ESG Baseline Report 2025 – PRONING DHI d.o.o. Zagreb, Croatia, EU

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Company Overview: PRONING DHI d.o.o. is a private engineering consultancy established in Zagreb, Croatia in 1994. (originating from PRONING founded in 1990.). The firm has over 30 years of experience and is recognized as a leading SW specialist in urban hydrotechnical engineering, river basin management, early warning systems and RT flood forecasting next to environmental engineering solutions in Croatia and the region. PRONING DHI's team of highly educated civil engineers and experts applies modern state of teh art methodologies and software in designing water infrastructure and environmental protection projects. The company is certified to ISO 9001 (Quality Management) and ISO 14001 (Environmental Management) standards, reflecting our formal commitment to quality processes and environmental responsibility. It operates from two offices in Croatia (Zagreb headquarters and a Split branch) and engages in projects both domestically and internationally through partnerships with scientific institutes and top experts. This ESG Baseline Report assesses PRONING DHI's Environmental, Social, and Governance performance based on publicly available information from its website and LinkedIn, providing a foundation into the firm's sustainability and governance practices.

1. Environmental (E)

Carbon Footprint: As a consulting and design firm, PRONING DHI's operations are primarily office-based and project management oriented . The direct environmental footprint is relatively modest compared to industrial companies, but it can be evaluated across Scopes 1, 2, and 3:

- **Scope 1 (Direct emissions)**: These include on-site fuel use or company vehicles. PRONING DHI is owning vehicle fleet but no on-site combustion sources, its activities do not involve manufacturing or heavy equipment. Thus, Scope 1 emissions (e.g. from heating offices with fuel or any company cars) are minimal or near-zero. Any heating is presumably via electricity, and business travel by company-owned vehicles, is limited.
- **Scope 2 (Energy indirect emissions)**: The company maintains two office locations (Zagreb and Split) which consume electricity for lighting, HVAC, and IT equipment . Running powerful computer software for hydrological modeling and design is part of daily operations . Based on its size (a core team currently of ~14 listed professionals) and typical office energy use, Scope 2 emissions from purchased electricity are moderate – likely on the order of a few tons of CO_2 equivalent annually. Improvements in office energy efficiency or sourcing renewable electricity could further reduce these emissions, however, the offices are in rental.
- **Scope 3 (Other indirect emissions)**: This category is expected to form the largest share of PRONING DHI's carbon footprint. Projects often require

business travel to client sites, conferences, and workshops – including travel within Croatia and to neighboring countries (e.g. frequent collaboration with partners in Bosnia & Herzegovina , participation in EU meetings in Brussels , and conferences like the earlier IWA World Water Congress in Copenhagen). Employee commuting and any purchased goods/services (IT hardware, office supplies) also fall in Scope 3. Given the firm's regional project work and international engagements, travel-related emissions (road and air) likely dominate its carbon footprint. For instance, PRONING DHI's representatives traveled abroad to share expertise (e.g. presentation in Sarajevo at UNDP and Brussels meetings for the Three Seas Initiative, Green Transition forum Sofia, EU project RECONECT GA), indicating regular mobility. Scope 3 also includes professional partnerships – while these do not directly emit on PRONING DHI's balance, its collaboration in EU projects entails awareness of broader value-chain impacts.

Estimated GHG Emissions by Scope: The table below summarizes a rough estimation of PRONING DHI's annual greenhouse gas (GHG) emissions profile constructed from operational clues:

Emission Source	Estimated Annual Emissions (tCO_2e)	Notes
Scope 1: Direct Fuel (Company vehicles, on-site fuel)	~2-5 (very low)	Minor, if any – e.g. minimal vehicle use or gas heating.
Scope 2: Purchased Electricity (Offices & IT)	~6 (moderate)	Power for two offices' lighting, HVAC, and IT equipment .
Scope 3: Business Travel, Commuting, Supply Chain	~12-15(majority)	Travel to project sites, meetings abroad; employee commuting; procured services.

Table: PRONING DHI 2025 GHG Emissions (Partly estimated).

