recent years, the number of our clients has increased from 29 to 45. The trend towards short-term individual projects continued. Nevertheless, we were able to further increase the retention rate: More than two-thirds of our clients in 2016 also worked with us in 2017, and we have been working with almost 50% of our clients for at least three years. These long-term partnerships account for over 80% of our fee income.



With the goal of better understanding attitudes, feelings and experiences of our clients related to the quality of our services, we designed a Customer Journey process in Croatia in which we created the Customer Experience Map and conducted a number of dialogue interviews during March 2017. Additionally, we evaluate and analyse the satisfaction of our clients quarterly with our Account Review System. The results show a client satisfaction rate of 95%, and 88% of our clients are very satisfied.



Teaming Up for Joint Projects

Close client relationships are the best basis for excellent projects. Last year, we could team-up with several clients and achieve great results. Just few of them:

- With Philip Morris Zagreb we jointly implemented a program that promotes entrepreneurs beginners and micro-entrepreneurship projects with positive social impact. Program named “Start Something of Your Own” provides education, advisory, financial support and promotion. The project also included the non-governmental sector, onboarding ACT Group consortium of social entrepreneurs.

- Another challenging project was rebranding of Dalmacijavino, a company with 70-years long tradition which aimed at regaining its market position. Together with the management, we developed a new vision, mission and values of the company.
- With ASFINAG, the Austrian commercial operator and builder of motorways and expressways, we developed a Sustainability Roadmap, that covers all important areas and milestones for the further development of the sustainability management and reporting until 2020.
- As a lecturer of “Incite”, the training academy of the Austrian Chamber of Commerce, we co-developed a revised 6-day course for CSR. The first round took place in spring 2017.

The high level of our services and client relations are confirmed by the Croatian CSR Index, awards and certificates:

- In the Croatian CSR index, we have reached the maximum of 100 points in customer relations in recent years. The complete results of the index you can find in chapter [Foster CSR Competence](#).
- In 2016, we were awarded Grand Prix by the Croatian Public Relations Association in the category of large enterprises for our support to Doğuş Group, while in 2017 we won the award in the category of Communication Strategy for Danfoss.
- Our Austrian Client ASFINAG achieved prime status in the oekom corporate rating of September 2017.

What do our stakeholders say?

“H&P has provided professional communications services to OTP Group since 2005. Besides their excellent local knowledge and highly market focused advisory approach we benefit a lot from their deep understanding of OTP Group. This becomes an even more special asset when OTP Group acquires and integrates a bank in Croatia. OTP experts and managers always feel safe with H&P, both in terms of quality and deadlines of communications work.”

Bence Gáspár, OTP Bank Nyrt., Head of Communications and Public Affairs

“Cooperating with Hauska & Partner makes us highly prepared for all kinds of communications challenges. Excellent professionalism and reliability of H&P team and dedication to our joint tasks makes us feel as if we belong to the same company.”

Slaven Celić, Splitska banka, President of the Management Board

“Having the feeling that I can always rely on H&P team is one of the greatest values of our cooperation. We are provided with highest communication expertise and strategic consulting, which enables us to successfully manage our relations with key stakeholders.”

Luka Diel-Zadro, Dalmacijavino, President of the Management Board

“H&P team is always reliable, available and efficient, respecting short deadlines in our cooperation. It is our pleasure to cooperate with them!”

Meri Matešić, Marketing and Communications Manager Dogus Group Croatia



CONSULT RESPONSIBLY

Update: 2018-01-17

Sustainable business has to ensure that it always behaves according to the highest ethical standards. We actively promote high standards and we evaluate all our projects also according to the responsibility level – our stakeholders' and our own.

We educate ourselves and our clients in doing business in a responsible and ethical manner.

SDGs to which we contribute:



Key Performance Indicators:

67% of our clients have anti-corruption policies (+6)

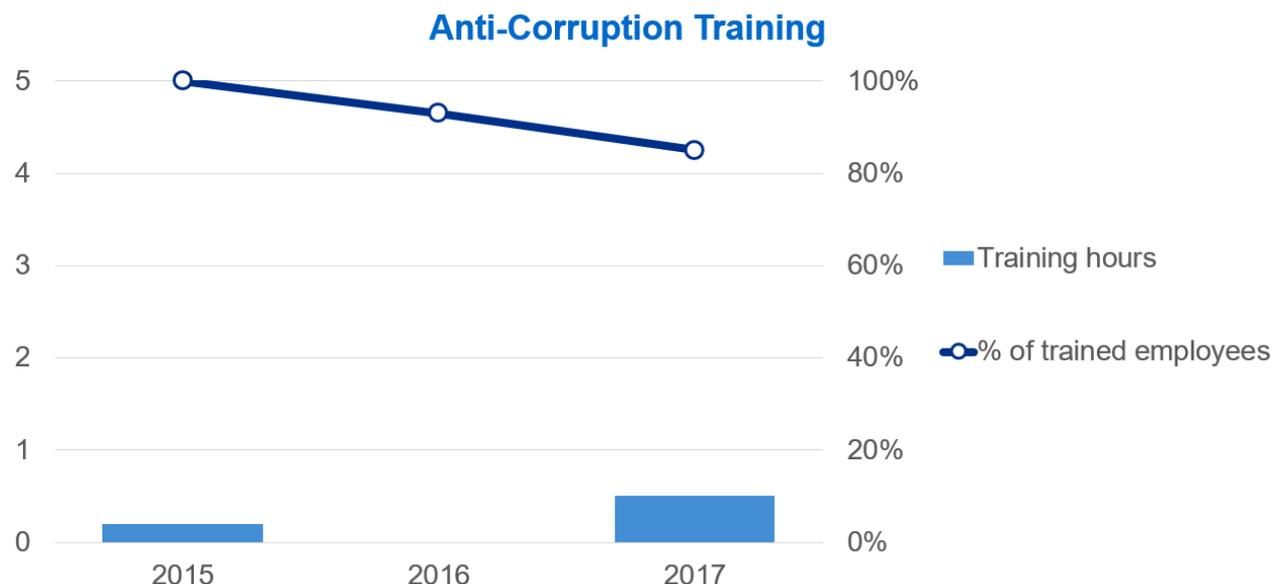
85% of our employees are trained in anti-corruption (-8)

3,92 points (out of 4) for the statement: No one in our company is involved in any kind of corruption (+0,15)

Pioneering CSR

We were the first consultancy in Austria and Croatia to publish a sustainability report, and the first one to publish an interactive online version. Despite being a small company, we are recognized in our respective markets as leaders in CSR and ethical matters.

2010, we developed and published an Anti-Corruption Policy. Together with all our employees, we conducted a risk analysis for corruption in 2012, and organized internal anti-corruption trainings in the following years. Therefore, 85% of our staff is still trained.



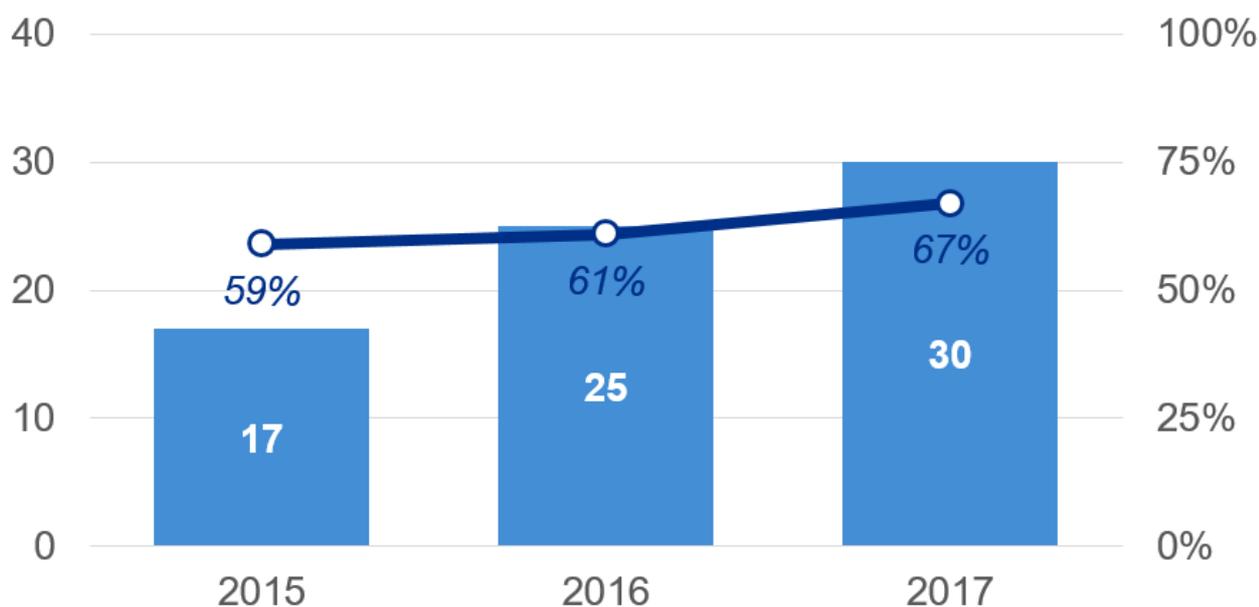
Apart from these indicators, we also use our internal Workplace Assessment Survey to check our employees' confidence in the level of anti-corruptive behaviour in the company. It has traditionally been as high as 3,77 (in both 2015 and 2016), while it even rose to 3.92 points in 2017 (out of max. 4).

Influencing our Stakeholders

For long years we have contributed to the development of sound practices in the communications industry by our involvement in Public Relations Associations. In Croatia, Andreja Pavlović has just been elected to her second mandate as the President of CPRA Chancery. She co-authored the association's ethical code and is dedicated to continuous improvements of practice.

We document any gifts concerning our customers and record their anti-corruption guidelines. During the last years, the percentage of clients with anti-corruption policies has increased to 67%.

Clients with Anti-Corruption Policies



What do our stakeholders say?

“I really value H&P’s sound judgement and trusted and timely advice about our challenges.”

Branko Mozara, Corporate Communications and Corporate Affairs Director, CEMEX Hrvatska

“Executive Group has been a proud partner with Hauska for number of years. We feel a strong match between our two companies, and whenever we need to work in Croatia we turn to H&P for help. The reason is not only an excellent service provided by H&P consultants and experts but moreover the approach to work and professional values exuded by this team in everything they do. We feel they contribute strongly to promoting sustainable and responsible business practices by upholding strong work ethics and professional integrity that we appreciate immensely.”

Sanja Milaković Kolundžija, Executive, Principal



STRENGTHEN MARKET POSITION

Update: 2018-01-17

Growth has never been a primary goal for us. However, corporate health is critical to achieving the business purpose. Therefore, we strive to continuously improve our market position in strategic business areas with increasing income and portfolio.

SDGs to which we contribute:



Key Performance Indicators:

7% increase of our fee income (+3)

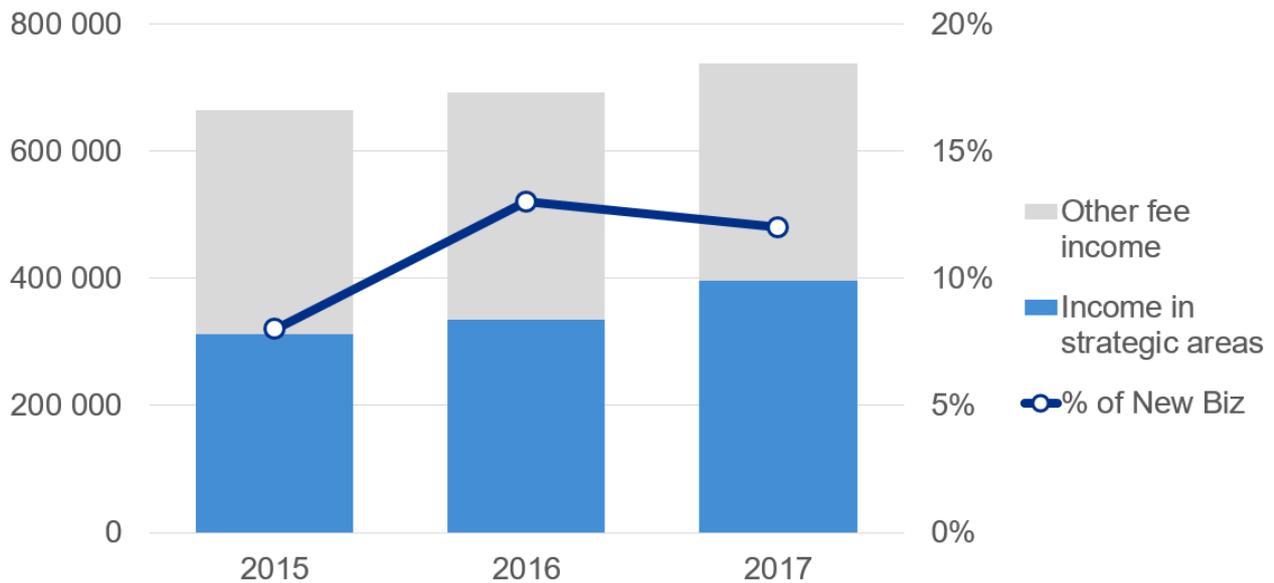
54% of our income relates to strategic areas (+6)

12% of our income relates to new clients (-1)

Raising Fee Income

In recent years, the consolidated fee income of our offices in Vienna and Zagreb has increased steadily. In 2017, we generated revenues of the equivalent of EUR 741.263, which corresponds to an increase of around 7% compared to 2016.

Business Development



Two key figures are particularly important to us: On the one hand, we monitor our income in strategic business areas and, on the other, the proportion of new clients in total sales.

The service areas in our focus are stakeholder, issues and responsibility management as well as the energy & environment industry. In 2017, these units accounted for 54 percent of sales. At the same time, the share of new clients business increased to 13% in 2016, and 12% in 2017 compared to 8% in 2015.

Upgrading Services and Productivity

In the years to come, we want to focus even more on the core competences mentioned in order to achieve a higher level of economic productivity and at the same time support our clients in their further development and transformation.

As one of the indicators for our progress we use the Croatian CSR Index: During the last years, we achieved the highest score of all small companies regarding “Company focus on economic sustainability” with 67 points. You can find the complete results of the index in chapter Foster CSR Competence.

What do our stakeholders say?

“The highest level support that has been provided to us by Hauska & Partner creates a solid and safe background for managing our stakeholder relations within the complex business and political environment we are facing in Croatia.”

Péter Wintermantel, MOL Group, International Public Affairs Senior Advisor

“H&P is our long term partner related to: loyal, professional and reliable consulting in communication support and risk management”

Martin Halusek, Kvasac, CEO



FOSTER CSR COMPETENCE

Update: 2018-01-17

For over ten years we have built significant knowledge in our strategic areas CSR and sustainable development. We are already perceived as pioneers or market leaders in these areas, and we continuously expand our services. It is not always easy to take a stance and develop responsibility in the post-recession markets. But we strive and persist. We constantly learn and grow in sustainability topics and pro-actively share our knowledge with our stakeholders.

SDGs to which we contribute:



Key Performance Indicators:

20 clients served with CSR services (+1)

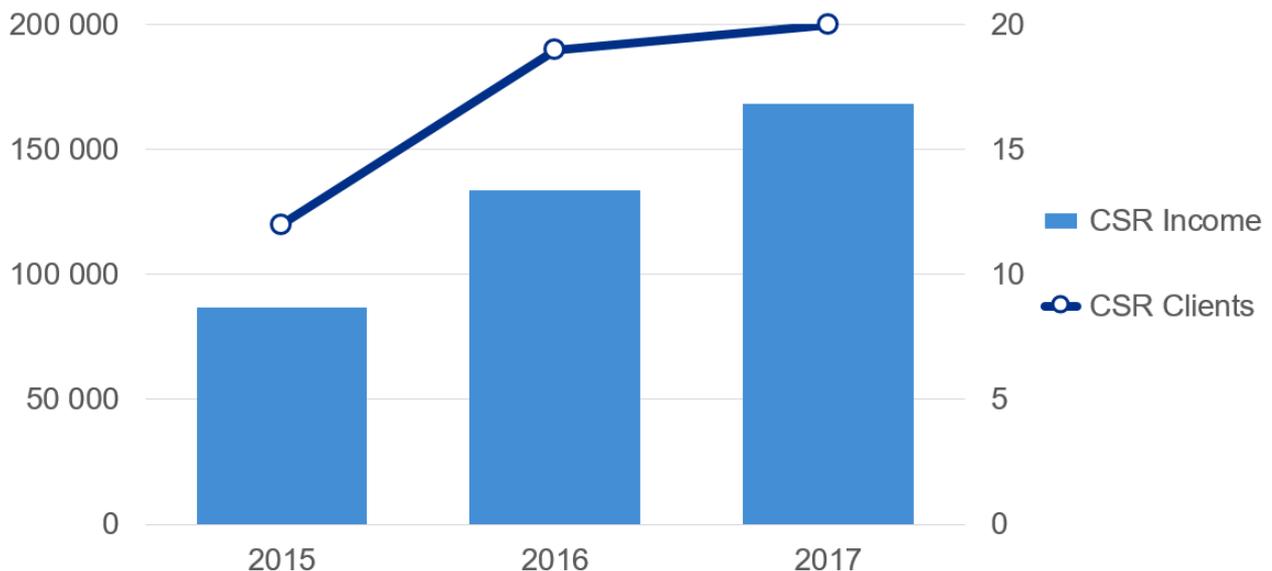
28 accounts with positive impact to society (-2)

18 accounts with positive impact on environment (+/- 0)

Expansion of CSR Services and Training

Last year, the share of our CSR services in fee income rose to 23%. In the years before, it was still 19% (2016) or 13% (2015). The number of our CSR customers increased from 12 to 20 over the same period.

