

Peerigon Company Guidelines and Report Edition 2018

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About This Document

We are publishing this as a documentation of our ongoing efforts to become a more sustainable and ethical company.

It contains our guidelines as well as reports on the improvements made each year. Our core values are derived from our manifesto.

Who are we?

We are an agency creating individual software for customers, striving to be experts in our field - the web - and fueled by our passion for everything cutting edge & open source.

We are Peerigon!

Sustainability Guidelines & Report Chapter 2



2.1. Sustainability Guidelines

In order to guide our efforts in sustainability we established a set of guidelines for different areas:

- Food
- Electronic Devices
- Printing
- Merchandising
- Cleaning
- Energy
- Transport
- Partners
- Suppliers

These guidelines are defined in our internal handbook and we take them into account for every company effort.

Food

For our Monthly Brunch, daily food at the office and our self-organized events, we should respect the following guidelines:

- Use organic food.
 - If the food is produced inside the EU, it should have at least the EU organic label.
- If possible, use regionally produced food.
- Mainly vegetarian and vegan food.
- Do not throw food away. Think about foodsharing after events.

Electronic Devices

- Devices and consumables should have the Blauer Engel label, if available.
- New devices should have at least the Energy Star Label.
- Devices should have been manufactured under fair ¹ conditions.
- Manufacturers should have a sustainable software policy to ensure a long usage
 - e.g. very long software support Synology, Sonos
 - or the firmware should be open source with actively maintained projects
 - o e.g. Routers: OpenWRT, OPNsense
 - o e.g. Phones: LineageOS

¹See the Ethical Guidelines section of this report for our understanding of the word "fair".

Printing

- Prefer not to print at all if possible.
- Instead, establish paperless processes.
- Use recycling paper.
- Use as default printer setting duplex and b/w.

Merchandising

- Use recyclable materials.
- Buy organically produced clothing.
- Make sure that the articles have been manufactured under fair conditions.
- Merchandising articles should have a practical use and should be used multiple times/over a time period > 1 month. Do not manufacture too much.

Cleaning

• If possible, use biodegradable cleaning agents, soaps and detergents. Buy articles with at least the EU Ecolabel.



Energy

- Use green power. Only use suppliers with >99% regenerative energy (no CO₂ certificate greenwashing). If possible, use a supplier that reinvests into regenerative energy solutions.
- Switch off all devices when you leave the office.

Transport

- Prefer public transport if possible and economically viable.
- Prefer your bicycle if possible and economically viable.

Partners

- Prefer partners that have sustainable and fair processes.
- Prefer partners that pay taxes at least inside the EU (better: Germany), without any tax tricks.

Suppliers

According to the principles of the Global Compact, the following topics should be considered regarding our suppliers:

Respect for human rights and labour standards, environmental protection and the fight against corruption.

We want to work actively with suppliers whose level of data protection corresponds to that of the EU and who focus on data security and data economy. In the case of suppliers based in the USA, it should be noted that they should either comply with the EU-U.S. Privacy Shield Framework or that they can give us a dedicated DPA (Data Processing Amendment) where they state that they handle data in accordance with the GDPR.

That means for us:

- We actively choose and prefer suppliers who share our values and ethical attitude (see above)
- We prefer suppliers who minimize and compensate for their negative impact on the environment
- We prefer suppliers from our region (Augsburg + 150 km)
- We do not support suppliers who openly violate the above-mentioned topics

We should check our suppliers on:

- 1. **Social issues** (e.g. company values, guidelines for sustainability and fairness, code of conduct)
- 2. **Ecological issues** (e.g. delivery distance for reducing emissions, recyclability)

Goals 2019

To further comply with our guidelines we defined these goals for dealing with and choosing suppliers in 2019:

- Reduce the total number of suppliers and prioritize existing suppliers according to our guidelines
- No more office orders at Amazon (violates our guidelines)
- Bundle beverage orders, so that we only order once per month from our supplier GBZ (instead of 1x per week)
- Improve cooperation with local delivery service <u>Boxbote</u>, e.g. to reduce packaging and to have orders in Augsburg delivered by bike