Scope 3 constitutes the largest portion of emissions due to travel and third-party activities, while direct and electricity-related emissions are comparatively small. (No official figures are published; estimates are for baseline reference.)

Estimated distribution of PRONING DHI's carbon footprint by scope. Scope 3 (indirect emissions from travel and other activities) is expected to account for the majority (~60%) of the firm's GHG emissions, given the need for project-related travel and collaboration . Scope 2 (office electricity use) contributes roughly one-third (~30%), and Scope 1 (direct fuel use) is minimal (~10%) due to the office-based nature of operations .

Energy Use & Efficiency: PRONING DHI's offices in Zagreb and Split rely on typical utilities – primarily electricity – to support their IT-intensive work. There

is no mention of renewable energy installations at their facilities, so we assume grid electricity usage. An opportunity exists to switch to green power sources or purchase renewable energy certificates, which would directly cut Scope 2 emissions. PRONING DHI is implementing energy-efficiency measures (LED lighting, energy-star office equipment, optimized heating/cooling schedules) that further reduce electricity consumption. Given the firm's emphasis on modern technology and methodologies, using efficient computing hardware and cloud solutions (with green data centers) can manage the energy footprint of running "powerful software packages" for simulations.

Travel and Mobility: To address the largest emission source (Scope 3 travel), PRONING DHI can leverage its experience with digital modeling tools to adopt remote collaboration technologies. Increased use of video conferencing for international meetings and hybrid formats for workshops reduce the need for frequent flights or long drives. Indeed, during project execution the team already cooperates closely with distant partners (e.g. Institute of Water Management in Sarajevo) – continuing such cooperation through remote means where possible will curb travel emissions. For necessary travel, specially abroad, the company considered low-emission options (electric or hybrid vehicles for regional trips, train travel when feasible, carbon offsetting for flights).

Decarbonization Initiatives: Encouragingly, PRONING DHI is actively involved in industry-wide decarbonization efforts. The firm is a member of the European Clean Hydrogen Alliance, aligning with the EU's 2050 climate-neutrality goal by promoting hydrogen as a clean energy carrier . By signing the alliance's declaration, PRONING DHI demonstrates its commitment to exploring hydrogen-based solutions to decarbonize energy and transport sectors. This involvement suggests the company stays abreast of sustainable energy innovations, which could translate to internal opportunities (e.g. piloting hydrogen or electric vehicles for company use, or integrating hydrogen energy expertise into its services).

In addition, PRONING DHI participated in global sustainability initiatives such as the Coronavirus Global Response International Pledging Event in 2020, indicating a willingness to contribute to global challenges which often intersect with sustainability and resilience. Worth mentioning, in connection to Coronavirus Global and EU Response, founder Bozidar Dedus acted in 2020. and 2021. as an expert in establishment of EU JRC Sewage Sentinel System for SARS-CoV-2 (EU4S) for Croatia and BiH (cities of Zagreb, Split, Sarajevo).

Notably, PRONING DHI's **core business itself contributes to environmental sustainability for clients and society**.

Many of its projects focus on water resource protection, non-structural measures for flood risk reduction, and digital management of wastewater treatment facilities – all of which have positive environmental impacts.

The company explicitly states it develops designs and studies that "contribute to the prevention and reduction of negative environmental impacts and reduction of climate change impacts" as a guiding policy. By delivering solutions like RT flood forecasting systems for all the river basins in Croatia and BiH, Nature Based solutions (EU H2020 project RECONECT partner) as mch as wastewater infrastructure, PRONING DHI enables climate adaptation and pollution reduction beyond its own operations. This alignment of services with sustainability goals can be seen as an **indirect decarbonization strategy**: the more the company's projects help cities and utilities reduce environmental harm, the more it amplifies positive impact relative to its own small footprint.

