



# 2023 ESG Due Diligence Report

neos

[www.neos.hr](http://www.neos.hr) / [info@neos.hr](mailto:info@neos.hr)



## Letter from the CEO

Dear Stakeholders,

I am proud to present Neos' 2023 ESG report, which highlights our achievements in sustainability and responsible business. This year, we successfully reduced our carbon footprint, relied entirely on renewable energy, and enhanced our ESG strategies with support from Vita projekt d.o.o.

Our efforts include initiatives supporting employee well-being. We have also strengthened our governance through multiple ISO certifications for data security and quality management.

Thank you for your continued support as we work towards a sustainable future.

Sincerely,

**Davorin Capan**  
Chief Executive Officer  
Neos

A handwritten signature in blue ink, appearing to be 'Davorin Capan'. The signature is stylized with a long horizontal stroke extending to the right and a vertical stroke on the left.

# Introduction

- The 2023 ESG Due Diligence Report for Neos provides a comprehensive overview of the company's ESG performance. It offers insights into Neos' sustainability practices, highlighting strengths and opportunities for improvement. This report aims to align Neos with emerging ESG standards, strengthen its competitive position, and achieve excellence in sustainability. Neos' commitment to these principles underscores its dedication to fostering a sustainable future and driving positive industry change.
- Sustainability experts at Vita projekt d.o.o. have performed the comprehensive Environmental Due Diligence and the present report represents the summary and highlights of the most important findings.

**VITA PROJEKT d.o.o.** is a Croatian consulting company authorized by the Ministry of Economy and Sustainable Development to conduct environmental assessments, specializing in green development strategies and projects with a team of experienced professionals in sustainability and climate resilience.



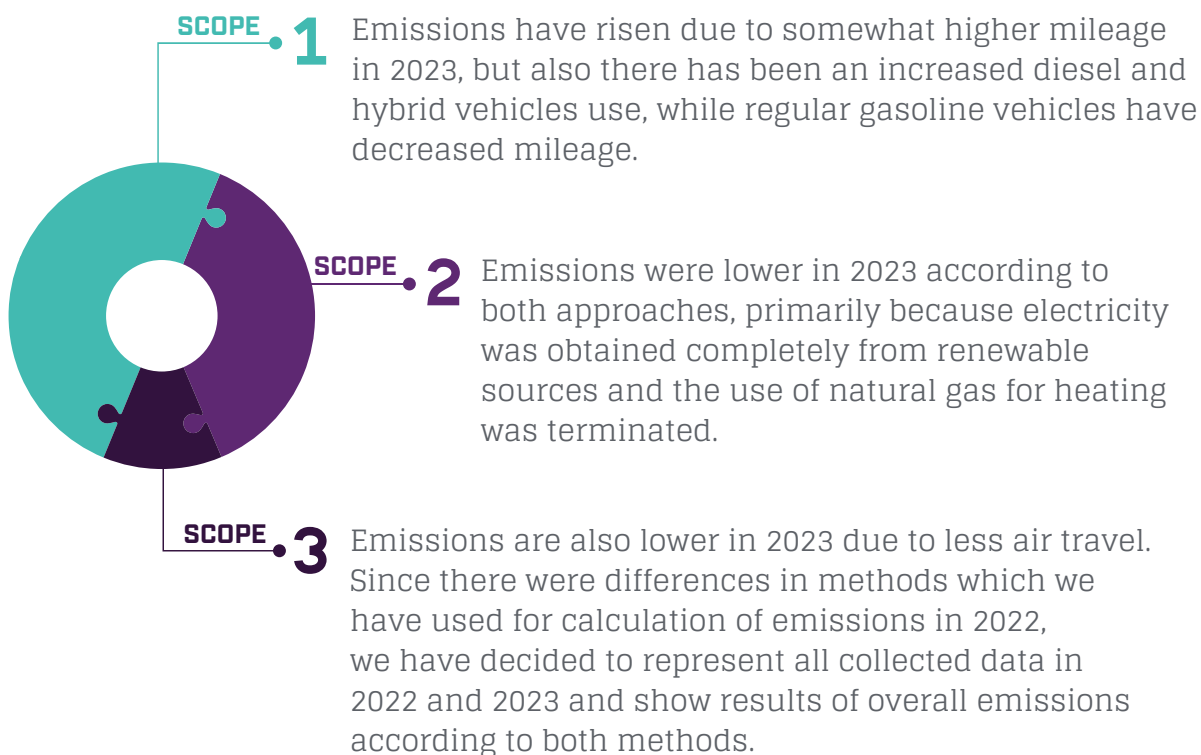
## GHG Emissions

Neos tracks multiple metrics that quantify its environmental impact.

| *indicator   | 2022<br>old method | 2022<br>new method | 2023<br>new method |
|--|--------------------|--------------------|--------------------|
| Total direct and indirect greenhouse gas emissions (GHG)   | 225,35             | 185,32             | 157,85             |
| Direct emissions (Scope 1)                                 | 92,93              | 76,39              | 80,72              |
| Indirect emissions (Scope 2)<br>MB emissions               | 9,69               | 47,44              | 22,81              |
| Indirect emissions (Scope 2)<br>LB** emissions             | 112,82             | 42,01              | 39,38              |
| Total indirect GHG emissions<br>(Scope 3), business travel | 19,60              | 19,48              | 14,49              |

\* All units shown in the table are presented in tCO<sub>2</sub>e.