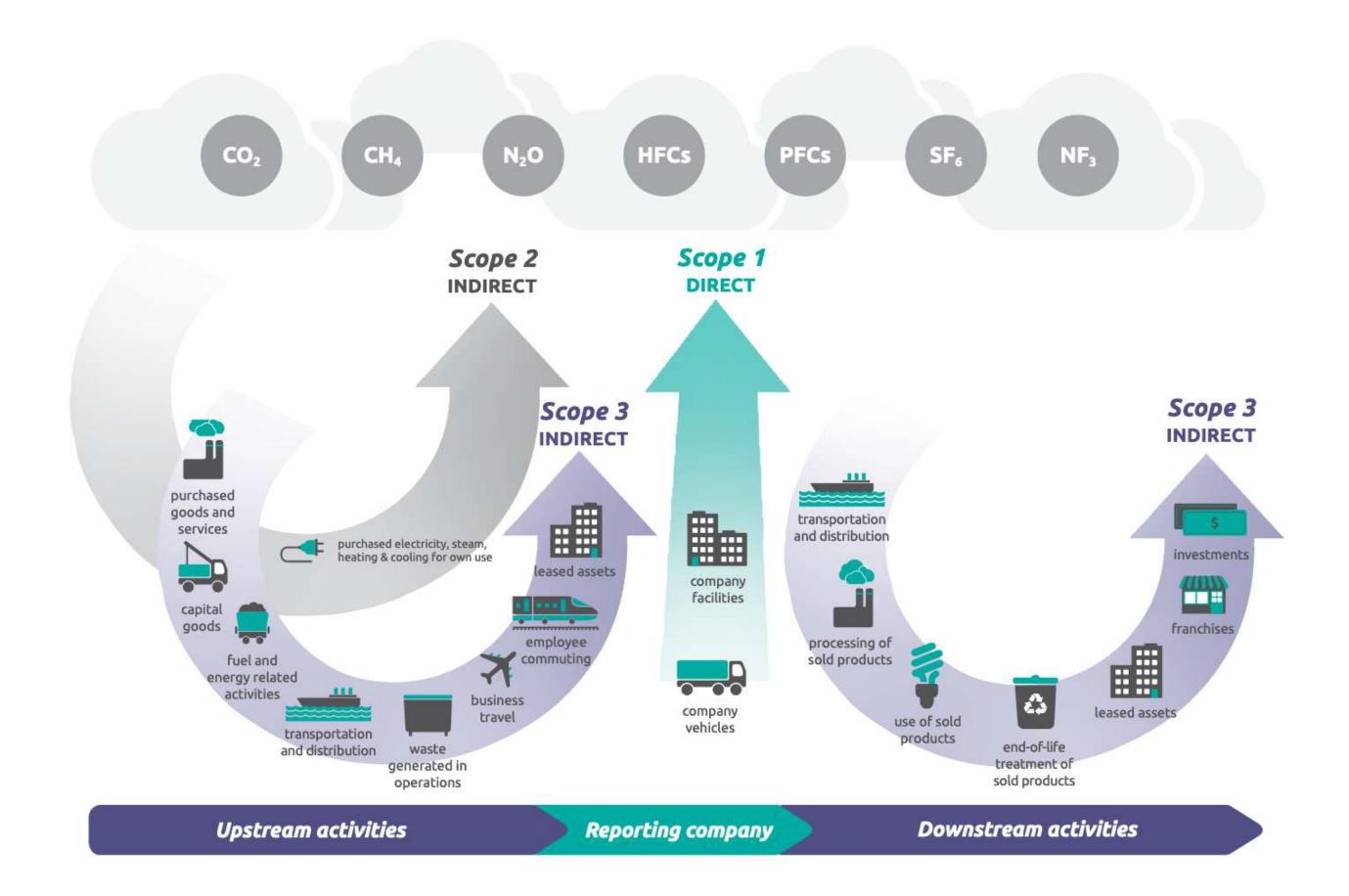
2.2. Sustainability Report

This section evaluates the different areas of our company according to our Sustainability Guidelines. We gather and report on data for different fields. We aim to redo these evaluations for further yearly reports to track progress. In addition to quantitative results we'd like to share success stories, too.

- 1. CO, emissions
- 2. Suppliers
- 3. Staff
- 4. Success stories

2.2.1 Sustainability Report: CO2 emissions

We are working within the framework of the Greenhouse Gas Protocol (GHG) of scope 1, scope 2 and scope 3 emissions:



Total emissions

In total, Peerigon emitted **20.2t CO₂** in 2018. As this is the first year we are collecting relevant data we **expect** this value to be inaccurate.

Area	Emissions (kg)
Scope 1 ¹	_
Scope 2: Energy	778.42
Scope 3: Food	9.5
Scope 3: Inventory	7809
Scope 3: Business Travel	11629
Total	20226

¹We are working on getting reliable data on our scope 1 emissions and hope to be able to include them in our next report. Our main office is located in a shared office building.