Increasing CSR Services



One focus of our services was on non-financial reporting. In this area we also participated in numerous measures for further education and professionalization:

In cooperation with business magazine Lider and Lider Academy, in November 2016, we organized a one-day education event for board members and department heads. We also continued to support Croatian Business Council for Sustainable Development in organizing annual CSR conferences. In 2016, Daria Mateljak, Managing Director H&P Croatia, moderated the panel discussion about non-financial reporting, while in 2017, our Group President Leo Hauska participated in the panel discussion about latest reporting trends.

In Austria we hosted a working group of respect – austrian business council for sustainable development on reporting for several years and dedicated an event in December 2016 to the new EU directive. In September 2017, Leo Hauska spoke as a panelist at the 4th CSR Communication Conference in Vienna about practical experiences in reporting.

Additionally, we foster CSR competencies in other areas: We consulted OTP banka in the segment of CSR engagement and sustainability processes helping them to develop Eureka! program of awarding employees, which focused on sustainability and CSR practices during 2016. For their advanced and transparent communication of CSR practices, OTP banka was awarded with special Shine award by Good Croatia, business Initiative for affirmation of sustainability and CSR. In Austria, we have been supporting one-person companies in their sustainability management for many years with the “sustainable entrepreneurship” web platform.

Hauska & Partner professionals are also active in academic lecturing in the domain of CSR and sustainable development. Daria Mateljak held lectures at Faculties of Economy in Split and in Zagreb on CSR, non-financial reporting and relations of CSR and communication. Leo Hauska has taught at five universities and universities of applied sciences in Austria over the past three years, and our senior consultants are active in publishing expert and scientific papers, mainly in the domain of CSR and sustainable development and participating in international conferences.

H&P supported UNICEF efforts to promote children rights to corporate sector. Daria Mateljak and Mateja Terek held lectures within UNICEF CSR Academy for modules “Children rights inclusion in business process” and “Children rights in development and implementation of business politics and reporting”. The

goal of UNICEF CSR Academy was to promote corporate social responsibility and raise awareness within the corporate sector about the issues of companies' impact on children rights in general.

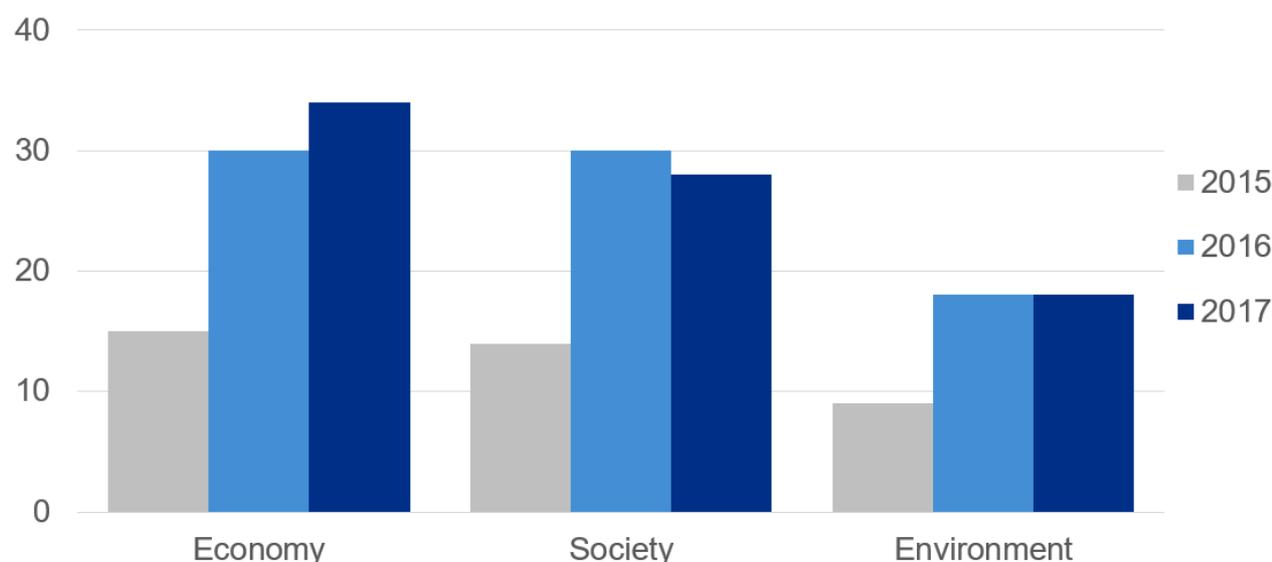
	2015	2016	2017
Students in sustainable development	147	154	131
Publications	9	3	8

Measuring and Steering of Our Impact

The greatest leverage for our impact on the economy, society and the environment lies less with our company itself than with our value chain: what really matters is what we trigger and effect with our work and our projects with our customers. Therefore, we have started to evaluate the impact of our work. There are currently no reliable measuring instruments available. Nevertheless, the mere fact that we reflect on the assumed impact of our work and share our point of views triggers changes.

In recent years, we have succeeded in tending to improve our impact on the economy, society and the environment. But we also know that there is still a long way to go – both in the desired result and in the method of measurement.

Accounts With Positive Impact On



A valuable benchmark for our ongoing CSR management is the Croatian CSR index. In the past three years, we have been able to achieve good results, in some areas even the best rating among all small companies, for example, the criterion “Company focus on economic sustainability” or “Inclusion of CSR and Sustainable Development in company strategy”. Regarding “Responsible politics and practices in workplace” and “CSR in community” we improved over the years. However, the environmental assessments have declined. It is therefore our clear goal to achieve even better values in the next few years.

	2015			2016			2017		
	H&P	Average	Best	H&P	Average	Best	H&P	Average	Best
1. Company focus on economic sustainability	67	55	67	67	59	67	67	54	67
2. Inclusion of CSR and Sustainable Development in company strategy	85	25	85	85	49	85	85	29	85
3. Responsible politics and practices in workplace	71	34		87	57		87	38	
3.a Responsible employment policy	67	16	67	83	43	83	83	18	83
3.b Adequate salaries and benefits – work assessment	82	55	82	100	69	100	100	58	100
3.c Investment in education and employability	25	3	100	100	34	100	100	12	100
3.d Workplace quality and safety	50	32	75	50	55	100	50	43	100
3.e Organization climate	100	37	100	83	68	100	83	39	100
4. Responsible politics and practices in environment	63	19		50	50		50	23	
4.a Management	75	16	100	25	20	50	25	8	50
4.b Measurement and monitoring of environmental impacts	100	10	100	100	53	100	100	17	100
4.c Implementation of environment protection measures	63	25	100	63	63	100	63	33	100
4.d Stakeholders and environment management	0	13	100	0	50	100	0	20	100
5. CSR in market	100	71		100	83		100	78	
5.a Suppliers' relations	100	83	100	100	96	100	100	92	100
5.b Clients' and customers' relations	100	55	100	100	71	100	100	61	100
5.d Competition	100	94	100	100	94	100	100	97	100
6. CSR in community	62	32		77	62		85	36	
6.a Care for development of local community and society	71	33	100	86	61	100	100	36	100
6.b Lobbying and public affairs	50	30	100	67	63	100	67	37	100
7. Responsible Policies on Diversity and the Protection of Human Rights							71	28	86
Total points	446		480	465		499	544		595

What do our stakeholders say?

“Hauska & Partner is a small firm with large impact on sustainability in Republic of Croatia. H&P possesses extraordinary knowledge on sustainable development and CSR and uses it to change the behaviour of all their clients. With their efforts, many large companies learn how to manage their nonfinancial impacts. Furthermore, H&P is an active member of Croatian BCSD. Through engagement in HR BCSD, they helps communicate message on the importance of implementation of SDGs through CSR or other models and shares knowledge with much larger audience than just their clients. H&P also actively promotes Diversity Charter through their director who is an ambassador of the Charter. HR BCSD and sustainability peers in Croatia cherish deeply the devotion of Hauska & Partner in the transformation changes towards sustainable development.”

Mirjana Matešić, Director of Croatian Business Council for Sustainable Development

“Our collaboration with H&P brought us efficiency, structure and security, with all respect for our wishes, needs and demands. Cooperation was easy, with positive attitude and inspirational for both. I learned to view the broader perspective, but also that there are others who may understand it differently. I learned to understand the consequences of my work.”



STIMULATE COLLABORATIVE THINKING

Update: 2018-01-17

Collaboration is the word of the future. Market behaviours are dramatically changing, challenging traditional roles of customers as opposed to service providers; suppliers as opposed to buyers. Challenges to create new, more appropriate services and solutions blur such boundaries and foster partnerships and collaborative thinking. Such an approach also encompasses the idea that creating sustainable solutions is based on more substantial, sincere and collaborative stakeholder relations.

To bring collaboration into mainstream practice and to boost collaborative thinking, we foster a new understanding of stakeholder relations and play an active role in community building and support.

SDGs to which we contribute:



Key Performance Indicators:

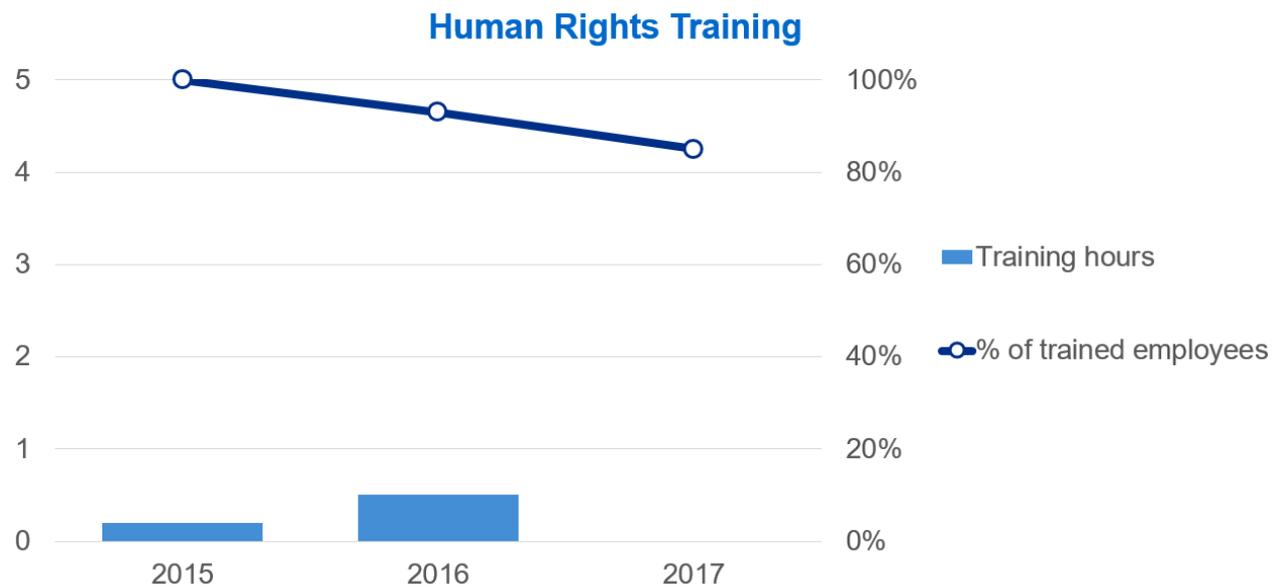
85% of our employees are trained in Human Rights (-8)

1 membership at a new Diversity platform

3 initiatives for stakeholder engagement

Living and Promoting Ethical Principles

One of our five corporate values is Diversity. We live this principle in many ways: We pay particular attention to the strengths of our employees and an appreciative corporate culture, and we are committed to respecting human rights both inside and outside our company. For this purpose we have developed and organized internal trainings. 85% of our current employees have completed this training.



In 2017 we also organized an internal workshop titled “Open dialogue” to boost three key behavioral patterns for better communications – listening, advocacy and enquiry – which created space for more open and productive communication, both internally and with our clients.

In addition, we are also publicly advocating for the enforcement of human rights and wider recognition of diversity. Under the auspices of the Croatian Business Council for Sustainable Development, we actively participated in the development of Diversity Charter Croatia project. Daria Mateljak, Managing Director of H&P Croatia, was selected the Diversity Charter Ambassador and led a panel on diversity and inclusion at the 9th CSR Conference. H&P Croatia accepted the Charter and will develop diversity policy and action plan in 2018.

Together with Lider’s Club of Family Owned Companies our experts held an education event, related to responsible leadership, presenting collaborative and transformational knowledge necessary for developing socially responsible leaders. Similar education event was also organized together with Society for Organizational Learning and Croatian Business Council for Sustainable Development in June 2016.

During 2017, we continued to support Hrabri telefon (Brave telephone – helpline for children and parents). We helped in organization of the Family Day event which gathered children and parents, and one of our consultant, Mateja Terek, took part at the panel discussion “CSR – story from the both sides”.

Various Stakeholder Engagements

We participate in a number of initiatives that gather companies and institutions with the goal of joining forces in creating better economies, such as the Austrian and Croatian Business Councils for Sustainable Development, the Foreign Investors Council of Croatia, Headquarters Austria and others.

In the area of communication we share our know-how actively and contribute to the professional initiatives of Croatian Public Relations Association. Daria Mateljak served two terms, first as deputy

president and then as president of the Grand PRix Jury for professional awards in communications. She also participates as an examiner in the Croatian PR Certificate Program (CSOJ).

Three projects demonstrate our commitment to increased stakeholder engagement:

- In the project of repositioning our client Danfoss we organized a World Café, the first group dialogue on energy-efficiency in Croatia. This dialogue format gathered and connected key stakeholders for the first time and highlighted several important areas where changes could be made by desired improvements in the energy efficiency of buildings in Croatia. This project was awarded Grand PRix for Communication Strategy Award by Croatian Public Relations Association.
- Advising our client OTP banka in internal relations focused on corporate culture development in pre-merger period, we implemented a number of intensive employee engagement practices, enabling employees to participate in co-creation of culture and improving internal communication processes.
- As a member of the steering committee of the UN Global Compact Network in Austria, we contributed to the development and foundation of “SDG Teams” – a new format for collaboration to facilitate lighthouse projects and innovation for the achievement of selected sustainable development goals. Start of this initiative is at spring 2018.

Our good relationships with key stakeholders such as suppliers, customers, competitors or the local community and society as a whole have been rated by the Croatian CSR index with the maximum number of 100. The complete results of the Index can be found in the chapter [Foster CSR Competence](#).

	2015		2016		2017	
	H&P	Average	H&P	Average	H&P	Average
5. CSR in market	100	71	100	83	100	78
5.a Suppliers' relations	100	83	100	96	100	92
5.b Clients' and customers' relations	100	55	100	71	100	61
5.d Competition	100	94	100	94	100	97

What do our stakeholders say?

“As a designer I had the opportunity to work with the H&P team on various projects. Every time it involved high quality project tasks which made design process a pleasure. Relationships with the clients and associates which H&P tends are lead by example of responsible business practices and also of real, exceptional values. That is the reason why every time we work on a joint project I feel like a part of the team, doing business with purpose, motivated with a professional approach. H&P team are professionals who share beliefs for responsible business and have a vision of a better business environment.”

Ivan Rubčić, Hand Studio, owner



OUR CONTRIBUTION TO THE SDGS

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On 1 January 2016, the world began to implement the 2030 Agenda for Sustainable Development. All people and organizations are required to work towards 17 goals. Based on our current and potential impact on the society and the environment and the interests of our stakeholders, we have identified our material topics and corresponding development goals.

Update: 2018-01-17

The biggest impact of our work as a consulting firm is in our value chain: it's all about how we help our clients – especially large companies – to contribute to achieving global goals. The key topics for us are therefore

- foundations such as equal treatment and fair business relationships,
- a special focus is of course on issues of education and training of both our own people and our clients,
- as a consequence, it is about joint contributions to sustainable growth and responsibility in production and consumption,
- finally, we see a special role for us in the context of the necessary stakeholder engagement and cross-organizational partnerships.

With this approach, we are able and committed to contribute to the goals 4, 5, 8, 10, 12, 16 and 17.

Looking at the specific situation in the countries of our subsidiaries, Austria and Croatia, we can also identify the most important areas. According to the SDG Index and Dashboards Report 2017, Austria ranks 7th in the world in a total of 157 countries with 81.4 points, Croatia is in 24th place with 76.9 points. Both countries perform best in goal 1 (no poverty), in all other areas, the report identified necessary improvements. The need for action in Croatia lies above all in goal 8, and in Austria in goals 12 and 13.

