



Kreston MDM Revizija d.o.o

Sustainability Report 2024



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Foreword

Dear Stakeholders,

We are proud to present our second annual Sustainability Report. Over the last year, we have strengthened our commitment to transparency and accountability, recognizing our responsibility to minimize environmental impact while cultivating an inclusive, equitable workplace.

Jelena Mihić Munjić

Managing Director, Kreston MDM Revizija d.o.o

Our progress reflects a unified effort among our employees, clients, and partners - an effort we will continue to advance in the years ahead. We remain dedicated to embedding sustainability into every aspect of our business and thank you for supporting us on this journey.

Biljana Sparavalo

ESG Lead / Head of Transfer Pricing

About this report

This second sustainability report of Kreston MDM Revizija d.o.o. covers our sustainability initiatives and performance for the year 2024. Building on our inaugural 2023 report, it is prepared in accordance with the guidelines provided by Kreston Global, ensuring our initiatives align with the broader objectives and standards set by the network.

In line with the Global Reporting Initiative (GRI) Standards, we present information relevant to the Environmental, Social, and Governance (ESG) aspects of our business, reflecting our continued commitment to transparency and accountability.

About us

About Kreston Global

Kreston Global is an expansive network, comprising 25,000 individuals across 160 independent accounting firms in over 115 countries. Established over 50 years ago, its primary aim is to assist businesses and individuals in succeeding internationally. Kreston Global prides itself on providing proactive business advice, navigating complex regulations, tax regimes, and compliance requirements, and offering valuable business insights. The network is a member of the Forum of Firms, an association

dedicated to high-quality standards in financial reporting and auditing practices worldwide. Founded by Dr. Gabriel Brösztl and Michael Ross, Kreston was initially set up to provide an alternative for mid-sized organizations making their first steps into the international arena. In 2021, marking its 50th anniversary, it was rebranded as Kreston Global, reflecting its expanded network and commitment to supporting entrepreneurial businesses globally

About Kreston MDM Revizija d.o.o

Kreston MDM Revizija d.o.o, founded in 2005, has its core focus on auditing activities. The firm emphasizes ethical behavior, independence, and client confidence,

conducting its operations with utmost professionalism. In 2015, after rigorous due diligence, it became an exclusive member for Serbia in the Kreston International

network. As a part of this global network, Kreston MDM is recognized for its compliance and advisory services to entrepreneurial businesses, particularly in the SME

and mid-market sectors. Their expertise is focused on solving real-world economic problems, offering transparent and objective economic analysis and insights.

Our Values

Nurturing Our Team

Core Values for Our Employees:

"Trust the Path, Know the Destination, Grow with Us"

- **Trust:** In our organization, trust is built through consistent, open communication and a commitment to ethical practices, ensuring that every team member is aligned and engaged in responsibly advancing our ESG objectives.
- **Knowledge:** Aligned with our goal of quality education, we support our employees' aspirations and professional development, embodying the value of continuous learning and growth.
- **Growth:** Represented in our efforts for good health and well-being, we ensure our employees grow not just professionally but also personally, fostering a supportive environment for overall development.

Crafting Excellence

Our Commitment to Clients:

"Smart, Insightful, Unique"

- **Smart:** Echoes our responsible consumption and production practices, utilizing smart, digital tools like Kreston Konekt and Caseware PBC for efficient client services.
- **Insightful:** Our deep understanding extends to our partnership goals, where we collaborate across borders, offering insightful solutions rooted in comprehensive global and local knowledge.
- **Unique:** Mirrors our approach to decent work and economic growth, providing unique, tailored services that consider the individual needs and contexts of our clients, contributing to their economic success.

ESG Team

At Kreston MDM Revizija d.o.o., we embrace ESG principles as a collective responsibility, integrating them into every facet of our operations rather than assigning them to a single officer. Each team member plays an active part in shaping our ESG efforts, fostering a culture where sustainability and responsible practices are intrinsic to our work.

Our Managing Director, **Jelena Mihić Munjić**, not only supports but champions these initiatives. Through her leadership, we remain focused on the social impact of our actions and the incorporation of sustainable strategies into our core business.