\*\* MB emission in 2022 hasn't been calculated in overall GHG calculation. Using a new method in 2023 calculation and per advice from our consultants we have decided to include MB emissions on overall GHG calculation as is shown.





## Renewable Energy

Neos proudly declares, for the second year in the row, its commitment to utilizing **100% renewable electricity**, substantiated by the ZelEn certificate, issued by HEP Opskrba.

This certification is a testament to Neos' dedication to environmental responsibility, as it entails retiring an adequate number of guarantees of origin in the Registry of Guarantees of Origin, managed by the Croatian Energy Market Operator (HROTE).



*100% renewable electricity*

## Water Consumption

Neos is located in an area of low water stress, as classified by the World Resources Institute's Water Risk Atlas tool, Aqueduct. Water withdrawn corresponds to consumed water as no water is used in Neos' operations. All data reported is collected from the invoices received on water consumption from public suppliers.



*Total water consumption*

## Other Initiatives



### ESG educational initiatives for Neos' employees

Empowering its employees with the necessary knowledge to make sustainable choices in both their personal and professional lives. These initiatives ensure that employees are well-informed and equipped to actively contribute towards sustainable practices.



### Supporter of "Rezolucija Zemlje" project

Encouraging its employees to participate in clean-up actions and similar projects organised by the initiative. Neos developed a mobile-friendly communication channel for project participants.



### Forming a "Zeleni kutak" platform

This platform provides educational resources on reducing negative environmental impact, including tips on reducing carbon footprint and extending product lifecycle to minimize waste generation.



### Promoting separate waste collection

Neos has provided bins for mixed waste, plastic, paper, and biowaste.



### Sustainable means of transportation

In line with its dedication to sustainable transportation, Neos has made significant strides by ensuring that the most vehicles purchased are hybrid, further reducing company's carbon footprint. By participating in the International Day of Winter Cycling to Work, Neos encouraged its employees to participate even more in reducing the company's carbon footprint.



### Responsible purchasing

The company has made significant strides in ensuring that the electronic devices provided to its employees adhere to strict environmental standards. By partnering with suppliers who meet criteria such as ENERGY STAR, TCO Certified Edge, and EPEAT Gold registration, Neos guarantees that the devices are energy-efficient and environmentally friendly.

All these initiatives also support the UN SDG KPIs (SDG12).

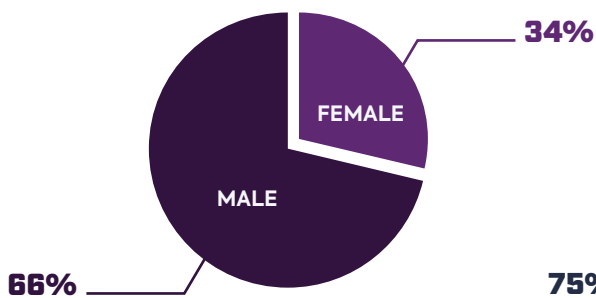
# S in ESG report

Neos is highly dedicated to creating inspiring working conditions for its employees by embracing their passion, energy, and ingenuity. Employees' work is supported by continuous education and certification. Neos is a strong IT regional leader with over 140 certified consultants and 400+ successfully executed projects in the EMEA region.

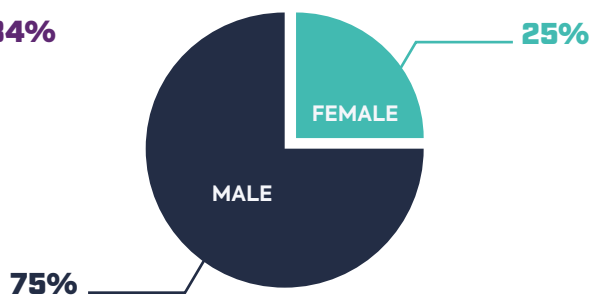
Neos is committed to fostering an environment where every individual, regardless of their background, is provided with equal opportunities to grow. The company's hiring practices eliminate discrimination based on factors such as race, gender, age, or ethnicity. **Neos firmly believes that a diverse workforce brings forth a wide range of perspectives, ideas, and experiences, thereby strengthening the company.**



At the end of the reporting year 2023, Neos as a consolidated entity had a total of 146 employees (66% male; 34% female representatives). At the board level, Neos reported 4 FTE (75% male; 25% female).