AUSTRIA

OECD Countries

OVERALL PERFORMANCE

Index score

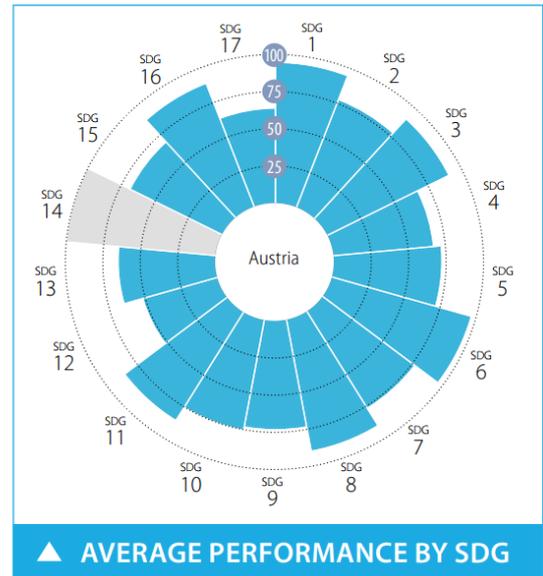


Regional average score



SDG Global rank

7 (OF 157)



CROATIA

Eastern Europe and Central Asia

OVERALL PERFORMANCE

Index score

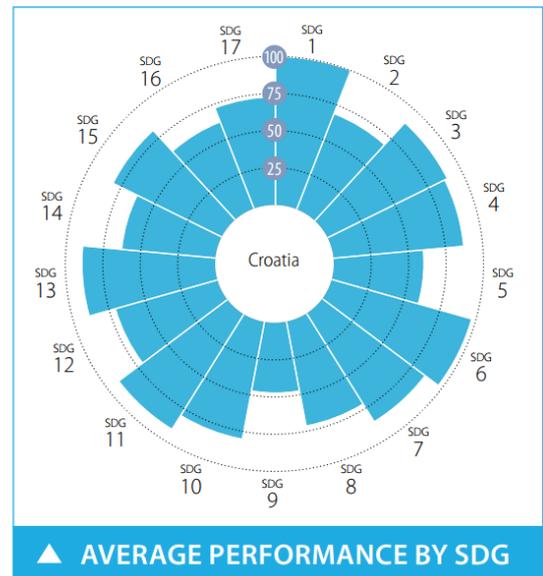


Regional average score



SDG Global rank

24 (OF 157)



Useful sources for further information:

- [The Sustainable Development Goals Report 2016](#)
- [SDG Index and Dashboards Report 2017](#)
- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [Business Reporting on the SDGs](#)
- Austria: [Nachhaltige Entwicklung – Agenda 2030 / SDGs](#)

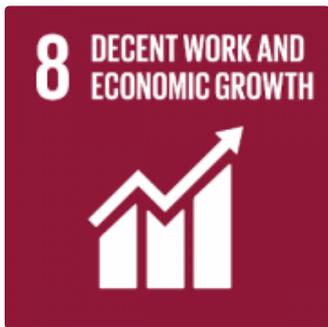
The SDGs relevant to our work:



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Reduce inequalities within and among countries

Ensure sustainable consumption and production patterns



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Strengthen the means of implementation and revitalise the global partnership for sustainable development finance



ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

i

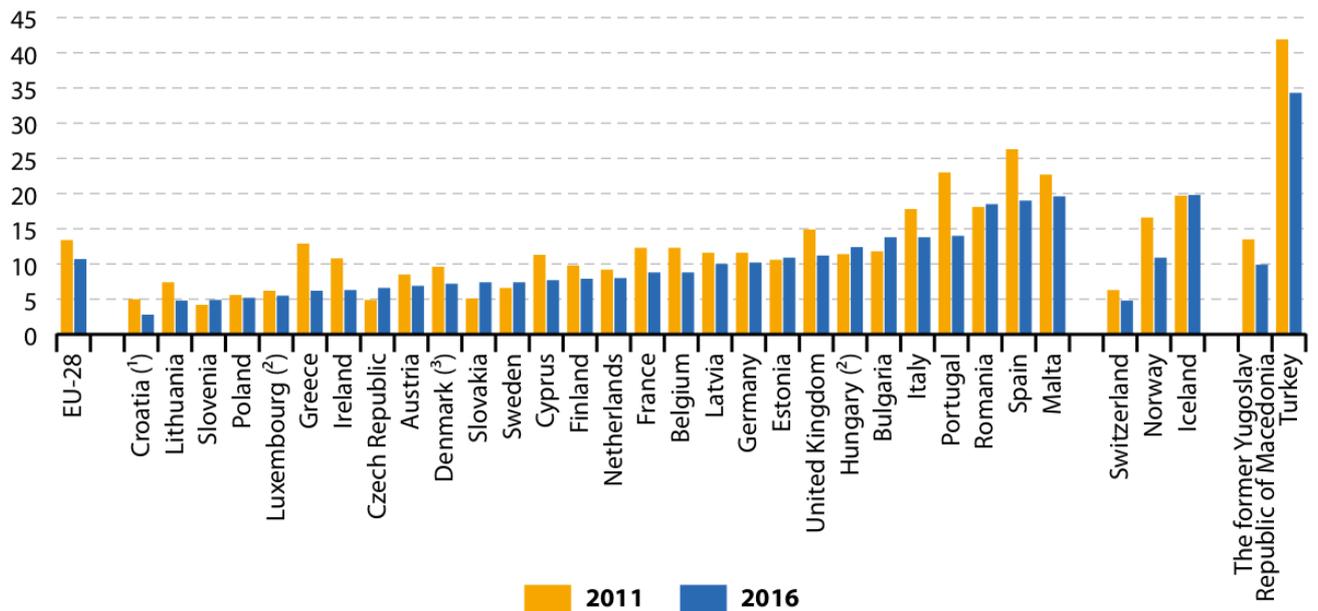
Beside the high-quality basic education, SDG 4 demands affordable and quality tertiary education and further initiatives for lifelong learning. After an initial phase of education and training, lifelong learning is crucial for improving and developing skills, adapting to technical developments, advancing a career or returning to the labour market.

Update: 2018-01-17

Both Austria and Croatia show good results in education compared to other countries: Croatia scores best in European comparison for “Early leavers from education and training”, and Austria ranks 8th in Europe in the Lifelong Learning category.

Figure 4.2: Early leavers from education and training, by country, 2011 and 2016

(% of population aged 18 to 24)



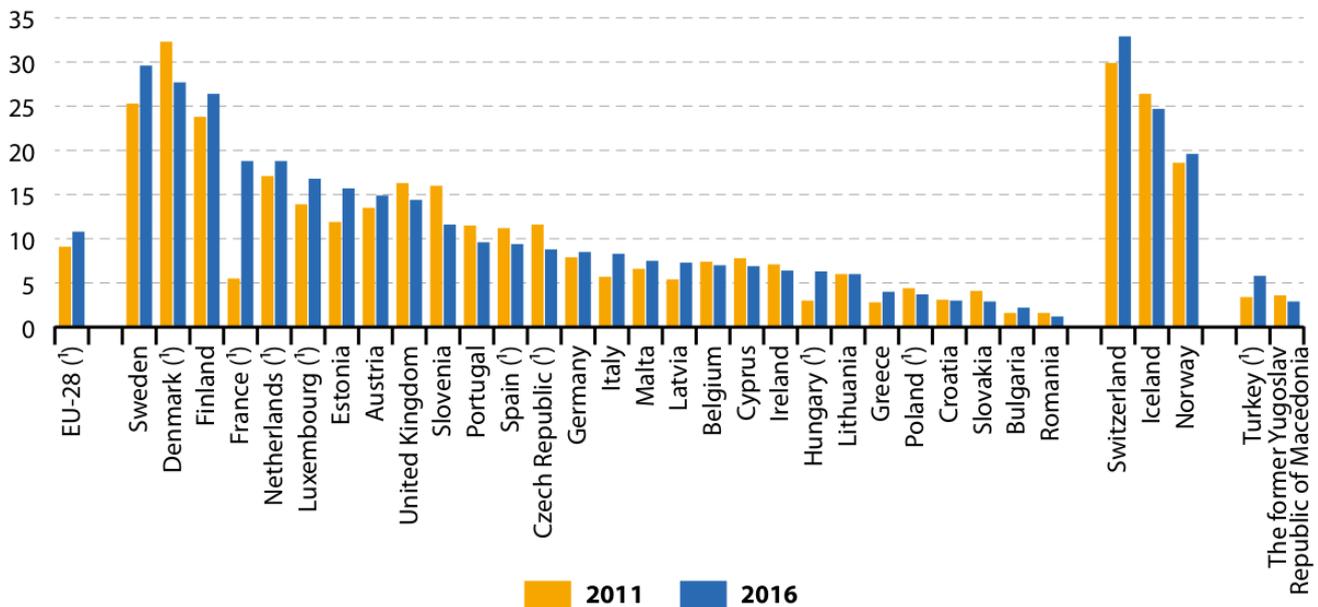
Note: For all countries there is a break in the time series in 2014 (switch from ISCED 1997 to ISCED 2011), data are comparable for all countries except for Estonia.

(¹) 2016 data have low reliability.
(²) Break in time series in 2015.
(³) Break in time series in 2016.

Source: Eurostat (online data code: [sdg_04_10](#))

Figure 4.12: Adult participation in learning, by country, 2011 and 2016

(% of the population aged 25 to 64)



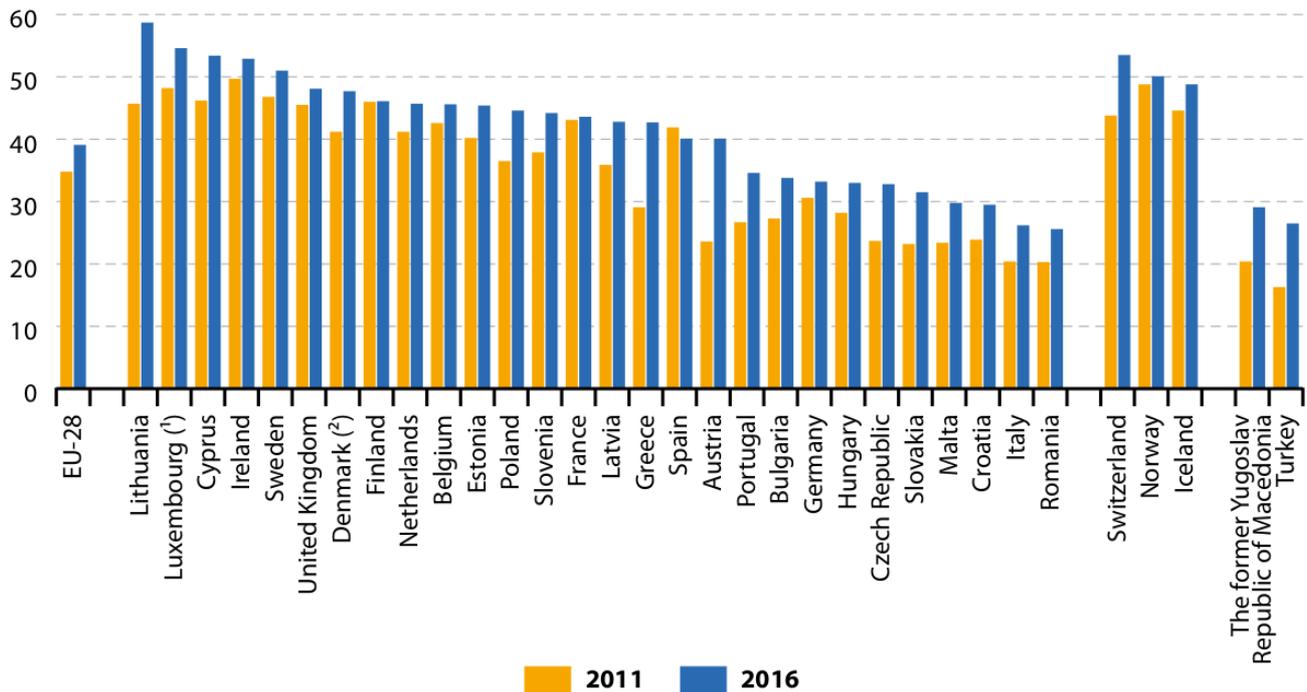
(¹) Break(s) in time series between 2011 and 2016.

Source: Eurostat (online data code: [sdg_04_60](#))

However, Croatia is ranked 25th regarding Lifelong Learning, and both countries are just average or even below when it comes to tertiary education. That's why in Austria and Croatia as well education reforms are on

the agenda, and experts insisted on substantial improvements since years.

Figure 4.8: Tertiary educational attainment, by country, 2011 and 2016
(% of population aged 30 to 34)



Note: For all countries there is a break in the time series in 2014 (switch from ISCED 1997 to ISCED 2011); data are comparable for all countries except for Austria.

(¹) Break in time series in 2015.
(²) Break in time series in 2016.

Source: Eurostat (online data code: [sdg_04_20](#))

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [SDG Index and Dashboards Report 2017](#)

Particularly Relevant Targets:



TARGET 4.7

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

4.7

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

Update: 2018-01-17

Comprehensive Educational Needs

Today, most of the education institutions do not offer any training on CSR and sustainable development. However, both in Austria and in Croatia, an ongoing improvement is visible. More and more universities and universities of applied sciences have integrated some CSR content into their curricula, and the range of exclusive CSR/sustainability courses is steadily increasing. Additionally, specific programs have started to bring CSR and sustainability into ground and high schools.

Unfortunately, UN does not provide any recommendation how to measure any progress in this area, and there are no unified indicators available.

Useful sources for further information:

- Austria:
 - <https://www.respect.at/site/angebote/ausundweiterbildung>
 - <https://www.respect.at/site/themen/sdgs/article/7059.html>
 - <https://www.bmb.gv.at/schulen/euint/sdgs/index.html>
- Croatia:
 - <http://www.mzoip.hr/hr/klima/odrzivi-razvoj.html>
 - http://www.azoo.hr/images/izdanja/OOR_2011_web.pdf

- Global:
 - <http://worldslargestlesson.globalgoals.org/>

How do we contribute?

We work on several levels: We ensure the continuous education of our employees, especially in all CSR and sustainability-related topics; we regularly publish, teach at universities, and speak at conferences; we develop new education and training tools; we participate in initiatives aimed at educating companies in sustainable development.

Find out more on following pages:

-  Foster CSR Competence
-  Empower Colleagues
-  Consult Responsibly
-  Innovate
-  Stimulate Collaborative Thinking

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- *Including information human rights, gender equality and sustainable development in internal policies, such as employee and supplier codes of conduct, and increasing awareness and practice by ensuring that these policies are thoroughly shared and understood by all employees including those in the supply chain.*
- *Providing additional training on specific topics, such as water use, human rights including women's rights.*
- *Promoting sustainable development by demonstrating the business' own commitment through implementing sustainability actions such as the ones mentioned in this document, and by demonstrating and communicating these effectively to employees, suppliers and all stakeholders.*
- *Articulating the company's business case for women's empowerment and the positive impact of inclusion for men as well as women.*



ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

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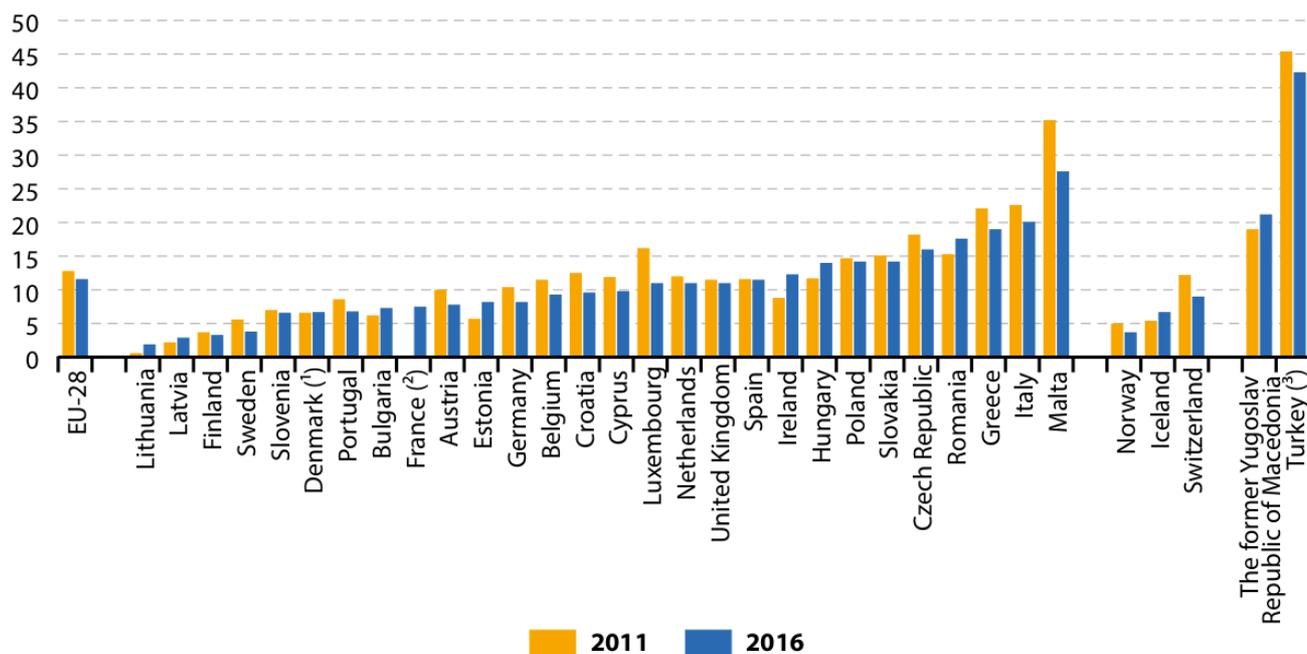
SDG 5 calls for the end of all forms of discrimination against women and girls. One area where this persists is the labour market. The gender pay gap, measuring the average difference in aggregate gross hourly earnings of women and men, is often used to gain an insight into progress towards tackling inequalities.

SDG 5 also calls for women's full and effective participation and equal opportunities for leadership at all decision-making levels in political, economic and public life. The indicator on women's representation in national parliaments helps to monitor these priorities. Equal participation by women and men in decision-making is a matter of justice, respect for human rights and good governance. It is needed to better reflect the composition of society, to strengthen democracy and allow it to function properly.

Update: 2018-01-17

According to Eurostat 2017, Austria and Croatia are on the 10th and 14th place regarding gender employment gap in Europe, showing clear improvements in comparison to the last report. However, Austria is still on one of the last places in Europe regarding gender pay gap, and in both countries, more than 30% of female population does not work due to caring responsibilities.