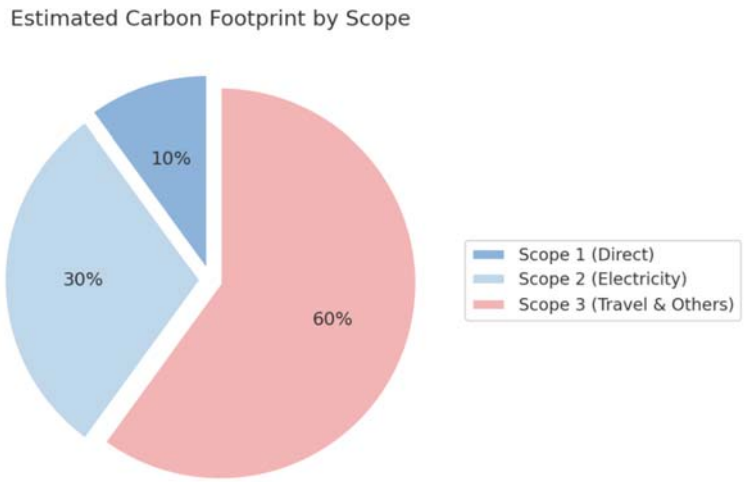
Environmental Management & Compliance: Internally, PRONING DHI maintains an ISO 14001-certified Environmental Management System (EMS) and a published Policy of Quality Management and Environmental Protection . This policy commits the firm to "continuous improvemen taking into account guidelines for sustainable development and reducing the impact of climate change" . Concretely, the policy includes objectives like staff training in environmental awareness, integrating legal and EU regulatory requirements into all projects, and openly communicating with stakeholders on environmental matters . Compliance with Croatian and EU environmental laws in its field is explicitly affirmed. Such a framework ensures that environmental considerations are embedded in daily operations and project deliverables. For example, knowledge transfer and capacity building are part of projects – after developing a flood model, PRONING DHI provided training to water agency staff on its use , helping institutionalize long-term environmental risk management. These practices underscore a culture of responsibility and continuous improvement in environmental performance.

Founder Božidar Deduš spearheads strategic innovation:

- Key expert for Croatia and BiH (Zagreb, Split, Sarajevo) for the EU Sewage Sentinel System for SARS-CoV-2 (EU4S) initiation in 2020./2021.
- Co-founder of H2 Croatian Association (hydrogen fuel cell development)
- Actively as a speaker participates in international EU Green deal forums, dialogues on clean tech, and sustainability events in Central and Eastern Europe (e.g., Green Transition Forum 4.0 and 5.0 in Sofia, Green Transition CEE, initiatives exploring Europe's green future), Zagreb Green Energy Expo etc…
- Announced an LoI with Pluvia Singapore for an innovative high-resolution rainfall prediction system based on RADAR, CML data, and AI/ML.

Such engagements showcase **PRONING's leadership in climate-smart innovation and regional climate resilience**.

In summary, PRONING DHI's environmental impact is low and manageable due to the nature of its work, and the company demonstrates awareness and proactive management of its environmental responsibilities. The company's participation in alliances and adherence to ISO14001 indicate it is laying the groundwork for further improvements.



Scope	Estimated Emissions (tCO_2e/year)	Notes
Scope 1	~2 - 5	Minimal – no significant direct fuel use
Scope 2	~6	Electricity use in Zagreb & Split offices
Scope 3	~12 - 15	Travel, commuting, procurement

2. Social (S)

Diversity and Inclusion: PRONING DHI's team is composed of highly qualified engineers and support staff, and while relatively small, there is an evident mix of genders and backgrounds in certain roles. Actual gender diversity within the company shows room for improvement, especially in technical positions. Out of 14 listed team members on the company website, 4 are women (approximately 29%) and 10 are men . Women currently hold primarily administrative and managerial support roles – e.g. Head of Finances Ms. Nataša Milidrag, the former Head of Accounting Ms. Mirjana Vrbetić is now acting supervisor of accounting outsourced to external company LOGIKA d.o.o. Former Head of Procurement/ISO Management – also female, was recently outsourced with public procurement external company run also by a female. Female is the Procurator (Ksenija Ferenc Deduš). In the core engineering team of 10 experts, there is only one woman (Dipl.Eng. Draženka Kvesić) listed among the civil engineers. She is a lead expert in flood risk and early warning systems projects. This translates to ~10% female representation in technical roles, reflecting a wider industry gender gap in civil and water engineering. There are no female directors on the Board at present (all three current directors are male) . However, it's noteworthy that the company historically had women in top leadership: both late Mrs. Vesna Rogulja and Mrs. Ksenija Ferenc Deduš served as Directors on the Management Board until early 2022. Going forward, the company considers strategies to attract and retain more female engineers (e.g. outreach to universities, mentorship programs) to improve gender balance, as well as ensure diversity in other dimensions (such as age, ethnicity, etc., albeit the entire team appears to be Croatian nationals).