As we **spend most of our working hours on virtual goods** we require two main resources: devices to carry out the work and energy to power them.

All of our projects are **remote-first projects**. This means we mainly work from home or from our main office in Augsburg, the home town of the majority of our staff. Besides some other nice effects, this keeps our transport-related carbon footprint low.

Energy

We used energy with the equivalent of **778 kg** CO₂ in our main office. These numbers are only very rough **projections** based on energy measurements using a power meter.

Item	kWh/Unit	Units	Total kWh	Emission Factor ¹	Emissions (kg CO ₂)
Lighting	17.5	16	280	0.338	94.64
Workstations	0.5	3000	1500	0.338	507
Coffee Machine use	0.015	10000	150	0.338	50.7
Coffee Machine idle	0.19	2000	373.03	0.338	126.09

¹This is the average emission factor of the local public utility company Stadtwerke Augsburg.

This is how we calculated each area:

- **Lighting**: Our office area has 16 lighting elements (Philips Master TL5 H0 24w 840). They use 25 kWh per 1000h of use which we combine with 200 estimated days of operations and 3.5 hours average use during the year.
- **Workstations**: One unit equals the power consumption of one workstation per business day. We had 15 employees with an estimated 200 business days each (=3000 units).
- **Coffee Machine use**: One unit equals making one double espresso shot. We made approximately 10000 double shots in 2018.
- **Coffee Machine idle**: One unit equals keeping the coffee machine powered on for 10 hours. This results in 2000 units for 200 business days.

Food

Item	Amount (kg)	Emission Factor	Emissions (kg CO ₂)	Source
Coffee	50	0.19	9.5	Wild-Kaffee
Water	_	_	-	_
Milk	_	_	_	_
Fruits & vegetables	_	_	_	Rollende Gemüsekiste

- The total consumption of coffee for 2018 is **only an estimation**. For the emission calculation we rely on data provided by our environmental-friendly and regional supplier. Our favorite roaster <u>Wild-Kaffee</u> uses a very efficient roasting machine as well as has optimized their supply chain. As such we consumed coffee with the equivalent of **9.5 kg** CO₂.
- We are looking into measuring emissions for the **water, milk and fruits as well as vegetables** provided by the company. We aim to include this in the next report.

Inventory

In total, we purchased equipment which emitted 7809 kg CO₂.

Item	kg CO ₂	Amount	Sum	Lifetime	Source
MacBook 15" 512 GB	386	8	3088	4	Apple
MacBook 13" 256 GB	243	2	486	4	Apple
Dell P2717H Monitor ¹	605	7	4235	6	Dell

- Due to new hires as well as renewal of hardware we purchased quite a lot of new laptops in 2018.
- Interestingly the manufacturers provide a lifetime assessment which includes sourcing of raw materials, design, production, sale, shipping as well as usage over an extended period of time (see table).

¹We use a different model but from the same series. Hence the measurements provided by the manufacturer are a good enough estimation.

Business Travel

In total, we travelled 1 22468 km during which we emitted 11629 kg CO_2 .

Mode	km	Emissions (kg CO ₂)
Bicycle	_	0
Flying	-	10708
Personal car	-	_
Carsharing	594	141
Deutsche Bahn	21874	780

¹Only taking carsharing and train rides into account.

• We currently **don't track the kilometers travelled by bicycle, personal cars and planes**. We aim to include this in the next report.

- We try not to fly whenever possible. But for attending conferences we sometimes do. We account for every flight which was paid for by Peerigon. This does not include flights which were paid by e.g. conference organizers.
- Deutsche Bahn thankfully provides a very detailed yearly report through their Business Report. **Long distance train travel is carbon neutral**. We regularly use the regional trains between Augsburg and Munich to attend meetups, visit clients or commute.
- Using the public transportation system, mostly in Augsburg, is another popular way to commute. Thankfully the **operation of busses and trams of Stadtwerke Augsburg is CO₂-neutral** (Source).