Figure 5.4: Gender employment gap, by country, 2011 and 2016
(percentage points)



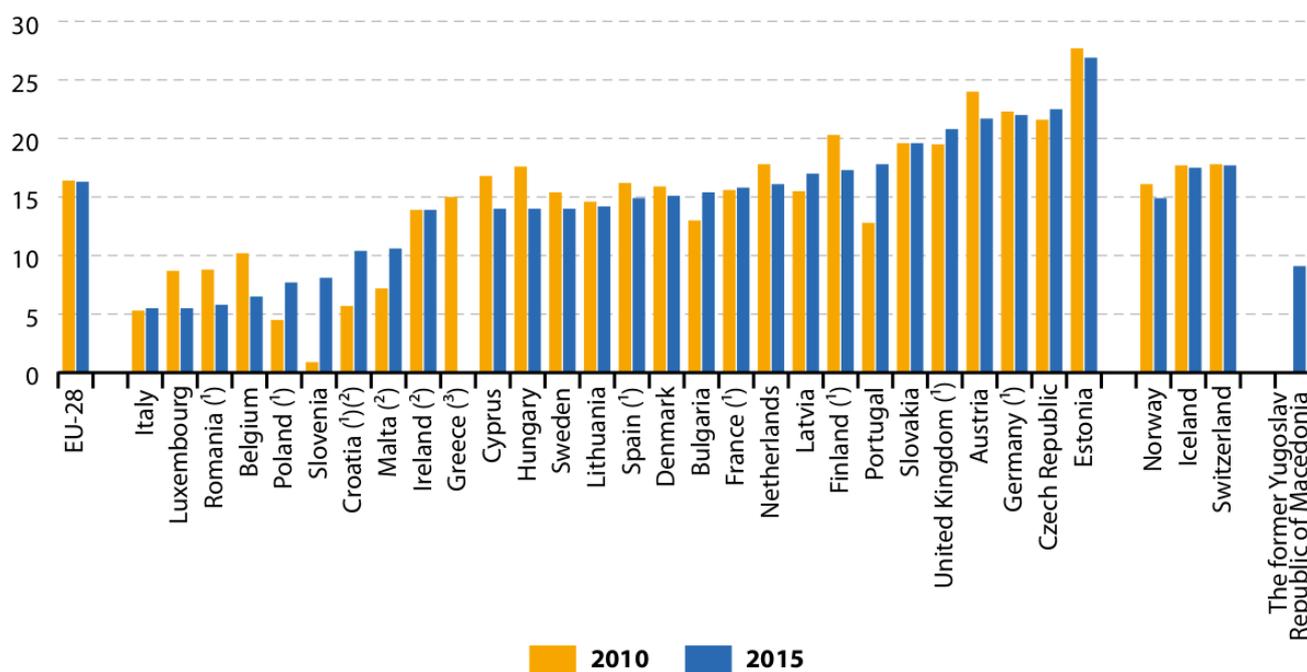
⁽¹⁾ Break in time series in 2016.

⁽²⁾ No data for 2011.

⁽³⁾ Break in time series in 2014.

Source: Eurostat (online data code: [sdg_05_30](#))

Figure 5.6: Gender pay gap in unadjusted form, by country, 2010 and 2015
(% of average gross hourly earnings of men)



⁽¹⁾ Most recent data are provisional or estimates.

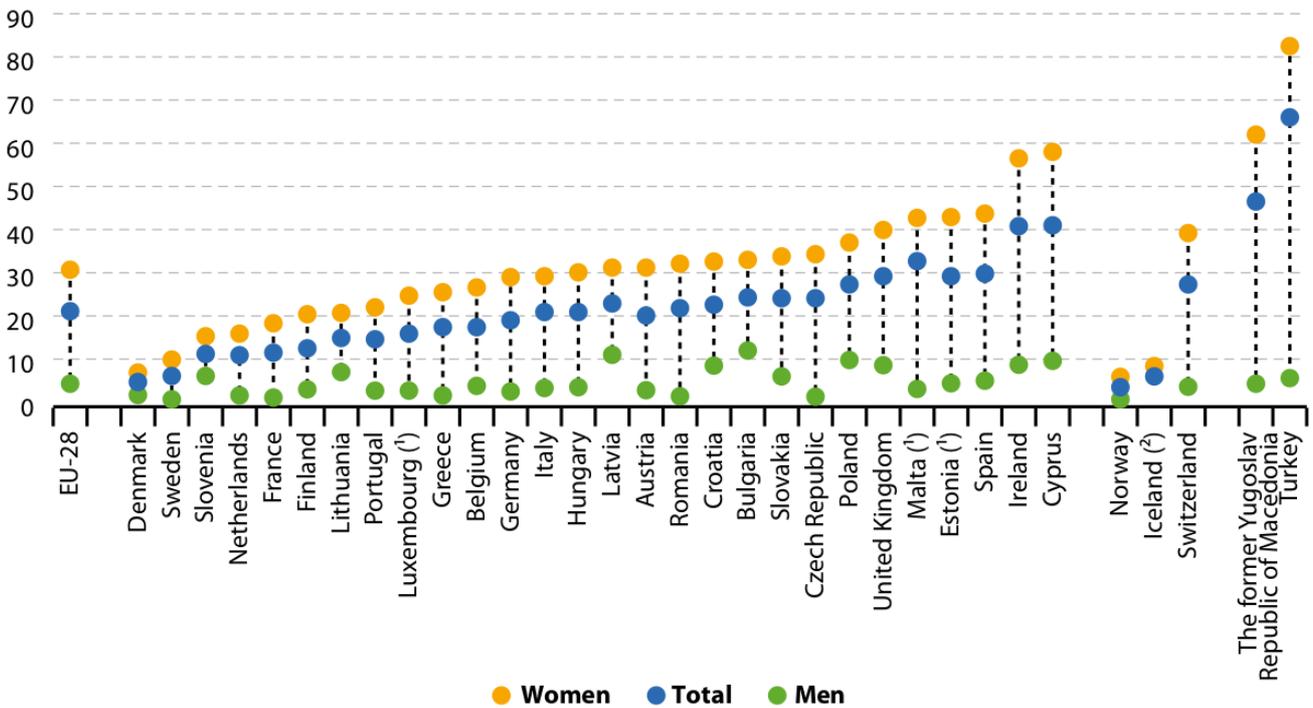
⁽²⁾ 2014 data (instead of 2015).

⁽³⁾ No data for 2015.

⁽⁴⁾ No data for 2010.

Source: Eurostat (online data code: [sdg_05_20](#))

Figure 5.8: Inactive population due to caring responsibilities, by sex, by country, 2016
 (% of inactive population aged 20 to 64)



(¹) Data for men have low reliability.

(²) No data for men.

Source: Eurostat (online data code: [sdg_05_40](#))

In the communications and consulting industry, the gender equality topic has its own specifics. For many companies including ourselves, it is difficult to get enough male employees. Also on client side, the majority of communication, CSR or HR managers are female, only at the executive management level and in finance and controlling departments, our counterparts are dominantly men. Therefore, our focus is on the one hand supporting larger companies to work towards gender equality, and on the other hand to fight in all areas against any discrimination and for more equality in leading positions.

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [European Communication Monitor 2017](#)

Particularly Relevant Targets:



TARGET 5.1

End all forms of discrimination against all women and girls everywhere



TARGET 5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

5.1

End all forms of discrimination against all women and girls everywhere

Update: 2018-01-17

Fighting Stereotypes

In Austria and Croatia, female employees have the same legal rights as their male colleagues. However, the career opportunities are far from equal. Figures from the last Eurostat report show clearly the gap. Additionally, many discriminating stereotypes including language issues still exist.

Useful sources for further information:

- [Sustainable Development in the European Union, Eurostat 2017 edition](#)
- Croatia:
 - <http://ombudsman.hr/attachments/article/1147/Istra%C5%BEivanje%20-%20diskriminacija%202016.pdf>
 - <http://ombudsman.hr/hr/dis/publikacije/send/68-publikacije/74-smjernice-za-prepoznavanje-slucajeva-diskriminacije-letak>

How do we contribute?

In a company like ours, that employs more women than men, the needs of female employees get the necessary attention automatically. Based on our yearly workplace assessments, we design and adapt our working conditions regularly. Since years, our employees enjoy flexible work options, and we try to overcome any discriminating stereotypes.

Find out more on following pages:

 Empower Colleagues

 Stimulate Collaborative Thinking

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Respecting women's rights and supporting women's empowerment across the workplace, marketplace and community.
- Offering flexible work options, leave and re-entry opportunities to positions of equal pay and status.
- Paying equal remuneration, including benefits, for work of equal value.
- Supporting women's leadership and ensuring sufficient participation of women in decision making and governance bodies at all level and across business areas.
- Ensuring that business activities, products and services respect the dignity of women, and do not reinforce harmful gender stereotypes.
- Partnering with relevant public and private stakeholders, such as labor unions and NGOs, to advance gender equality in the work place, marketplace and community.

5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

Update: 2018-01-17

Supporting Balanced Leadership

Key Indicators for target 5.5. are the proportion of seats held by women in national parliaments and local governments (Indicator 5.5.1), and the proportion of women in managerial positions (Indicator 5.5.2).

According to the European Institute for Gender Equality, women held 28.9 % of seats in national parliaments in the second quarter of 2017, and this share increases steadily. The percentage in Austria is even beyond 30%. However, Croatian figures show a substantial decrease from 2012 to 2017, and the country is now at place 22 from the 28 EU-members.

The share of women in boards of the largest listed companies within the European Union was 24.6 % in 2017. In the years between 2003 and 2017, there was an almost steady increase of a total of 16.1 percentage points. Austria and Croatia have also substantially improved during this period, but are still below the EU-average. When not only the board members but also the members of the second highest decision-making body are taken into account, the situation is even worse: In Austria, women made up only 5.5 %.

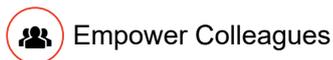
Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)

How do we contribute?

Our company has been established by men only, and is now led by a quite balanced team of women and men. We support co-ownership and encourage our – mostly female – employees to become partners.

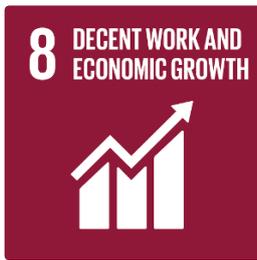
Find out more on following pages:



Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Proactively recruiting and appointing women to managerial and executive positions and to the corporate board of directors.
- Ensuring access to business resources and opportunities, including training and implementing monitoring mechanisms. Encouraging suppliers and business partners to adopt similar policies.
- Ensuring all workers – women and men have an equal voice in workplace, including through adequate grievance mechanisms.
- Investing in female leadership programs, to help enable women to progress in their careers, and expand and develop their leadership skills.



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

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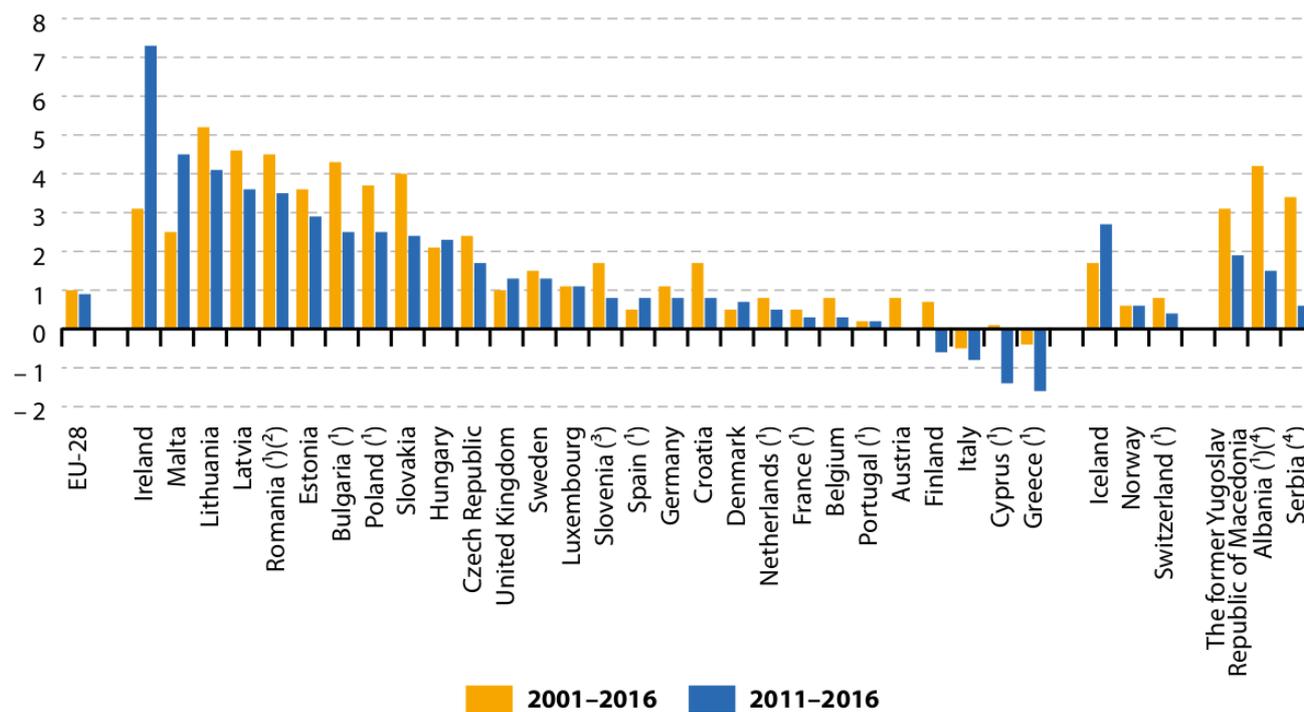
Harmonising the three pillars of sustainable development — economic development, protection of the environment and social inclusion — is a prerequisite for achieving sustained prosperity. That is why SDG 8 calls for ensuring economic prosperity and providing full and productive employment for all while minimising environmental pressures and eradicating social injustice and exploitation of human labour.

Update: 2018-01-17

Gross domestic product (GDP) is a measure of economic activity and is commonly used as a proxy for developments in a country's material living standards. Based on GDP, Europeans have continued to enjoy rising living standards over recent decades. Although per capita GDP rebounded in the years after the severe economic slump (+ 1.1 % per year on average between 2009 and 2016), the economic recovery still seems to be fragile. Nevertheless, real GDP grew by 1.5 % in 2016 and is expected to grow continuously at a similar pace in 2017 and 2018. Also the EU's employment has risen in both the long and short terms, but remains at a distance from the 75 % target set in the Europe 2020 strategy.

In Austria and Croatia, the GDP growth rate 2011-2016 have been below the European average. The employment rate is even more critical: Austria has already reached 75%, but Croatia is with 62% at the second last place in Europe.

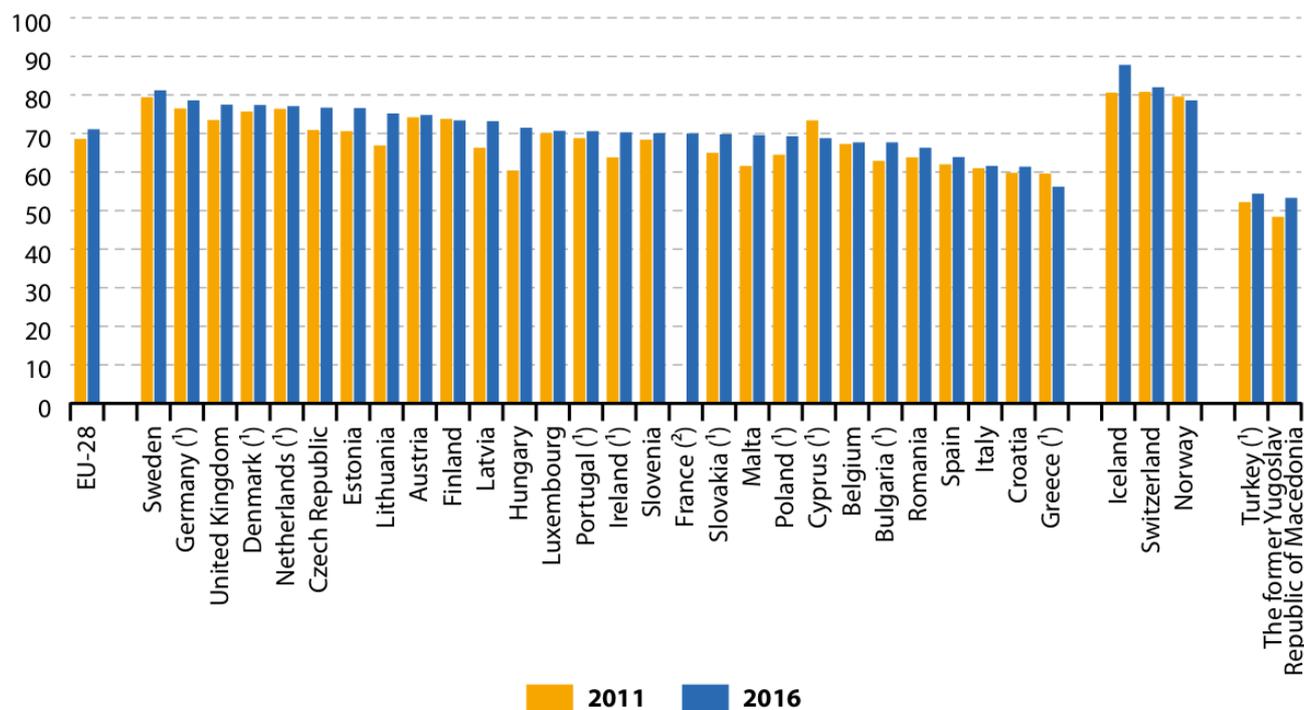
Figure 8.2: Real GDP per capita, growth rate, by country, 2001–2016 and 2011–2016
(annual average growth rate in %)



(¹) Provisional or estimated data. (⁴) Change until 2015.
 (²) Break in time series in 2012. (⁵) Change until 2014.
 (³) Break in time series in 2008.