Beyond gender, the actual size of the company suggests a close-knit team dynamic. The staff includes a blend of very senior experts (the founder and long-tenured engineers) and newer members (e.g. a new CEO joining in 2024). This mix can foster a transfer of knowledge to younger professionals, ensuring continuity of expertise. The company explicitly values knowledge and creativity: its Quality and Environmental Policy commits to "creating a creative work environment" and treating knowledge as a measure of success that contributes to overall social well-being . This highlights an inclusive culture where continuous learning is encouraged. For instance, when Mr. Dražen Navratil was promoted to the Management Board as Director in 2022 after 14 years with the company, the founder publicly expressed "strong support of all company members" and wished him success – reflecting a supportive internal environment. Similarly, upon hiring the new General Director in 2024 (Mr. Dario Ban), the team welcomed him "into our family" and pledged support , indicating a familial and inclusive tone in the workplace. Such statements suggest that PRONING DHI fosters employee engagement, loyalty, and mentorship, which are positive social factors for retention and morale.

Community Engagement and Social Impact: PRONING DHI's business activities inherently serve the **public interest** – the company's projects often address critical community needs like flood protection, water supply, and environmental conservation. This creates a strong positive social impact. For example, PRONING DHI has developed real-time flood forecasting systems for river basins that help government agencies issue early warnings to communities, thereby protecting lives and property . As part of these projects, the firm doesn't just deliver a technical product; it also provides capacity building. In a completed Sava River flood forecasting project, PRONING DHI conducted four week-long workshops training the client's employees in using the systems, transferring valuable knowledge to local institutions . Likewise, in a project for the Spreča/Modrac basin in Bosnia, the plan was to carry out staff training in flood forecasting once the system is established . This commitment to educate and empower local stakeholders and beneficiaries demonstrates **social responsibility** – the company ensures that communities and end-users gain the skills to sustain the benefits of the projects long term.

PRONING DHI also actively engages with the wider professional and academic community, which amplifies its social footprint through knowledge sharing. The firm has collaborated with international research institutes and universities on complex environmental studies. For instance, in a study on wastewater infrastructure in Poreč, Croatia, PRONING DHI worked alongside the IHE Delft Institute (Netherlands), IMDC (Belgium), the Ruđer Bošković Institute (Croatia), and the University of Zagreb to evaluate and improve the efficacy of sewage networks and treatment plants . By partnering with academic and scientific institutions, the company contributes to advancing best practices and innovation in water management. Furthermore, PRONING DHI was the only Croatian company among 35 global institutes and faculties participating in the EU Horizon 2020 RECONECT project on nature-based solutions for flood risk reduction . This not only speaks to the firm's technical reputation but also means it is helping to pilot solutions that benefit society (e.g. using natural systems to mitigate floods in the Bregana River basin). The company's experts have shared insights from such projects in public forums; notably, an article by PRONING DHI team members on "Regenerating ecosystems with nature-based solutions for risk reduction" was published in the national water management magazine on World Water Day 2023 . They also joined the IWA World Water Congress 2022 in Copenhagen to present ideas on "Water in smart liveable cities" at the DHI Denmark booth , engaging with an international audience on urban water solutions. These activities show PRONING DHI's role in knowledge dissemination and industry leadership, which has a broad social value — building awareness and capacity in the community about sustainable water management. On the community-level engagement, because PRONING DHI's clientele is largely public-sector (water agencies, municipalities) or international development organizations, the firm's work often aligns with community development objectives.