DIVERSITY OF EMPLOYEES



DIVERSITY OF THE BOARD FTE

## Highlighted Metrics



### Work-related injuries

Neos reported an exemplary track record of zero work-related injuries.



### The total net new hires for 2023 is 20

Neos remains dedicated to creating an inspiring and healthy work environment, and over the past year, significant progress has been made in several areas. Building upon its commitment to employee well-being, Neos has taken additional steps to promote a healthy lifestyle and foster a sense of community among its employees.



### Well-being and satisfaction of employees

To address employee feedback from previous satisfaction surveys, Neos implemented several initiatives such as increasing annual leave days, providing full pay during sick leave and introducing a meal allowance. In order to support our employees when they need help the most, we have created a Family Package, within which we provide financial assistance to employees during the birth or adoption of a child and in the event of the death of a close family member. In order to emphasize the importance of employee diversity and inclusion, we organized the "Diversity and Inclusion Booster" training for employees.



### Employees Health

Neos provides its employees with a Multisport card, to foster a healthy lifestyle among its employees. Notably, as of the end of 2023, Neos reported a growth in the number of Multisport card users compared to the previous year, showcasing the increasing engagement and adoption of this wellness initiative.



### Forming a "Mental health corner" platform

With this platform, we educate employees about the importance of mental health with useful self-help guidelines.



### Social responsibility

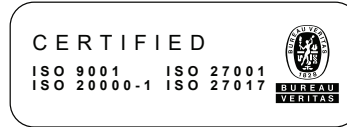
Neos has also actively engaged in raising awareness of children's rights by participating in a humanitarian running race organized by UNICEF Croatia, called "Mliječna staza". Similar humanitarian running and humanitarian events include The Blind Run and the Ogulin Trail 2023.

All these initiatives also support the UN SDG KPIs (SDG3, SDG8, SDG10).





## Data Privacy



Neos has actively pursued information technology certifications to strengthen its commitment to data security and privacy. The company has successfully obtained two ISO certificates specifically relevant to the IT domain: ISO/IEC 27001:2022 - Information Security Management and ISO/IEC 27017:2015 - Cloud Security.

Moreover, Neos has embraced the ISO/IEC 27017:2015 code of practice, which assists organizations in selecting appropriate information security controls for cloud services.

Additionally, Neos has successfully obtained the ISO 9001:2015 practices, which outlines the requirements for a quality management system (QMS).

In 2023, Neos obtained ISO 20000-1:2018 certification. ISO 20000-1:2018 specifies the requirements for the service management system's planning, establishment, implementation, operation, monitoring, review, maintenance, and improvement. This standard helps organizations establish a systematic approach to managing their IT services, ensuring alignment with customer requirements, continuous improvement, and effective service delivery.





Oracle Big Data Appliance and Oracle Exadata Database Machine located in the Neos Office



## Data Security

To safeguard the organization's information assets and those of its clients against internal and external threats, both intentional and inadvertent, Neos has implemented robust security and compliance policies. The company maintains a team of highly skilled consultants, who possess a strong awareness of security issues. Furthermore, Neos provides legal protection to its clients through non-disclosure agreements (NDAs) and other relevant documents at both the organizational and individual staff levels.

Neos' top critical suppliers are assessed to ensure the adequacy of their cyber security capabilities.

Neos had no reported cybersecurity incidents over the past three years. The company holds ISO certifications, demonstrating its proactive measures to safeguard information systems and mitigate cyber risks. These standards, part of a comprehensive set of complementary information security standards, serve as effective tools for risk management and cybersecurity breach anticipation.

Neos's Privacy Policy states how the company manages personal data, i.e., how it is collected, processed, protected, or used in any other way.

Neos firmly believes in the importance of the United Nations Sustainable Development Goals (UN SDGs) and considers them as vital guidelines for navigating its business activities.

The organization adopts a comprehensive approach to identifying areas where they can have a significant influence. Neos remains dedicated to incorporating sustainability principles into every aspect of its operations.

Neos supports several UN SDGs through business practice and the company itself. Below are listed selected main UN SDGs with the strongest support.

## SDGs Supported through Business Practice



With certifications in four ISO/IEC standards Neos takes proactive measures to safeguard data. By adhering to ISO 9001:2015 for quality management systems, Neos actively supports SDGs such as reducing poverty (SDG 1), promoting industry, innovation, and infrastructure (SDG 9), encouraging responsible consumption and production (SDG 12).

## SDGs Supported by the Company



Neos integrates the UN SDGs into its strategic decision-making processes to ensure that its operations are in line with the broader global agenda for sustainable development. By actively assessing how its activities can support the SDGs, Neos strives to make a positive impact and drive meaningful change.

# neos



*info@neos.hr / sales@neos.hr / accounting@neos.hr*



*+385 1 5555 600*



*Neos Ltd. Office Zagreb, Ulica Ljudevita Posavskog 31, 10000 Zagreb, Croatia  
Office Osijek, Ulica Lorenza Jägera 4, 31000 Osijek, Croatia*