Goals 2019

This years' report highlighted some important areas where we currently can't provide enough data. Hence we'll

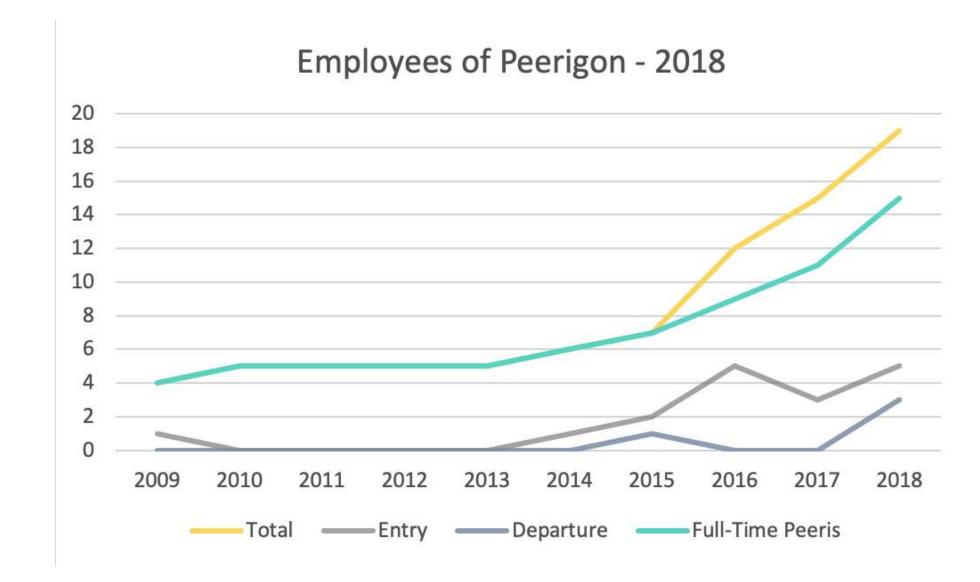
- 1. Collect data about Scope 1 emissions.
- 2. Improve our collection methodology and bookkeeping to provide more accurate values.
- 3. Collect data about working in the home office and personal car use (commute).
- 4. Discuss follow-up actions (reductions, offsetting) based on measured CO₂ emissions.

We hope to provide a more detailed report for 2019.

2.2.2 Sustainability Report: Staff Employee Growth

At Peerigon we believe that in order to be a sustainable company, one must also pursue sustainable personnel development.

No too rapid growth for the integration of all employees and their constant further training is reflected in the long period of time that employees remain in the company.



Employee Training

At Peerigon we believe that constant training and the pursuit of personal as well as professional interests should be of very high priority.

For this purpose, every employee has a **personal training budget of 64 hours per year** to regularly invest time on education. Various sources $(\underline{1},\underline{2})$ indicate that such measures not only improve the efficiency and revenue but also reduce stress and thus improve the health of the team.

To make room for these activities and Peerigon internal content, **Thursdays are reserved for Peerigon work**, so that everyone can focus on their goals or work on those of the company. Each Peeri has a personal budget, which is not limited to technical topics.

This way each Peeri contributed to **542 hours of** personal training.

Further **141 hours of so-called team training** can be added to this timeframe, during which knowledge is passed on or acquired within the group.



During the 683 hours (total) the 16 Peeris who used this budget spent on average **3,5 hours per month** on training.

This way, roughly estimated **2/3 of the budget was used**.

Goal 2019: work on motivating all Peeris to seize their training time

Team Health - Training, Activities, Sport

Parties or joint team activities

In the year 2018, we had a lot to celebrate. We spent **342 hours in total** with 19 peer is on team activities, with our joint birthday bash and our Christmas trip, for example. Supporting this quality time together as a team is an important part of the company culture.



Sport

One hour of sport per week is subsidized for each full-time employee and proportionally for the people with reduced hours. A balanced & regular exercise is important, especially in our field of work where people spend a lot of time seated. We managed to do even more sports than we celebrate together!

Overall we sweated for **345 hours, which is an average of 18 hours per person**, or 23 if we only count the 15 full-time Peeris.

However, with around 48 working weeks a year with one hour of sport each, we can improve this figure considerably - and maybe even double it in the future! Let's see whether motivation through joint Peeri sports activities will improve this value in the coming years.

Ergonomics

In 2018 we were able to invest into **two additional standing desks** next to the existing six.

They serve as a valuable space to meet and code together within the **2 Pairing Boxes** we installed in 2018.

Community Work

Sustainable contribution to community development: lectures, workshops and further knowledge transfer

- Training of (new) employees
- Establishment of a **trainee program**
- Knowledge distribution in several ways
- Creation of future jobs

Community: Lectures

In 2018 we invested **323 hours** into preparing and holding lectures and supervising theses and student projects at Hochschule Augsburg. The lectures that we continue to offer are

- JavaScript
- NodeJS
- "Startklar"

In the future, other Universities can be approached, as we think that this work is a valuable enrichment for us and the community.