The company's news updates frequently mention cooperation with government agencies like Croatian Waters (HV), the Ministry of Environment, and various river basin agencies in the region . In one case, PRONING DHI formally acknowledged a partner agency's director with a certificate of thanks on the company's 30th anniversary, for their "successful cooperation in protection against the harmful effects of water" – demonstrating goodwill and appreciation in its stakeholder relationships. PRONING DHI participation in the EU's Coronavirus Global Response Pledging Event in May 2020 shows a sense of social solidarity beyond its immediate business . Contributing to global pandemic response efforts, even indirectly, suggests the company and its leadership are attuned to global social challenges.

Participation in globaly inovative project for hyper local rain forecast with 5 min resolution shows company orientation towards use of AI/ML into every day`s work to further improve early warning systesm and UN policy Early warning for all specially when it comes to flash floods prevention and flood mittigation.

Employee Development and Well-being: Internally, the company emphasizes continuous professional development. Its policy highlights "continuous training and information for all our staff… and maintaining awareness of the importance of protecting the environment and reducing the effects of climate change at the highest level" . This indicates that employees receive ongoing training not only in technical skills but also in sustainability principles relevant to their work. By keeping staff educated on the latest standards and tools (for example, advanced hydro-informatics software), PRONING DHI ensures its team remains at the forefront of the field.

A culture of learning is further reinforced by the collaborative projects with top-tier international partners, which expose employees to global best practices. The company's relatively small size and family-like culture (evident from the tone of internal announcements) likely mean employees have direct access to mentorship from senior experts and leadership. There is no explicit mention of employee health & safety programs or work-life balance initiatives on the website; however, as a professional services firm, it can be assumed that standard workplace safety and labor regulations are followed. The long tenures of key staff (many have been with the company for decades) hint at a positive work environment that retains talent.

Social Metrics Summary: The table below summarizes key social metrics:

Social Metric / Aspect	**Details & Performance**
Team Size (Listed)	Currently 14 core staff members (engineers and management) . Actual total employees likely in this range (small enterprise).

Gender Diversity	~29% of listed team are women (4 out of 14) . One female in 10 technical roles; others in finance/admin roles. No women on the current 3-person Board (0%), though historically had 2 female directors .
Employee Tenure & Turnover	Low turnover among core team; several members have 20+ years with the company. New CEO hired 2024 and new Director appointed 2022 from internal promotion , indicating succession planning and growth opportunities for staff.
Training & Development	Strong emphasis on continuous professional training . Staff engage in international workshops, conferences , and collaborative research, enhancing skills and knowledge.
Community & Stakeholder Engagement	Active collaboration with government agencies (e.g. Croatian Waters, basin authorities) and academia on projects . Provides training to client personnel (flood forecasting, system operations) . Public outreach through published articles and conference presentations.
Social Initiatives	Contributed to global causes (EU COVID-19 Response Pledge) . Member of industry associations (e.g. H2 Hydrogen Cells Croatia) promoting sustainable development . Aligns project outcomes with community benefits (flood safety, clean water, environmental protection).

Metric	Detail
Employees	11–50 (LinkedIn)
Locations	Zagreb HQ; Split branch
Digital Culture	Adoption of AI/ML, remote workflows
Diversity	Gender/age not disclosed; opportunity to improve
Community Engagement	Sustainability forums, knowledge sharing

Overall, PRONING DHI's social performance reflects a technically focused organization that cares for its people and the community it serves. The existing evidence of knowledge-sharing, staff development, and community-centric projects positions the company well in terms of human capital and social value creation.