Source: Eurostat (online data code: [sdg_08_10](#))

Figure 8.4: Total employment rate, by country, 2011 and 2016
(% of population aged 20 to 64)



(¹) Break(s) in time series between 2011 and 2016.

Source: Eurostat (online data code: [sdg_08_30](#))

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)

Particularly Relevant Targets:



TARGET 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

Update: 2018-01-17

Supporting a New Business Ecosystem

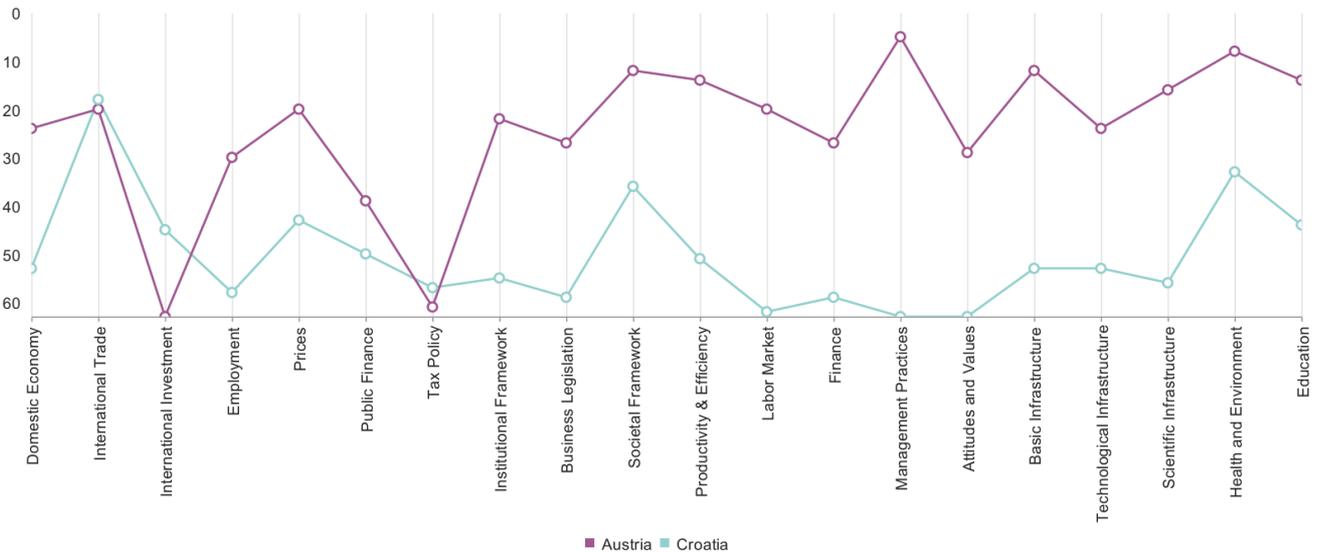
The “Europe 2020 Strategy” of the European Union was adopted in June 2010, replaced the Lisbon Strategy and aims to achieve growth through three priorities: The goal is “smart, sustainable and inclusive” growth. “Smart” growth means the promotion of an innovative and knowledge-based economy.

That requires a strong connection between growth, education and innovation, and it requires new ways for collaboration. However, despite the evidences of collaboration benefits, there is still a lack of suitable performance indicators.

One of the established surveys about business ecosystems is the Global Competitiveness Report. Within this report, business sophistication and innovation is measured and might provide some overall impression about the current situation in the different countries. Regarding these two indicators, Austria ranks in squares 8 and 11 of 138, Croatia is at the 80th and 103rd place.

A similar report is provided by IMD, called World Competitiveness Yearbook. According to the latest report, Austria is at the 25th place and Croatia at place 59 of 63 countries. In the sub-category digitalization, both countries perform better and are at place 16 and 48.

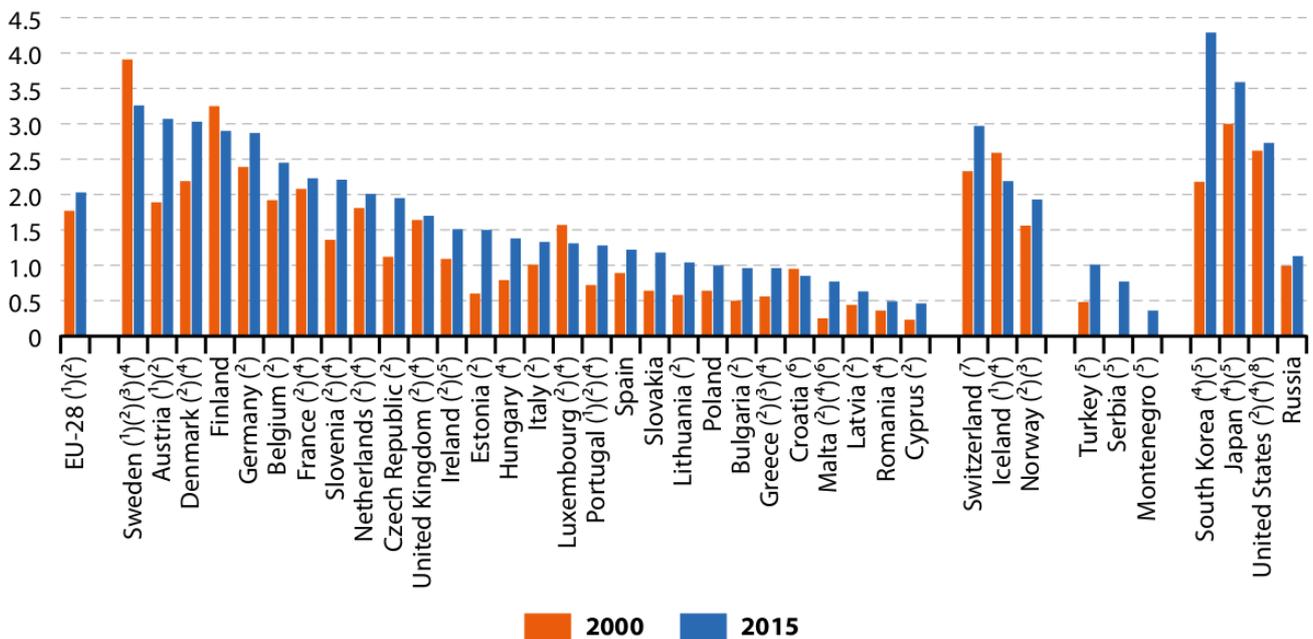
IMD WORLD COMPETITIVENESS ONLINE



Source: worldcompetitiveness.imd.org

Another useful indicator is the gross domestic expenditure on R&D. According to Eurostat, Austria improved substantially from 2000 to 2015 is now at the second place in Europe, Croatia decreased its investments and is at place 24.

Figure 9.3: Gross domestic expenditure on R&D, by country, 2000 and 2015 (% of GDP)



(¹) Data for 2000 are estimates.

(²) Data for 2015 are provisional and/or estimates.

(³) 2001 data (instead of 2000).

(⁴) Break(s) in time series between 2000 and 2015.

Source: Eurostat (online data code: [sdg_09_10](#))

(⁵) 2014 data (instead of 2015).

(⁶) 2002 data (instead of 2000).

(⁷) 2012 data (instead of 2015).

(⁸) 2013 data (instead of 2015).

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [Global Competitiveness Report 2017–2018](#)

How do we contribute?

Within the three categories of service companies – expertise, experience and efficiency – we focus on the area of expertise: our key priorities are quality leadership and development of new solutions for our clients.

Find out more on following pages:



Strengthen Market Position



Innovate



Empower Colleagues



Advance Client Relations

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- *Increasing economic productivity through co-developing technology with start-ups and investing in innovation and technology which responds to local needs.*
- *Fostering full and productive local employment through supporting vocational education, job-oriented training programs, and building alliances with educational institutions to create a pipeline for skilled workers.*



REDUCE INEQUALITIES WITHIN AND AMONG COUNTRIES

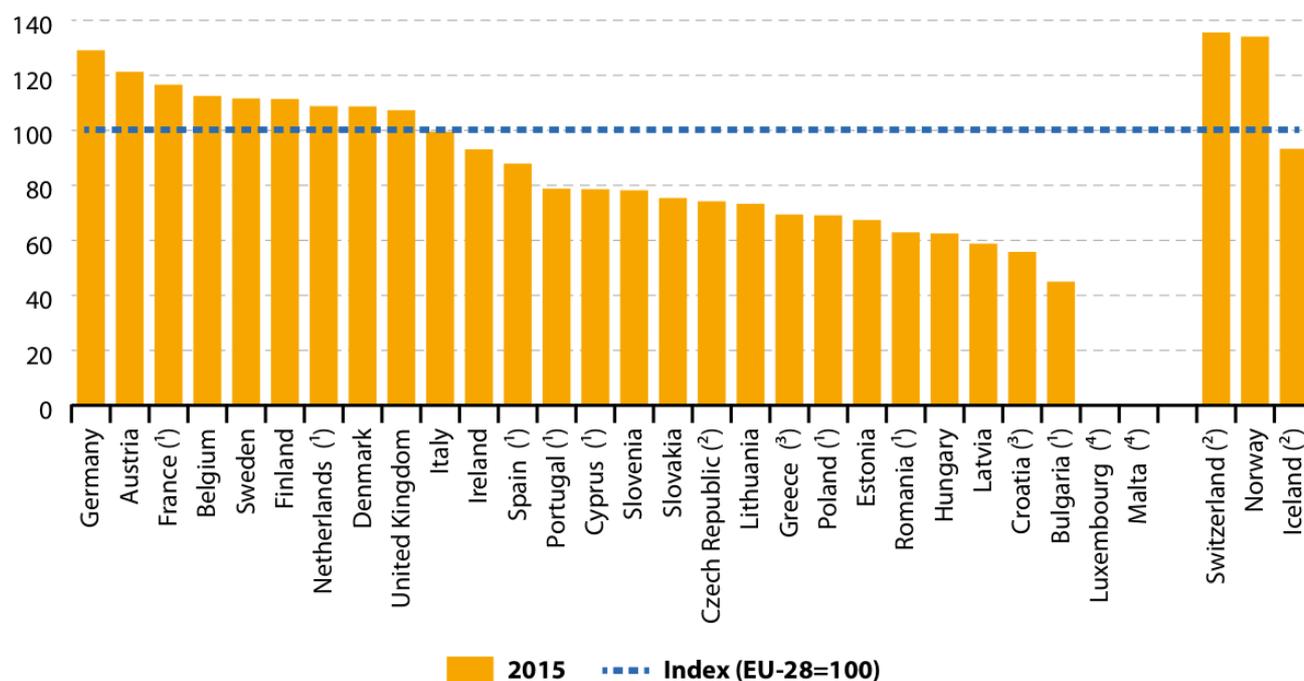
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SDG 10 highlights the importance of combating social, economic and political disparities by promoting economic inclusion of all people regardless of their sex, age and ethnicity. It focuses on three topics: 'inequalities between countries', 'inequalities within countries' and 'migration and social inclusion'.

Update: 2018-01-17

Disparities in GDP per capita between EU Member States narrowed moderately between 2004 and 2015. However, in 2015, adjusted gross disposable income of households per capita in PPS showed a large variation between countries, and especially between Austria and Croatia. Apart from this gap, inequality within countries also increased as measured by the GINI coefficient.

Figure 10.4: Adjusted gross disposable income of households per capita, by country, 2015
(index EU-28 = 100)



(1) Data are provisional or estimates.

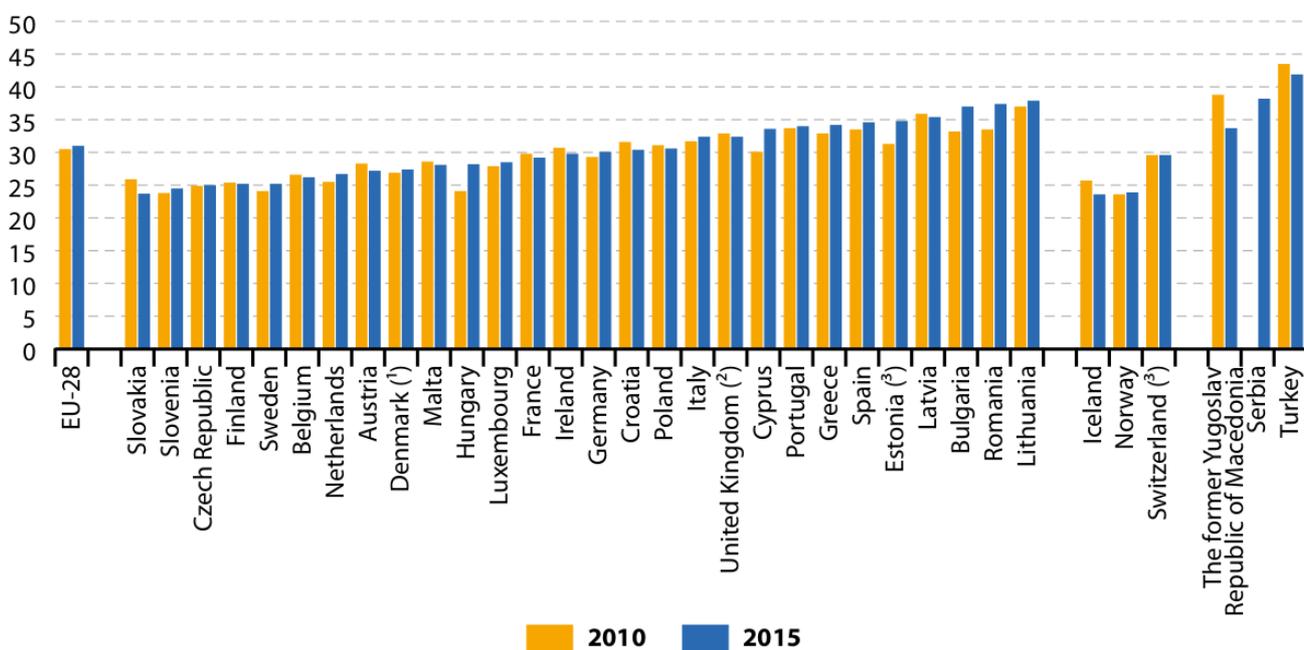
(2) 2014 data (instead of 2015).

(3) 2012 data (instead of 2015).

(4) No data available.

Source: Eurostat (online data code: [sdg_10_20](#))

Figure 10.8: Gini coefficient of equivalised disposable income, by country, 2010 and 2015
(scale from 0 (maximal equality) to 100 (maximal inequality))



(1) Break in time series in 2011.

(2) Break in time series in 2012.

(3) Break in time series in 2014.

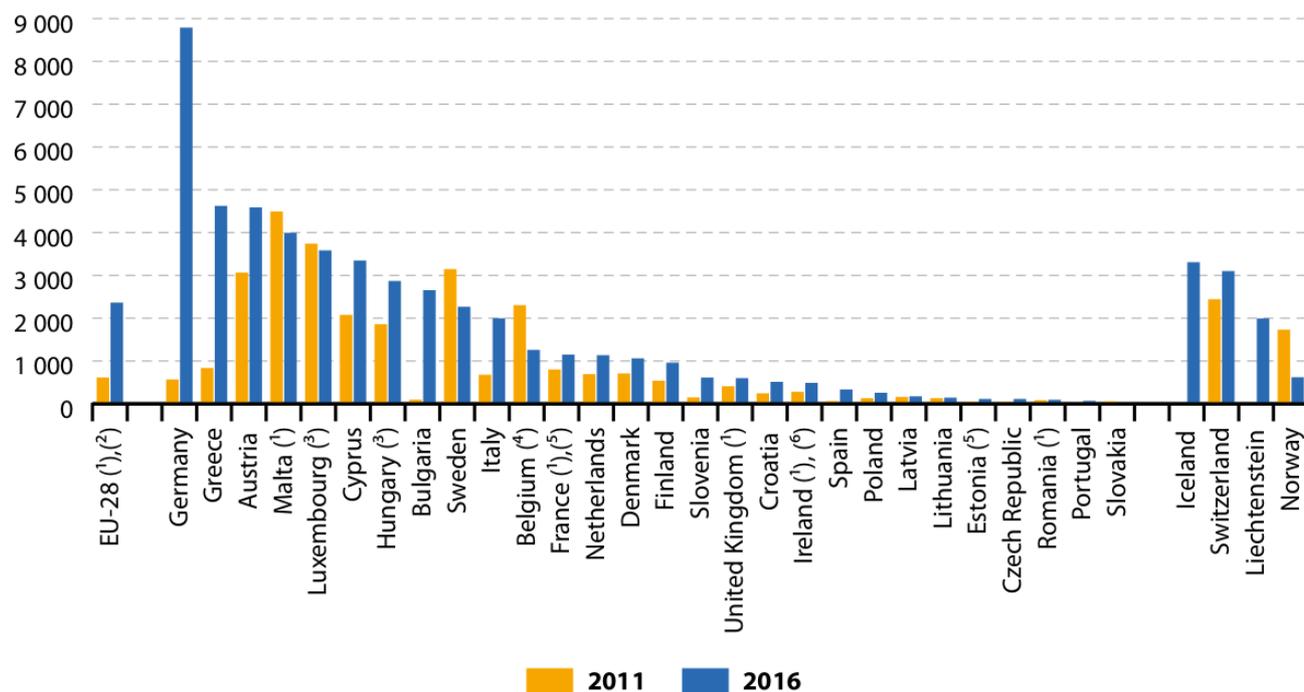
(4) 2012 data (instead of 2010).

Source: Eurostat (online data code: [sdg_10_40](#))

Additionally, social inclusion is increasingly challenged by migration and unsolved issues around this topic.

Apart from the migration issue, Croatia has also an increasing economic emigration rate in the last couple of years.

Figure 10.12: First-time extra-EU-28 asylum applications, by country, 2011 and 2016
(number per million inhabitants)



(1) 2016 population data are estimates/provisional.