Community: Girls'Day

It is important for us to destigmatize the work of a programmer as being only for boys or only something for people with math skills. Web development is fun and should be open to everyone. As we gained experience on how to host the day for the young girls we further increased the number of available slots. In 2018 we hosted the Girls'Day for the **2nd time** and:

- welcomed 4 girls of different schools around Augsburg to our offices
- invested **27 hours**



Community: NodeSchool

At Peerigon we host and mentor chapters of the Nodeschool **since 2015**. In 2018, we were able to organize these community events to teach Node.js and its ecosystem in Augsburg and Munich in roughly 2 month turns. This resulted in:

- 6 NodeSchools with overall 139 attendees
 - 4 NodeSchools Aux with 54 attendees
 - 2 NodeSchools Muc with 85 attendees
- 9 Peeris invested 88 hours into the Nodeschool Aux & Muc

Community: Blog posts and Talks

In June 2018 we were able to start our Blog! This resulted in

- at least 1 Blog post per month for the second half of the year
- in total 10 blog posts with overall 44 minutes of reading time

When we cumulate these numbers with the time we prepare and give talks, **15 Peeris spent 455 hours** to share their knowledge with **writing blogposts and preparing and giving talks!**

Community: Goals 2019

- improve the curriculum for pupils and offer more slots to learn on Girls'Day
- continue hosting NodeSchool Aux & Muc
- work on new blog posts and use them as input for lectures or talks
- accept new challenges and offer lectures at other universities

2.2.3 Sustainability Report: Suppliers Our Actions

- Our main action in 2018 was to do a **survey of our existing relationships**. We categorized all existing suppliers and realized we can reduce and combine orders. Furthermore, some suppliers do not meet our sustainability guidelines.
- We are currently **evaluating the alternative marketplace** Memo for general office supplies. They only list manufacturers which meet their sustainability guidelines and use reusable packaging.
- We increased our meeting room capacity by having a local business **install two wooden boxes inside our office**. Besides using the sustainable resource wood as the main building material, we can also use our office space more efficiently now.

2.2.4 Sustainability Report Success stories

We want to share our internal projects to become a more sustainable company. Guidelines are a good start, but here we will show how those transform into actions each year.

Heating Improvements

Peerigon is currently situated inside the <u>aitiPark</u>, a relatively new and energy-efficient building. The main heating and cooling is provided by an "active" ceiling and floor (concrete core).

However, during winter, there are additional radiators to provide heating. There are 22 radiators inside our office space.

Due to the shared nature of the building, there is no centralized shutdown on weekends. With the normal, manual radiator controls, this means somebody needs to manually decrease the thermostat setting on all radiators before nights, weekend (as we do not work on weekends) or before public holidays.

You can probably guess that this is a hard task to remember and and inconveniance if you want to leave the office on a Friday. It also means that during winter, the office would be quite cold on a Monday morning, as a large space also takes a while to heat up.

So we did what we always try to do with menial and repetitive tasks: automate it away!

In 2018, we installed centrally controllable heating thermostats onto the existing radiators. The smaller rooms each have a central controller (to manage the temperature per room), our large central office space has two zones (two controllers).



The controllers are programmed with a timetable (usually Monday to Friday, 7 - 19: 22°C, 19 - 7: 18°C). By using a gateway inside our network, we can also control it remotely and shutdown the heating if needed. Or use it to shut it down on public holidays, for example.

We are still trying to figure out the savings in terms of CO₂ (which is difficult because it needs to be approximated from office size, etc.), but we spent (at least) a total amount of **5616 hours** (234 days - **nearly 2/3 of the year**!) at the lower 18°C setting, compared to before.