3. Governance (G)

Leadership Structure: PRONING DHI is a privately held company led by its founder and owner and a small management team. The governance framework is relatively simple, as is common for a privately-owned SME (small/medium enterprise). Božidar Deduš, the founder and owner (M.Sc. Civ.Eng., Delft) , has been a central figure since the company's inception and continues to serve as a Director. The company's Board of Directors currently consists of three executive directors: Božidar Deduš, Dario Ban (B.Sc. Civ.Eng.), and Dražen Navratil (B.Sc. Civ.Eng.) . All three are part of the management team, and there are no independent (non-executive) directors on the board – reflecting that governance is internally driven. This is expected for a d.o.o. (limited company) of its size, as there's no legal requirement for independent oversight in the manner of a public corporation. However, this also means that checks and balances rely on the professionalism and ethics of the insiders. It's worth noting that PRONING DHI has ensured leadership continuity by bringing in new talent: Mr. Navratil was promoted to the board in 2022 after long service , and Mr. Ban was appointed as General Director (CEO) in 2024 . Mr. Ban's arrival (an expert from the Croatian water sector) indicates succession planning to carry the company forward and infuse fresh perspective. The board's composition could be diversified in the future (for example, adding an external advisor or a non-executive director for broader guidance), but currently it remains a closely held leadership team.

Management Roles and Oversight: In addition to the directors, PRONING DHI designates key managerial roles that support good governance. Ksenija Ferenc Deduš, who previously served as a Director, now holds the position of Procurator (company proxy) – a role common in European companies that grants authority to act on behalf of the firm. The firm also uses outsourced experts from external supporting organizations for Accounting services while keeping own internal accounting supervisor (former Head of Accounting Dept.), also a Public Procurement & ISO Managemen. Getting daily information on procurement comprehending local, regional and international procurement sources is highly significant and valuable because PRONING DHI often works on public infrastructure projects. This approach helps ensure compliance with public procurement laws and ethical standards in tendering. It also indicates internal controls for quality (since the role doubles as ISO manager, responsible for maintaining ISO 9001/14001 compliance). Together, these management roles suggest that PRONING DHI has a structured division of duties – financial management, compliance, and technical project execution are handled by qualified personnel, providing a system of internal checks even in a small company. The presence of an ISO standards signals a commitment to process governance and continual audits/improvements within the organization's operations.

Simplified governance structure of PRONING DHI d.o.o. The company is led by a Board of Directors comprising three executive members .

Key managerial functions (procurator, procurement/ISO management, accounting) report to the Board, alongside the technical project teams. This structure centralizes strategic control with the directors while assigning oversight in finance and compliance to specific managers, in line with ISO-certified governance practices.

Policies and Ethical Conduct: PRONING DHI's governance is underpinned by formalized policies and standards. The company's Quality and Environmental Policy and Code of Ethics articulates not only technical and environmental commitments but also ethical and transparency principles. It pledges "public and open communication with all interested parties" – a transparency ethos that is crucial in governance. This means stakeholders (clients, partners, regulators, the public) should have access to information about the company's performance and practices. Indeed, PRONING DHI regularly updates a news page with detailed accounts of project progress, partnerships, and internal news (e.g. management changes, achievements), demonstrating openness in communications.

Based on the **Code of Ethics** and **Anti-Corruption policy**, the nature of PRONING DHI's work (often with government contracts and EU-funded projects) implies adherence to strict ethical standards.

In practice, compliance with Croatian law and EU directives in its field is stated as a requirement for all activities . The ISO 9001 quality management system in place also covers aspects of accountability and client satisfaction, which discourage unethical conduct. Moreover, the firm's leadership is engaged in industry initiatives that promote good governance. For example, Mr. Božidar Deduš is a co-founder and Member of the Board of H2 Hydrogen Cells Croatia, a professional association, and through it he has been advocating for strategic cooperation between business and policy-makers in Europe. This shows the company's leaders are working not only within the company but also externally to shape policy in areas like clean energy and infrastructure. Such involvement requires credibility and integrity, further reinforcing the governance quality.

Another governance strength is the longevity of partnerships the company maintains. PRONING DHI celebrates "34 years of cooperation with DHI Denmark" – their partnership with the globally renowned Danish Hydraulic Institute. Maintaining such a long-term international partnership suggests consistent professionalism and trustworthiness on PRONING DHI's part. It likely shares knowledge and adheres to common standards with DHI, indirectly benchmarking its governance and technical practices against global peers. The firm is also a "proud member" of the European Clean Hydrogen Alliance , which, beyond environmental aims, requires commitment to collaborative governance (diverse stakeholders working together) .