In tandem with Jelena's guidance, **Biljana Sparavalo** stands out as a natural ESG lead. Her inherent passion and expertise in sustainability are a driving force, inspiring the entire organization to pursue ever-higher ESG standards and continuously evolve our commitment to responsible business.

"My belief is firm in a law of compensation. The true rewards are ever in proportion to the labor and sacrifices made."

Nikola Tesla
Serbian-American inventor and engineer

SUSTAINABLE DEVELOPMENT GOALS



ESG Topics in Kreston MDM Revizija d.o.o

Good Health and Well-Being



- **Emotional Intelligence Workshops and Leadership Coaching:** In collaboration with Dr Tamara Tomovic, we conduct workshops to

enhance self-awareness, empathy, and effective communication among our management team.

Quality Education



- **E-Learning Platform:** We introduced an e-learning platform to train employees and plan to expand it further, ensuring continuous development across the organization.
- **Support for Professional Development:** We encourage higher education and

professional qualifications by providing dedicated study time and financial support.

- **Ongoing Learning:** Training in accounting standards, software tools, and English language proficiency fosters a culture of continual growth.

Gender Equality



- **Balanced Team Approach:** Although our workforce is predominantly female, we actively seek

to include colleagues of all genders, valuing diverse perspectives for a more inclusive workplace.

Decent Work and Economic Growth



- **Work-From-Home:** Employees can work from home on certain days to improve work-life balance and productivity. It helps cut down on commuting time, allows for better focus, and supports overall well-being. As long as collaboration and performance stay strong, this flexibility benefits everyone. The goal

is to create a more motivated and efficient team.

- **Flexible Working Hours & Overtime:** Employees can choose schedules within set parameters and convert overtime hours into paid leave, promoting a healthier work-life balance.

Partnerships for the Goals



- **Cross-Border Collaboration:** We have extended our transfer pricing services and expertise to multiple Kreston firms, alongside partnering with

Letink de Jonge on audit projects, enabling global knowledge exchange and employee mobility.

Responsible Consumption and Production



- **Paper Reduction:** Through tools like Kreston Konekt and Caseware PBC and raising awareness of excessive paper consumption, we have minimized paper use and printing.

- **Greener Offices**
We introduced dozens of plants in our offices after relocating to the LEED Gold-certified Business Garden, reinforcing our commitment to sustainability and responsible resource usage.

Carbon Footprint Analysis

In 2024, we refined our carbon footprint calculations using EU-specific emission factors and included commuting and air travel to better reflect our overall impact.

Scope 2: Electricity Usage

- **Activity Data:** 12,000 kWh/year (1,000 kWh/month for 300 m² office space)
- **Emission Factor (Serbia):** 0.724 kg CO₂e/kWh
- **Calculated Emissions:** 8.69 tCO₂e

Scope 3: Employee Commuting

1. Bus Travel:

- ▶ **Activity Data:** 10 km/day × 35 employees × 220 working days/year
- ▶ **Emission Factor:** 0.105 kg CO₂e/km
- ▶ **Calculated Emissions:** 8.09 tCO₂e

2. Diesel Cars:

- ▶ **Activity Data:** 20 km/day × 220 working days/year
- ▶ **Emission Factor:** 2.68 kg CO₂e/km
- ▶ **Calculated Emissions:** 11.79 tCO₂e

Scope 3: Air Travel

• Flight Data:

- ▶ Belgrade-London (2 passengers): 1,926.6 kg CO₂e
- ▶ Belgrade-Brussels (2 passengers): 1,447.8 kg CO₂e
- ▶ Belgrade-Barcelona (1 passenger): 991.8 kg CO₂e
- ▶ Belgrade-Luxembourg (2 passengers): 1,345.2 kg CO₂e
- ▶ Belgrade-Berlin (3 passengers): 1,710.0 kg CO₂e

• **Total Air Travel Emissions:** 7.42 tCO₂e

Emission factors sourced from the European Environment Agency (EEA), GHG Protocol, and DEFRA guidelines.