(2) 2011 data for first time asylum applicants refer to total asylum applicants and exclude Croatia. Break in time series (population data) in 2011–2012 and 2014–2016.

(3) Break in time series (population data) in 2012.

(4) Break in time series (population data) in 2014.

(5) Break in time series (population data) in 2015.

(6) Break in time series in 2016.

Source: Eurostat (online data code: [sdg_10_60](#))

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [UNICEF Migration Profile Croatia](#)
- [UNICEF Migration Profile Austria](#)
- [eurostat Population change – Demographic balance and crude rates](#)
- [Croatian Bureau of Statistics](#)

Particularly Relevant Targets:



TARGET 10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

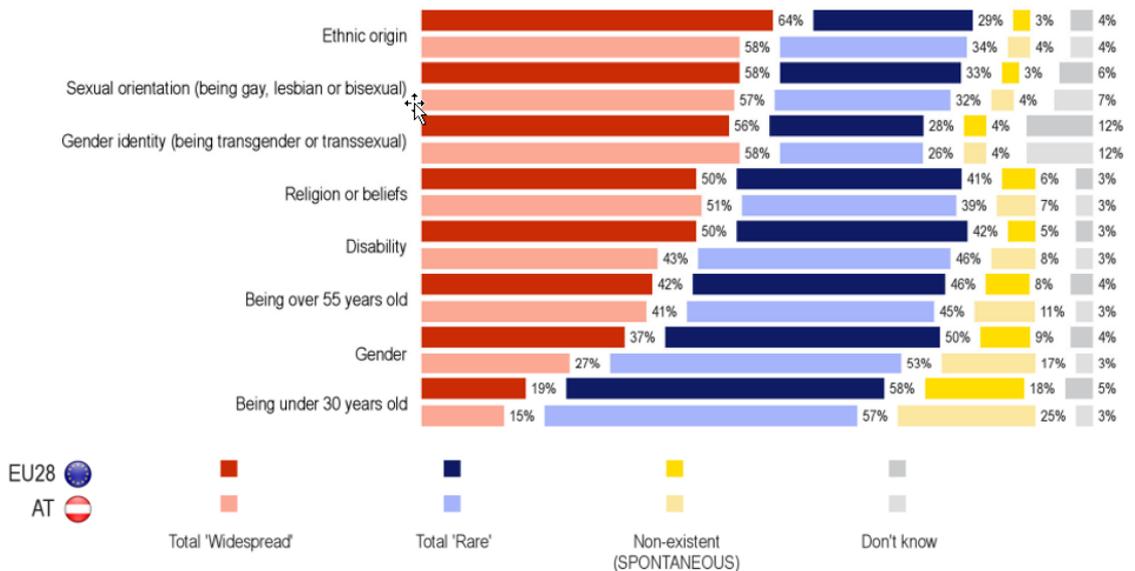
Update: 2018-01-17

Cultivating Diversity

In Austria and Croatia, the majority of people confirm widespread discrimination on the basis of sexual orientation (Croatia: 62%, Austria 57%), gender identity (Austria: 58%) and ethnic origin (Austria: 58%). These are the results of the Eurobarometer 2015.

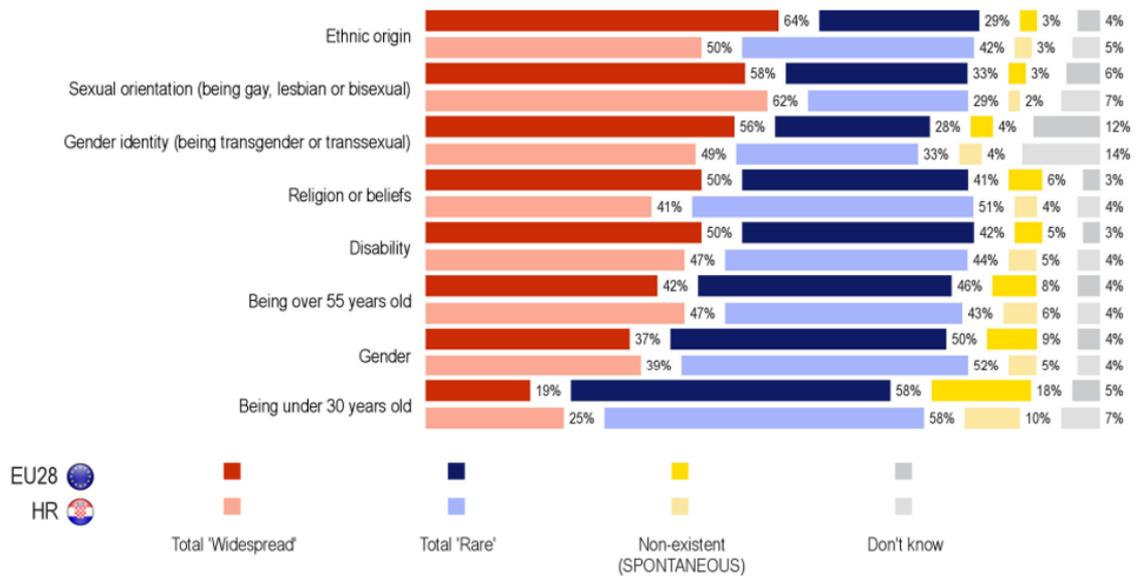
Types of Discrimination – Austria

QC1. For each of the following types of discrimination, could you please tell me whether, in your opinion, it is very widespread, fairly widespread, fairly rare or very rare in (OUR COUNTRY)?
Discrimination on the basis of...



Types of Discrimination – Croatia

QC1. For each of the following types of discrimination, could you please tell me whether, in your opinion, it is very widespread, fairly widespread, fairly rare or very rare in (OUR COUNTRY)?
Discrimination on the basis of...



Therefore, promotion of diversity and support of national and European initiatives is important. In 2010, the Austrian Charter of Diversity was launched by the Austrian Federal Economic Chamber and the Vienna Economic Chamber. In Croatia, the Charter was launched in 2017.

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [Special Eurobarometer 2015 – Discrimination](#)
- Austria:
 - [Charta der Vielfalt](#)
- Croatia:
 - http://hrpsor.hr/admin/js/tinymce/plugins/filemanager/uploads/PoveljaORaznolikosti/Brosura_Povelja

How do we contribute?

Diversity is one of our five corporate values. Therefore, we support in both countries diversity initiatives and implement these principles within our own company. Since more than 10 years, our personal strategy is based on the identification, appreciation and cultivation of individual strengths.

Find out more on following pages:



Empower Colleagues



Stimulate Collaborative Thinking

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Paying at a minimum a living wage and supporting fair wages, i.e. equal remuneration for work of equal value without distinction of any kind.
- Ensuring that employment policies do not exclude or restrict access to employment to currently marginalized/underrepresented groups
- Embedding policies which promote diversity and inclusion throughout own operations, and encouraging suppliers and other business partners to do the same.
- Supporting the right to social securities through providing insurance for employees such as income protection, life or accident insurance and social security.
- Promoting inclusion through business activities and its influence on social norms.



ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

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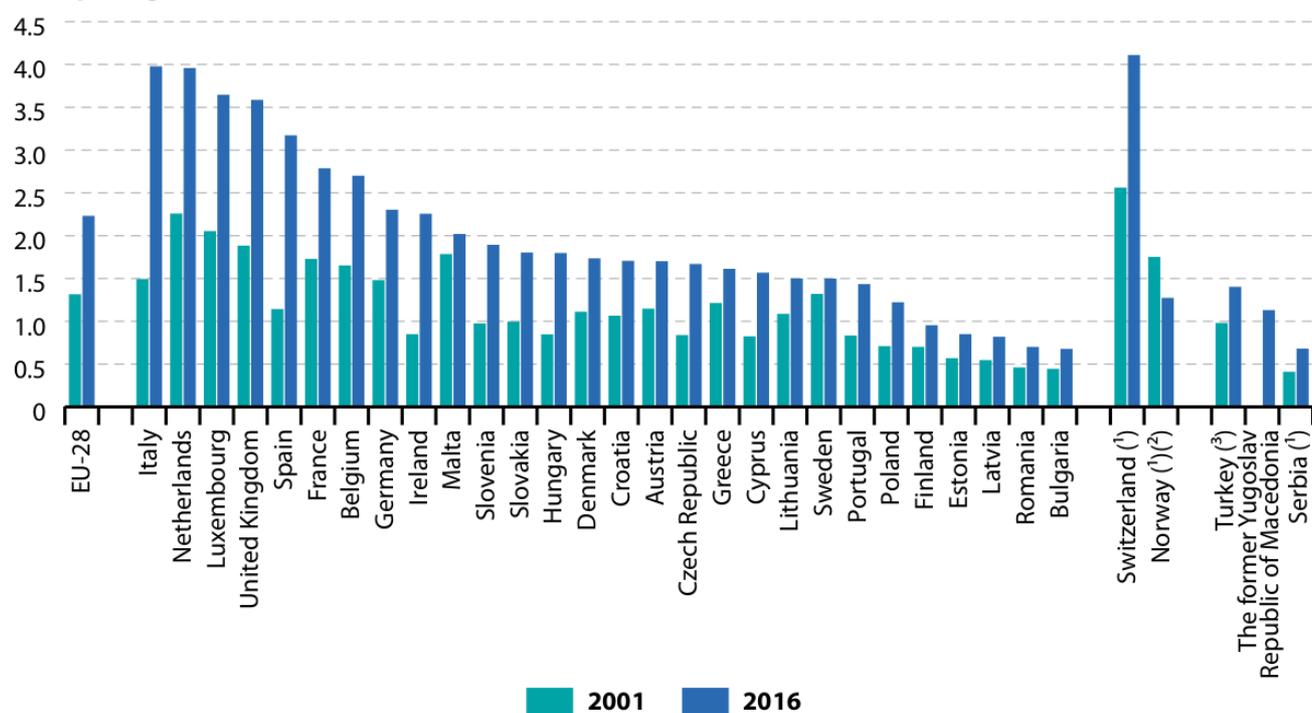
SDG 12 aims at 'doing more and better with less', and calls for action on all fronts: adoption of sustainable practices and sustainability reporting by businesses; promotion of sustainable procurement practices; environmentally-aware lifestyles of consumers; development of new technologies and production and consumption methods by researchers and scientists and others.

Update: 2018-01-17

In Europe, three areas are in focus: 'Decoupling environmental impacts from economic growth', 'Energy consumption' with the sub-topics energy efficiency and renewable energies, and 'waste generation and management'. The latest report of Eurostat about the Sustainable development in the European Union shows clearly the strengths but also the needs for action in Austria and Croatia.

Resource productivity in Europe increased considerably between 2001 and 2016, although there are significant differences in performance between countries. Austria and Croatia perform still below the European average. The energy productivity in both countries is at the average level in Europe, but the share of renewable energy is very high in European comparison.

Figure 12.3: Resource productivity, by country, 2001 and 2016
(PPS per kg DMC)



Note: Provisional and/or Eurostat estimated data for most countries (too numerous to be listed).

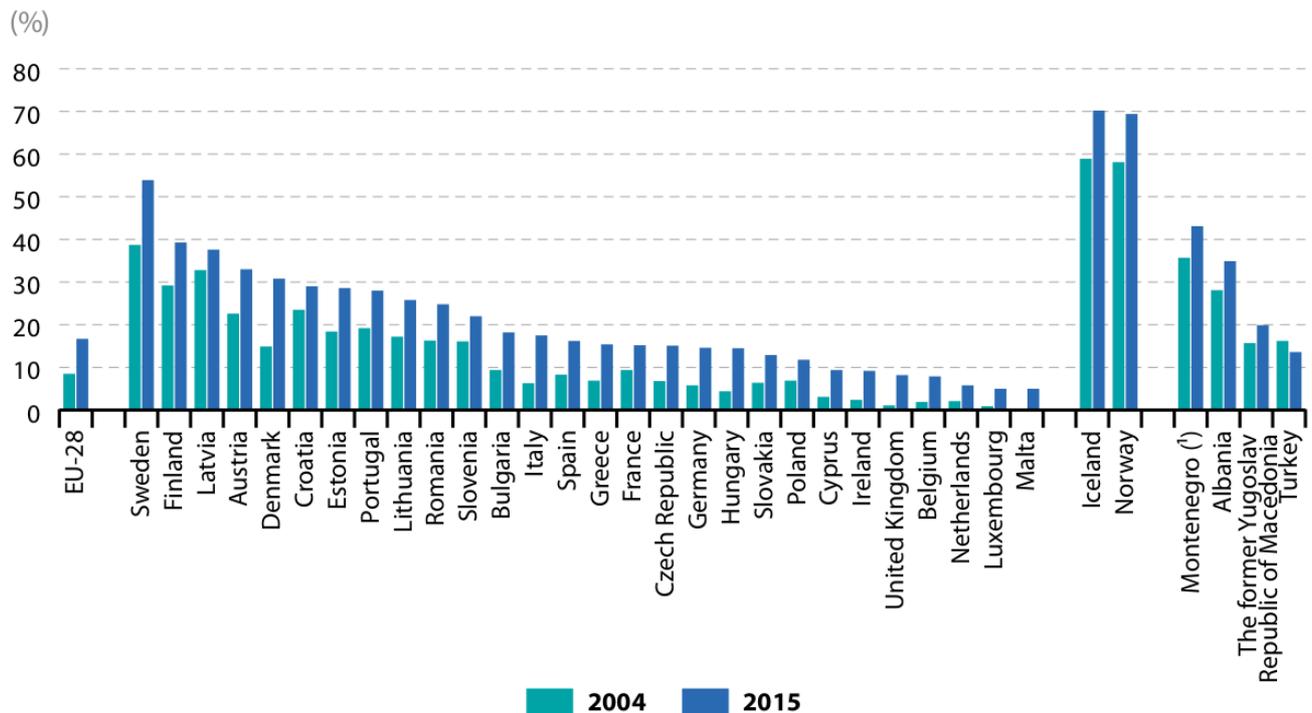
(¹) 2015 data (instead of 2016).

(²) 2006 data (instead of 2000).

(³) 2014 data (instead of 2016).

Source: Eurostat (online data code: [sdg_12_20](#))

Figure 7.10: Share of renewable energy in gross final energy consumption, by country, 2004 and 2015

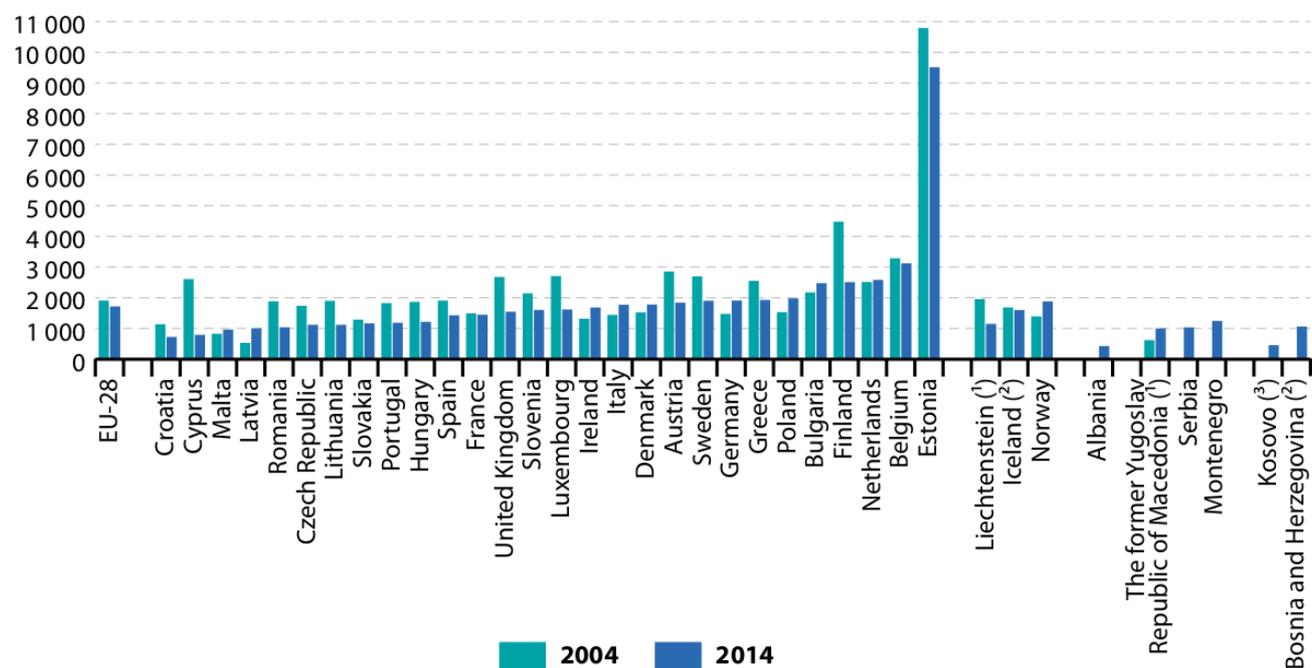


(¹) 2005 data (instead of 2004)

Source: Eurostat (online data code: [sdg_07_40](#))

Regarding waste generation and management, Austria is among the ten countries who produce most of the waste in Europe, but could reduce waste generation substantially from 2004 to 2014, and is among the top-five when it comes to recycling rates. Croatia generates the lowest amount of waste in Europe, and improved substantially the recycling rate, but the rate is still below the European average.

Figure 12.10: Generation of waste excluding major mineral wastes, by country, 2004 and 2014 (kilograms per capita)



(1) 2008 data (instead of 2004).