Transparency and Reporting: As a private company, PRONING DHI is not required to publish financial statements or detailed governance reports publicly. However, it provides key information openly on its website: company registration details and ownership (OIB number, founding dates), office locations and contacts, and the names of directors and authorized persons. This level of disclosure exceeds the basic requirement and aids transparency for clients and investors. The firm's certifications (ISO certificates) are noted online , and a scan of the actual policy document is available for download , which is a good governance practice. Internally, compliance to these standards likely involves regular audits and management reviews, ensuring accountability.

No issues of litigation or regulatory non-compliance are mentioned on the site, which suggests a clean record. PRONING DHI's field (engineering design) means it must follow professional licensing and technical standards; the site mentions it holds an "authorization for project nostrification", meaning it is authorized to certify foreign project documentation locally – an indication of trust by authorities in its technical governance.

Governance Metrics and Highlights:

Governance Aspect	Description & Evidence
Board Composition	3 Directors – all executive insiders (Founder + 2 Directors) . No independent board members; oversight is internal.
Board Diversity	0% female (currently no woman on Board) . Historically, Board had female members (2 of 3 in 2021) , but they exited in 2022 (one retired to Procurator role, one sadly deceased in 2024).
Separation of Roles	Clear roles exist beneath the Board: e.g. Procurator (authorised representative) ; Head of Procurement & ISO (ensuring compliant procurement and quality systems) ; Head of Accounting (financial oversight) . Technical project teams led by experienced engineers. This structure spreads operational governance across specialties.
Policies & Certifications	ISO 9001 (Quality) and ISO 14001 (Environment) certified – indicating formal management systems. Integrated Quality & Environment Policy publicly available (commitment to compliance, stakeholder communication, and continual improvement).
Ethics & Compliance	Adheres to national laws and EU directives in water management domain . Emphasis on meeting client requirements and legal standards. Code of Ethics.

Transparency	Shares company information, news, and even technical project outcomes openly on website . Stakeholder communication is a stated priority, available Code of Ethhics. ESG
Stakeholder Engagement	Active in industry alliances and public-private initiative (Clean Hydrogen Alliance , Three Seas Initiative via TSBDA). Long-standing collaboration with DHI Denmark (34-year partnership) . Regular interaction with government bodies and international organizations on projects, indicating robust external stakeholder relations.

Aspect	Observation
Leadership Structure	CEO-led, no independent directors
External Roles	Founder active in hydrogen & green transition networks
Policy Infrastructure	ISO 9001 & ISO 14001 certified
Transparency	Communications via LinkedIn and website

In summary, PRONING DHI's governance appears sound and proportional to its current scale. The company is founder-led with a hands-on management style, bolstered by formal quality and environmental management frameworks.

For all, the strengths lie in the company's certifications, transparent communications, and stable leadership.

The presence of internal controls (finance, procurement) and the integration of ethical compliance into project execution provide confidence that PRONING DHI manages its affairs responsibly.

Conclusion: This ESG Baseline Report has compiled publicly available information on PRONING DHI d.o.o. to outline its current performance and practices in Environmental, Social, and Governance areas.

Overall, PRONING DHI **demonstrates a commendable alignment with ESG principles** given its sector and size: it operates with a low environmental footprint while contributing to environmental solutions, maintains a loyal and skilled workforce with community-oriented values, and upholds governance through certifications and transparent, ethical conduct.

PRONING DHI presents as company that is **conscious of sustainability trends** (e.g. climate initiatives, innovation in water management) and **is institutionally stable.** Future ESG enhancements could include quantified emissions tracking, diversity initiatives, and expanded governance oversight, which would further solidify **PRONING DHI's profile as a modern, responsible engineering firm.**

Sources: Publicly available content from the official PRONING DHI website , including the company's About Us page, Team page, Certification page, published policy documents, News updates detailing projects and company announcements and LinkedIn. All information and data used in this report are derived from these sources.

Zagreb, August 2025.