Total Carbon Footprint		
Scope	Emission Source	Emissions (tCO ₂ e)
Scope 2	Electricity	8.69
Scope 3	Bus Travel	8.09
Scope 3	Diesel Cars	11.79
Scope 3	Air Travel	7.42
Total		35.99



"As Kreston MDM's ESG Lead, I'm proud of how our team has embraced sustainability as part of our everyday operations. From small steps in the office to community-focused initiatives, we're seeing that even modest actions can create lasting, positive impacts. Together, we're committed to building a more responsible future—one that benefits both our clients and the community we serve."

Biljana Sparavalo
ESG Lead

Future Initiatives

Building on our vision to integrate sustainability principles across all operations, the following initiatives outline our roadmap to achieve meaningful impact. Aligned with EU directives and global best practices, these plans reinforce our commitment to environmental stewardship, social equity, and strong governance.

Environmental Stewardship

➤ Accelerating the Digital Transition

- **Target:** Transition 80% of documentation to digital platforms to reduce paper usage.
- **Action Steps:**
 - Adopt cloud-based document management and e-signature tools to minimize printing.
 - Implement secure digital workflows for client reports and internal approvals.
- **Projected Impact:** Significant decrease in paper consumption and associated costs, improved operational efficiency, and reduced environmental footprint.

Waste Reduction & Circular Economy

- **Policy Alignment:** In accordance with our Waste Management Procedure (Appendix B), we will minimize waste generation, enhance recycling, and promote sustainable practices.
- **Key Measures:**
 1. **Digitize 80% of Office Workflows by 2027**
 - Reduce reliance on paper by integrating electronic filing, invoicing, and reporting systems.
 2. **Waste Segregation**
 - Provide clearly labeled bins for paper and cardboard, plastics, e-waste, and general waste.
 3. **Monitoring & Reporting**
 - Conduct quarterly waste audits to measure volumes and identify improvement areas.
 - Include waste metrics in the annual sustainability report.
 4. **Employee Engagement**
 - Launch a "Green Office Challenge" to foster friendly competition in waste reduction.
 - Provide workshops on recycling and responsible consumption.
- **Projected Impact:** Enhanced compliance with EU Circular Economy principles, reduced landfill contributions, and a more engaged, environmentally conscious workforce.

Social Responsibility

Employee Development

- **Target:** Provide 40 hours of training per employee annually, covering leadership, ESG principles, and technical skills.
- **Action Steps:**
 - Develop an annual training curriculum that balances professional development with sustainability and leadership topics.
 - Encourage cross-functional learning and peer-led workshops to reinforce continuous skill-building.
- **Projected Impact:** Higher employee retention, improved knowledge capital, and a workforce equipped to meet evolving market and regulatory demands.

Community Engagement

- **Target:** Allocate 1% of annual revenue to support education and financial literacy.
- **Action Steps:**
 - Partner with local schools and universities or sponsor scholarships, mentorship programs, and learning resources.
 - Engage employees in volunteer activities and skill-sharing sessions with educational institutions.
- **Projected Impact:** Strengthened community relations, elevated brand reputation, and tangible contributions to educational advancement.

"In giving, we gain—it's a principle we hold close at Kreston MDM. Over the past year, we've taken thoughtful steps to enhance our sustainability efforts and strengthen our community bonds. As we move forward, we remain dedicated to enriching our shared environment and supporting those around us."

Jelena Mihić Munjić
Managing Director

Conclusion

As we reflect on our progress toward our 2025 ESG objectives, our commitment to sustainability has evolved from an initial pledge into a core element of our operations. We have made tangible strides in environmental stewardship, strengthened our focus on social responsibility, and enhanced our governance practices - demonstrating that our approach to ESG is both purposeful and measurable. Yet we recognize this is a continual journey, one that demands ongoing innovation and the flexibility to adapt to new challenges.

Looking ahead, we remain resolute in our mission to deepen our impact, collaborate with stakeholders, and contribute meaningfully to the global sustainability agenda.

An aerial photograph of a dense forest of tall, green coniferous trees. A narrow, light-colored path or road winds through the center of the forest. A small white car is parked on the path, facing away from the viewer. The lighting is soft, suggesting a slightly overcast day or late afternoon. The overall mood is serene and natural.

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