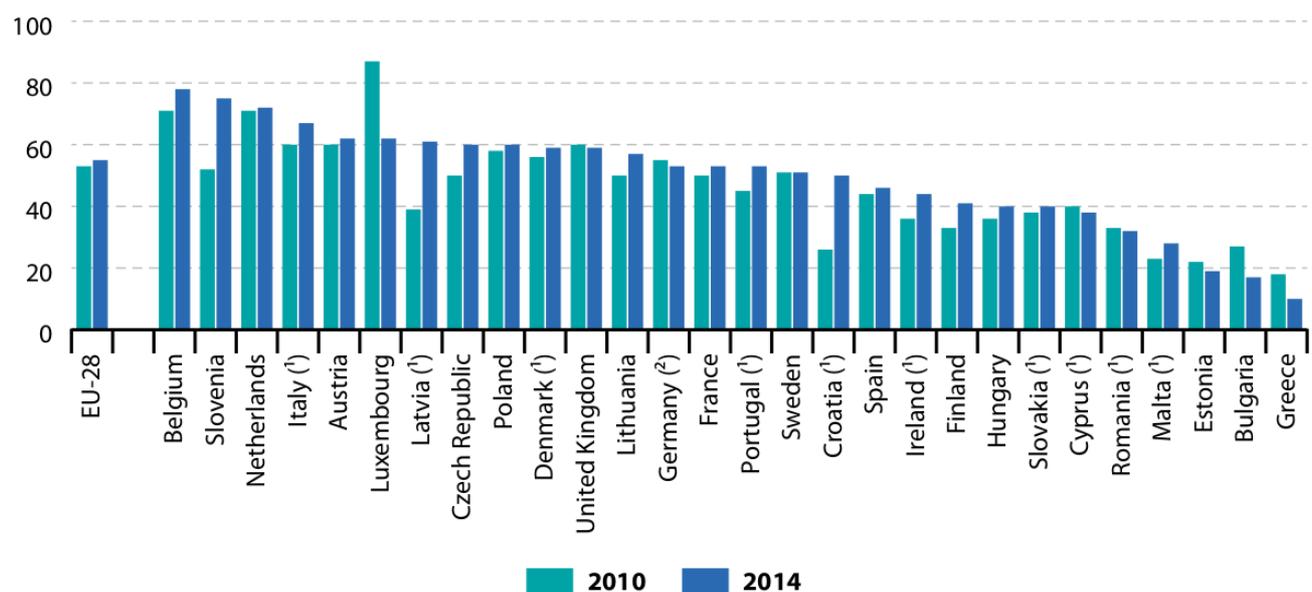
(2) 2012 data (instead of 2014).

(3) This designation is without prejudice to positions on status, and

is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

Source: Eurostat (online data code: [sdg_12_50](#))

Figure 12.12: Recycling rate of waste excluding major mineral wastes, by country, 2010 and 2014 (% of total waste treated)



(1) Definition differs.

(2) Estimates.

Source: Eurostat (online data code: [sdg_12_60](#))

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [Information from Croatia on renewable sources of energy](#)

Particularly Relevant Targets:



TARGET 12.6

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle



TARGET 12.8

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Update: 2018-01-17

Improving CSR Reporting

CSR/sustainability reporting is still a challenge for many companies, and the majority of them has not even started a regularly documentation and communication of their sustainability management. There is no central database, but the Global Reporting Initiative offers a list where companies from all over the world can register their reports. The figures show clearly the potential for improvement:

CSR/Sustainability Reports, listed at GRI

COUNTRY/PUBLICATION YEAR	2015	2016	2017
Austria	89	76	66
Croatia	11	15	2

Since Austria and Croatia included EU Directive on non-financial reporting in its legal system in December 2016, with the obligation for large companies to issue reports for 2017, positive trends can be expected in the oncoming period.

Useful sources for further information:

- www.globalreporting.org

How do we contribute?

In addition to our own CSR management and reporting we support our clients in these areas, and we contribute to the development of CSR competencies through national and international organizations

and platforms.

Find out more on following pages:



Foster CSR Competence



Advance Client Relations



Consult Responsibly

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Reporting economic, social and environmental sustainability using a common international reporting standard/framework to report on a country-by-country basis.
- Communicating how human rights impacts are being addressed and how sustainability principles are being introduced into business practices.
- Ensuring transparency and unbiased dialogue with stakeholders.

12.8

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Update: 2018-01-17

Sharing Knowledge

In addition to target 4.7 that focuses at educational institutions and learners, target 12.8 addresses “all people”. That requires the establishment of CSR competence centres, mainstreaming of CSR & sustainability, and public communication.

In Austria, the leading platform is respact – austria business council for sustainable development. The organization has currently 300 members. In Croatia, the leading competence centre for CSR and sustainability issues is the Croatian Business Council for Sustainable development, which gathers around 40 companies and institutions. Beside these associations, local UN Global Compact Networks exist with currently 100 members in Austria (including 77 companies) and 52 members in Croatia.

Useful sources for further information:

- Austria:
 - [respACT](#)
 - [Global Compact](#)
- Croatia:
 - [HRPSOR](#)

How do we contribute?

We support our clients through know-how transfer and training workshops, and we are active members in national and international CSR and sustainability communities. For several years, we

have co-organized CSR conferences in Croatia.

Find out more on following pages:



Foster CSR Competence



Stimulate Collaborative Thinking

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Ensuring transparent and unbiased information, including on their sustainable development impacts.
- Assessing the effectiveness and relevance of information provided to clients to make decisions.
- Encouraging consumers to choose more environmentally-friendly and responsible products and services.
- Engaging with stakeholders at local and country level when transforming to a sustainable business model.



PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

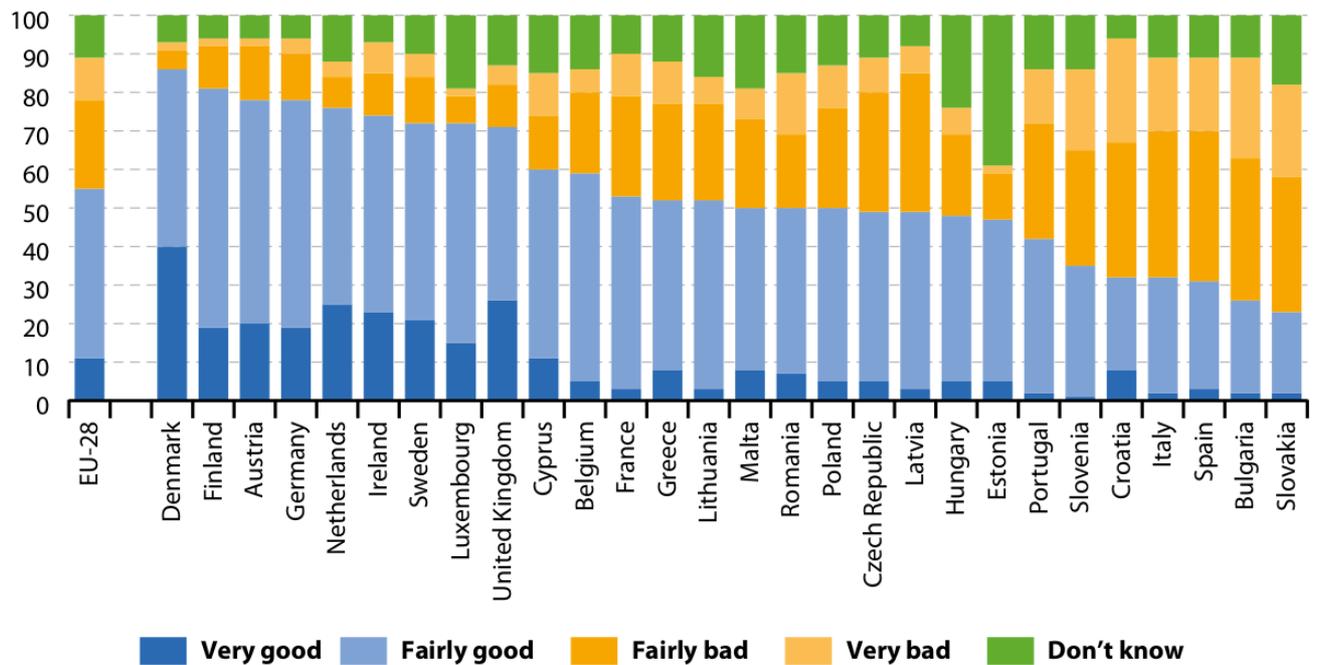
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Beside peace and justice (with the KPI intentional homicide offences), SDG 16 promotes effective, accountable and transparent institutions. The indicator trust in institutions broken down by the three main types of institutions — police, legal and political system — provides insights into their perceived performance. A similar indicator on ‘good governance’ referring to citizens’ confidence in EU institutions is also used for monitoring the EU Sustainable Development Strategy.

Update: 2018-01-17

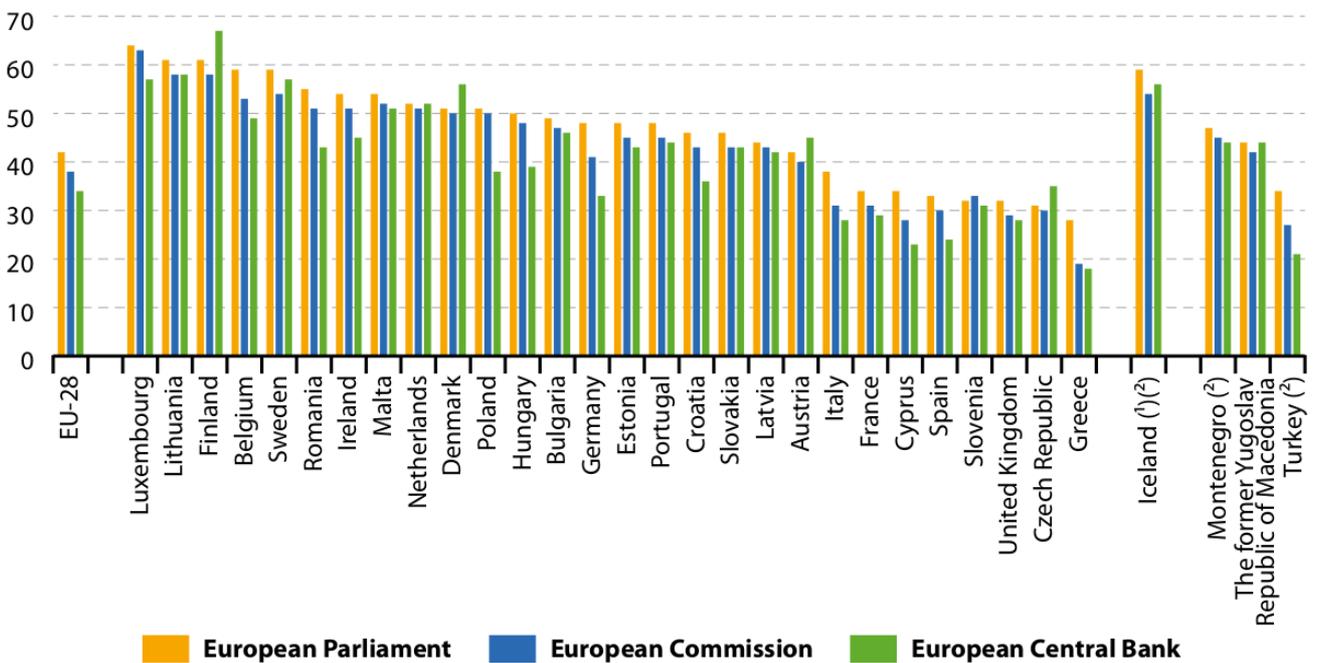
The confidence in the justice system is quite high in Austria, in contrast to Croatia. The confidence in EU institutions is a little bit higher in Croatia, but the values of both countries correspond to the European average.

Figure 16.8: Perceived independence of the justice system, by country, 2017
(% of population)



Source: European Commission services, Eurobarometer (Eurostat online data code: [sdg_16_40](#))

Figure 16.11: Population with confidence in EU institutions by institution, by country, 2016
(% of population)



⁽¹⁾ 2014 data for European Parliament and European Commission.

⁽²⁾ 2013 data for European Central Bank.

Source: European Commission services, Eurobarometer (Eurostat online data code: [sdg_16_60](#))

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)

Particularly Relevant Targets:



TARGET 16.5

Substantially reduce corruption and bribery in all their forms



TARGET 16.7

Ensure responsive, inclusive, participatory and representative decision-making at all levels

16.5 Substantially reduce corruption and bribery in all their forms

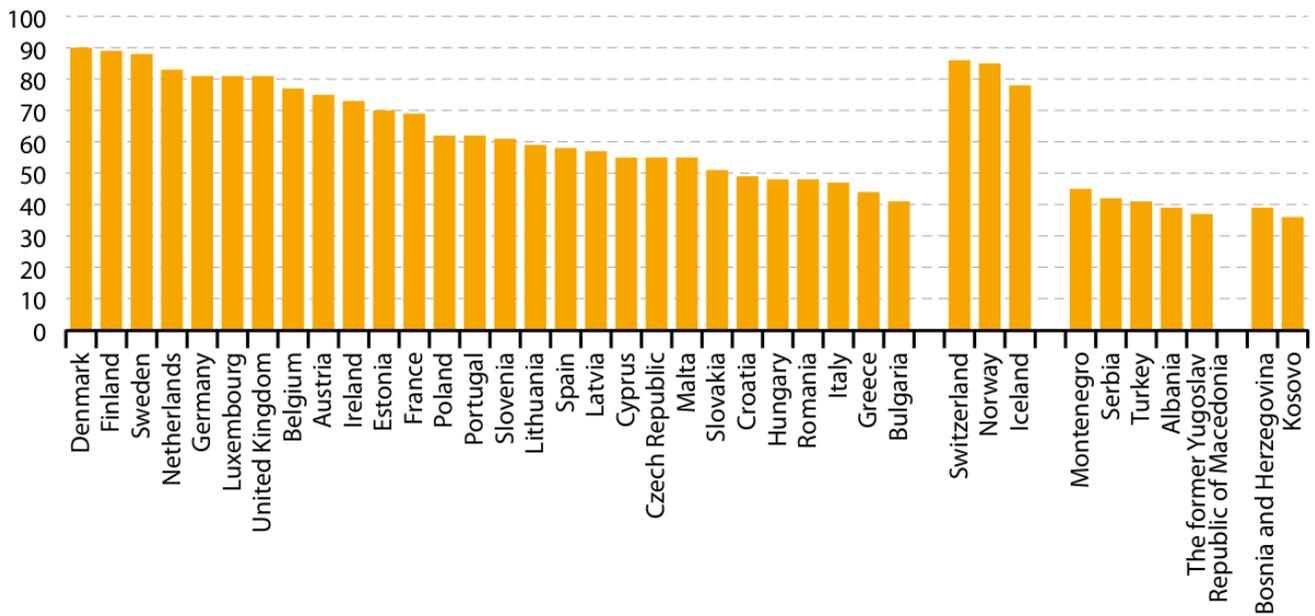
Update: 2018-01-17

Preventing any Form of Corruption

The Corruption Perception Index, provided by Transparency International on a yearly basis, informs about the perceived corruption level in all countries. According to this Index, Austria is with 75 point at place 17, Croatia with 49 points at place 55 of 176 countries totally.

According to Eurostat, there exists a notable relationship between the CPI and the perceived independence of the justice system (see chapter 16). Countries with a high share of the population rating the independence of the justice system as 'good', such as Denmark, Finland or the Netherlands, also score high in the CPI. Vice versa, countries with less optimistic ratings of the justice system's independence also tend to have lower CPI scores, for example Bulgaria, Italy or Croatia.

Figure 16.9: Corruption Perceptions Index, by country, 2016
 (score scale from 0 (highly corrupt) to 100 (very clean))



Source: Transparency International (Eurostat online data code: [sdg_16_50](#))

⁽¹⁴⁾ See Transparency International (2016), *Corruption Perceptions Index 2016: Full Source Description*.

⁽¹⁵⁾ European Commission (2014), *EU anti-corruption report*, COM(2014) 38 final.

⁽¹⁶⁾ European Commission (2011), *Fighting corruption in the EU*, COM(2011) 308 final.

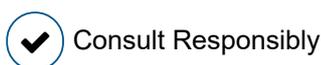
Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [Transparency International](#)
- [Corruption Perceptions Index 2016](#)
- [Corruption Perceptions Index World Rankings](#)

How do we contribute?

For the last 10 years, we have implemented most of the recommendations of UNGC and GRI.

Find out more on following pages:



Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Developing policies and programs to effectively address all forms of corruption. Collaborating with relevant public and private stakeholders to promote transparency and a zero tolerance approach to corruption and

bribery.

- Understanding anti-bribery and corruption governance expectations from stakeholders and prohibiting bribery in any form whether direct or indirect.
- Demonstrating a zero-tolerance approach to corruption and bribery at top management and leadership levels. Being aware of any improper advantage, for example when it comes to obtaining or retaining business.
- Adopting adequate internal control, ethics and compliance programs and measures for preventing and detecting bribery.
- Communicating the implications of relevant laws to employees through policies and trainings.
- Conducting a periodic and meaningful anti-corruption risk assessment.
- Recording all incidents of corruption or bribery, and putting processes in place for resolution and remediation. Implementing whistleblowing helplines or processes for employees to report (suspected) incidences anonymously.
- Disclosing ultimate beneficial ownership, as well as internal measures to combat corruption and bribery, such as internal training, and the number of incidences/number of resolved incidences.
- Requesting suppliers to engage in the above practices, and ensuring that anti-bribery and corruption measures are in place during the procurement process and in supplier due diligence and codes of conduct. Ensuring transparency and traceability and working together with peers and other stakeholders to avoid bribery and corruption taking place anywhere in the supply chain.

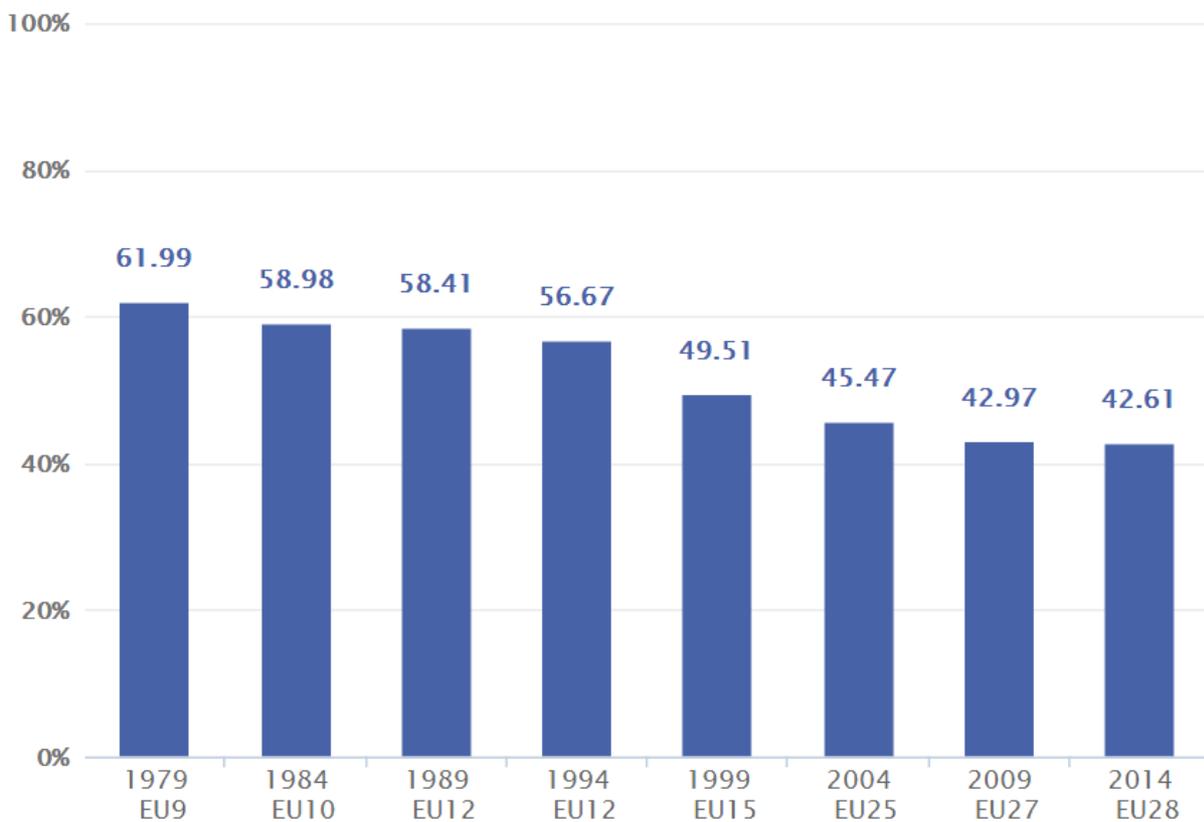
16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

Update: 2018-01-17

Increase Inclusivity

Participation in EU elections has steadily declined in recent years. In the last parliamentary elections in 2014, it was only 42.61%. Participation in the individual Member States varies considerably, ranging from 13 to 90 percent. In Austria, it was 43.29% in 2014 and 25.24% in Croatia.

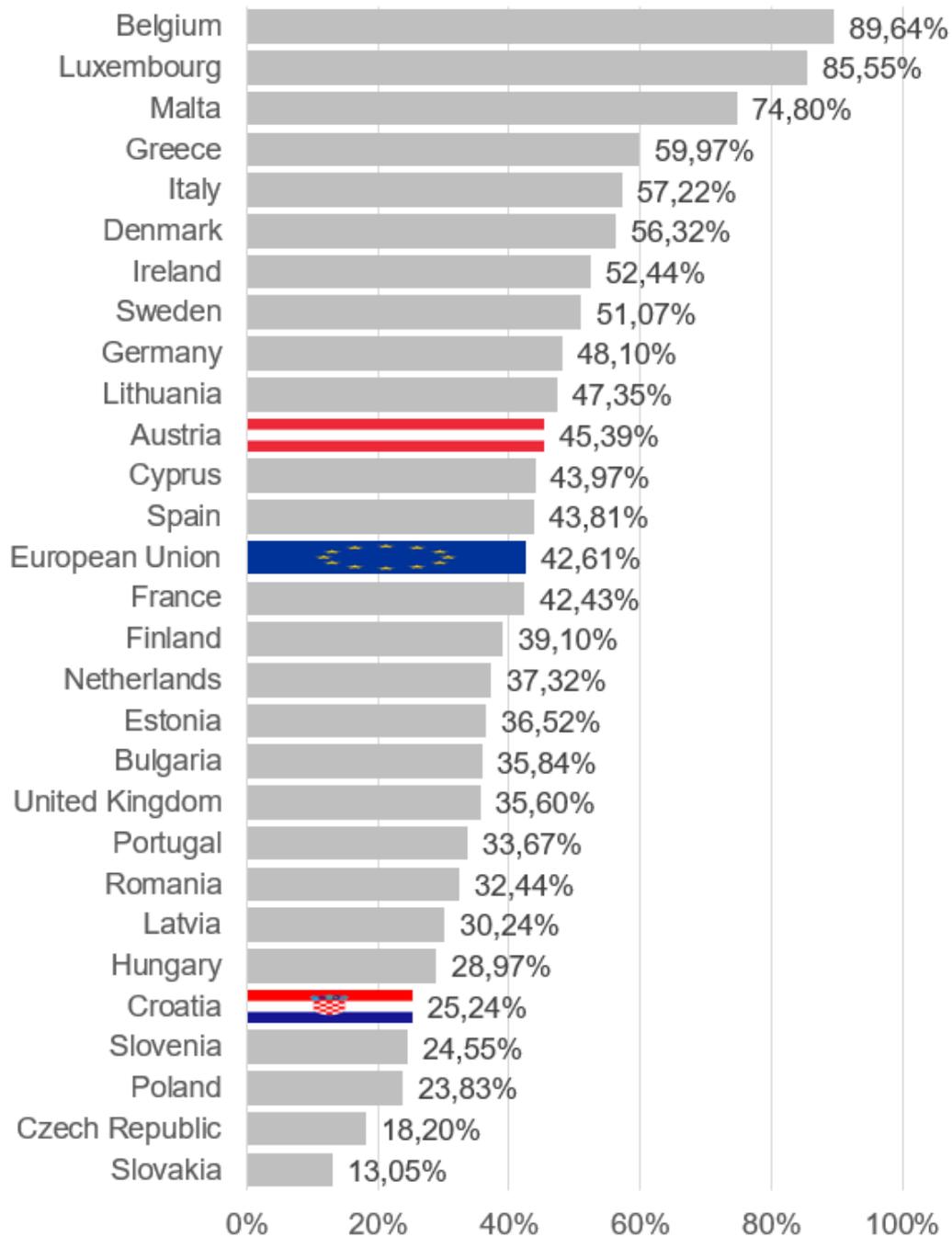
Turnout Final results



Source: TNS/Scyt in cooperation with the European Parliament

Results of the 2014 European Elections

Turnout by country (in %)



Source: www.europarl.europa.eu

Useful sources for further information:

- [Results of the 2014 European elections](#)

How do we contribute?

We participate in programs in order to shape national policies regarding sustainability and support our clients in different forms of stakeholder engagement.

Find out more on following pages:



Stimulate Collaborative Thinking

Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Engaging responsibly in policy-making processes and, by doing so, increasing societal trust in public institutions.
- Promoting international agreements and social dialogue in supply chains.
- Making governance and decision making process clear, and consulting with employees and stakeholders, when making big decisions to ensure these decisions are inclusive of multiple stakeholders.
- Reporting whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.



STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALISE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT FINANCE

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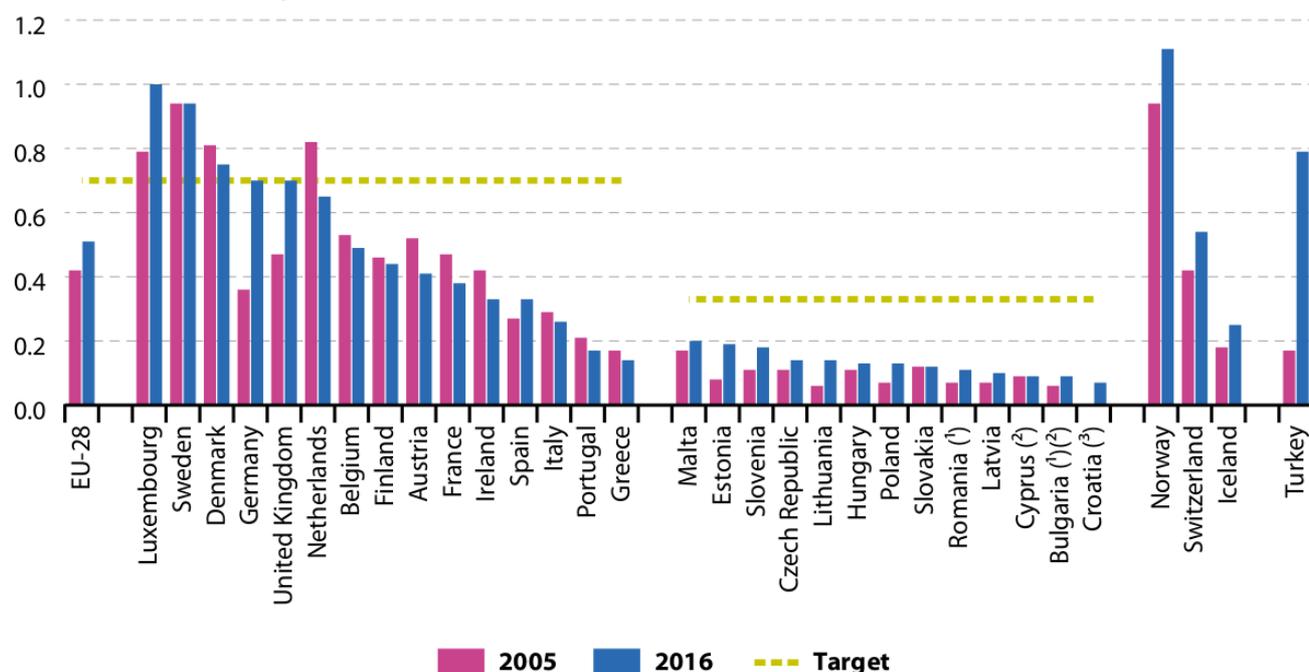
The aim of SDG 17 is to mobilize partnerships. Unlike the other 16 goals which mainly focus on 'substantive' targets, meaning that these targets are specific and outcome-oriented rather than process-oriented, goal 17 relates exclusively to the means necessary for the implementation of the 'substantive' goals. It recognises that in addition to having a shared vision of goals and aspirations for the planet and people, there has to be effective implementation of change on the ground. This involves building inclusive partnerships between governments, the private sector and civil society, as well as the mobilisation of public and private, financial and nonfinancial means by which the SDGs can be delivered.

Update: 2018-01-17

After a decade of stagnation, the EU has recently increased its share of Gross National Income (GNI) spent on Official Development Assistance (ODA) by 0.1 percentage points between 2014 and 2016. This current upward EU trend, if maintained beyond the short term, would put the EU on track to meeting the UN target of dedicating 0.7 % of GNI to ODA, which has been reaffirmed for 2030.

Figure 17.3: Official development assistance as share of gross national income, by country, 2005 and 2016

(% of GNI (at current prices))



Note: Data for 2016 are preliminary.

(¹) 2007 data (instead of 2005).

Source: OECD (Eurostat online data code: [sdg_17_10](#))

(²) 2015 data (instead of 2016).

(³) No data for 2005.

In addition to the collective EU commitment to dedicate 0.7 % of GNI to ODA by 2030, Member States have committed themselves to individual targets. For the EU-15, these refer to the overall target of 0.7 % of GNI to ODA. In 2016, five Member States achieved their individual commitments (Luxembourg, Sweden, Denmark, Germany and the United Kingdom). Member States that joined the EU after 2002 have a lower individual target of increasing ODA to 0.33 % of GNI by 2015 (7). To reach the agreed targets, both Austria and Croatia have to increase their efforts substantially.

An other indicator of good global cooperation is participation in global programs and organizations, for example the International Labor Organization (ILO). Austria and Croatia ratified all major ILO conventions, except two of them: Croatia did not sign the Convention 144 concerning Tripartite Consultations to Promote the Implementation of International Labour Standards, and Austria refused the Convention 129 concerning Labour Inspection in Agriculture.

Useful sources for further information:

- [Sustainable development in the European Union, Eurostat 2017 edition](#)
- [International Labour Organization](#)

Particularly Relevant Targets:



TARGET 17.16

Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

17.16

Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

Update: 2018-01-17

Global Collaboration

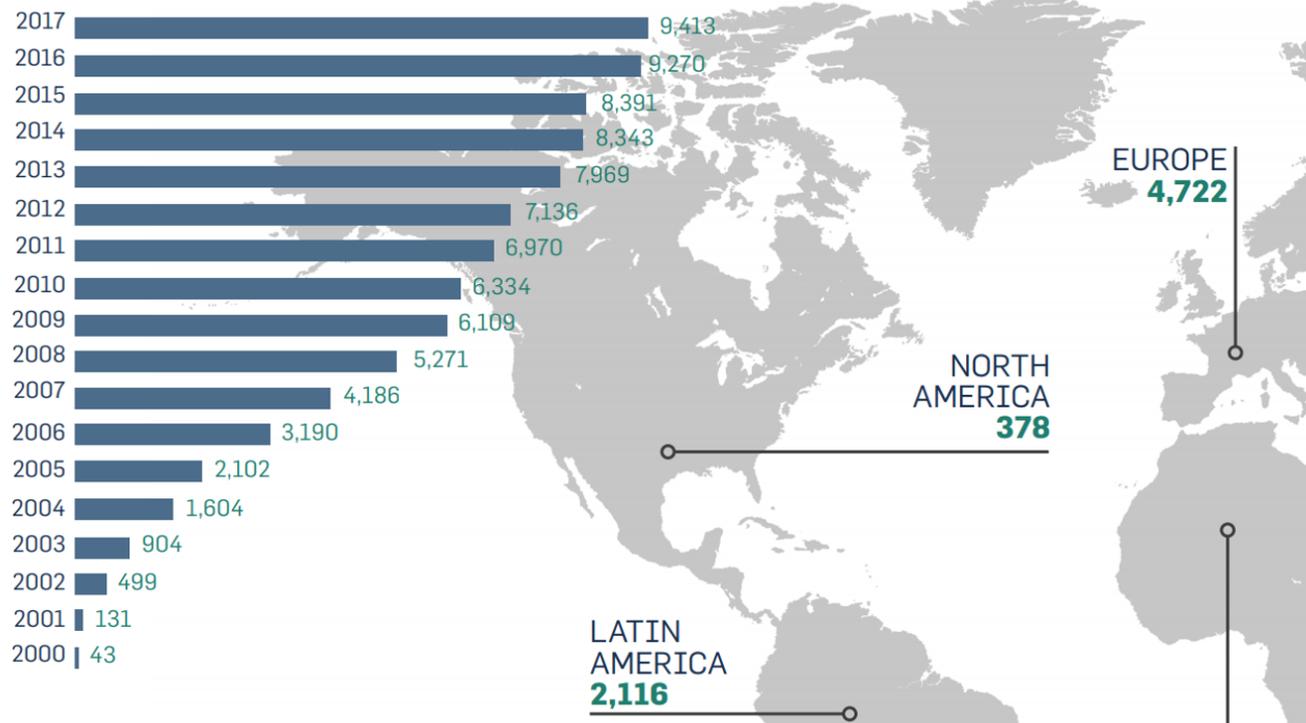
In 2017, the number of companies that had signed the UN Global Compact rose to 9.413, and additional 3.056 NPOs have joined this network.

Currently, 77 Austrian and 40 Croatian Companies have signed the UN Global Compact and are regularly publishing a Communication on Progress Report.

UNGC Signatories

Country / Year of Signature	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Austria	2	1	1	1	4	5	8	5	6	4	8	6	5	12	9
Croatia	-	-	-	-	24	3	1	-	2	1	3	4	1	1	-

TOTAL BUSINESS PARTICIPANTS



Useful sources for further information:

- [UN Global Compact](#)

How do we contribute?

We enhance partnerships through the UN Global Compact network and support our clients in different stakeholder engagement initiatives.

Find out more on following pages:



Recommendations of UNGC/GRI

Possible business actions to help achieve this target:

- Taking part in the UN multi-stakeholder mechanisms to share perspectives and ensure business interests and expertise on science, technology and innovation.
- Supporting joint development initiatives with governments, civil society and international organizations through advocacy.

- Promoting and engaging in pre-competitive collaboration with peers around critical issues facing an industry.
- Participating in international cooperative mechanisms and working with governmental and non-governmental partners to facilitate the diffusion of leading technology, products, systems services and infrastructures and develop in science, technology and innovation.

CONTACTS

We appreciate your views on our report and our performance. Please contact

in Austria:

Leo Hauska

E: leo.hauska@hauska.com

in Croatia:

Andreja Pavlović

E: andreja.pavlovic@hauska.com

LEGAL DISCLOSURE

Company Headquarters

Hauska & Partner Group GmbH

Kaerntner Str. 21-23/2

1010 Vienna / Austria

T: +43 1 5131700

E: vienna@hauska.com

W: www.hauska.com

represented by Leo Hauska

Supervisory Authority:

Handelsgericht Wien, FN 48959z

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