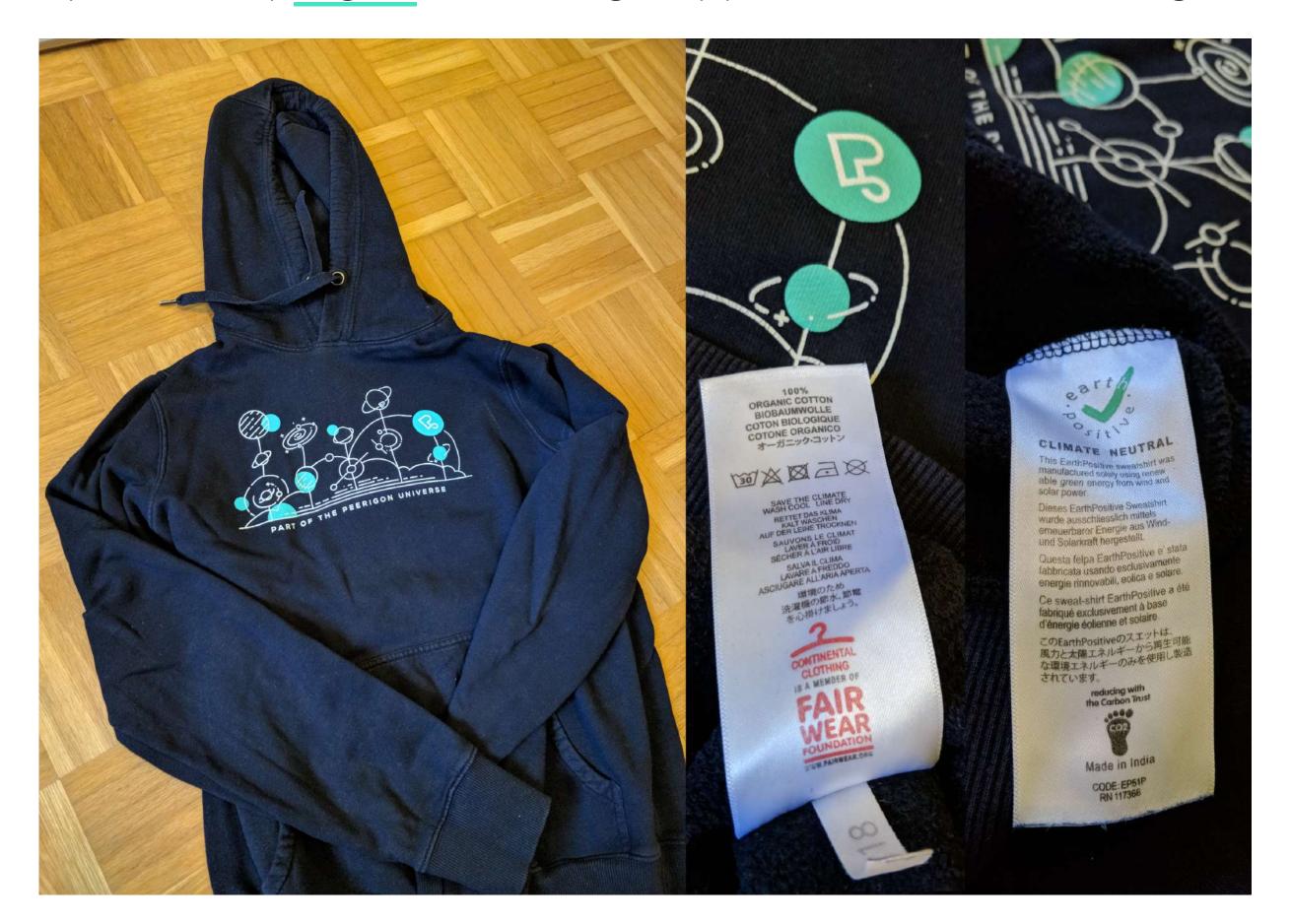
Clothing (Swag)

In 2018, we changed our guidelines for company merchandise to discourage spending money on single-use, throw-away products (like paper cups or balloons).

But we desperately needed new swag for our people! The solution: hoodies for Peerigon.

As you might know, the global clothing industry is facing difficulties with becoming more sustainable. Therefore, we tried to find a local supplier that specializes in manufacturing fair and sustainable clothing mainly inside the EU.

All our hoodies were produced by <u>degree</u>, with biologically produced cotton and using renewable energy.



Transportation: Car Sharing

As we do most of our work online, we rarely need cars for company use. We have two simple rules for company travel:

- Prefer public transport if possible and economically viable.
- Prefer your bicycle if possible and economically viable.

The top occasions for using a car for us are:

- Customer meetings in locations that are not efficiently accessible with public transport or bike
- Team events
- Shopping: getting office supplies / furniture / ...

The Stadtwerke Augsburg have a broad and flexible offering of car sharing cars. You can get everything from a small 4-seat city car up to a 9-seat bus or van with an uncomplicated booking process.

In 2018, we signed up for a company-wide account and were using the SWA carsharing 6 times. This helped us to reduce the amount of needed parking space, maintenance cost, and of course avoids the amount of CO₂ and the use of resources the production of a car just for Peerigon would emit.



On our way to our yearly christmas hut party - with three SWA cars.

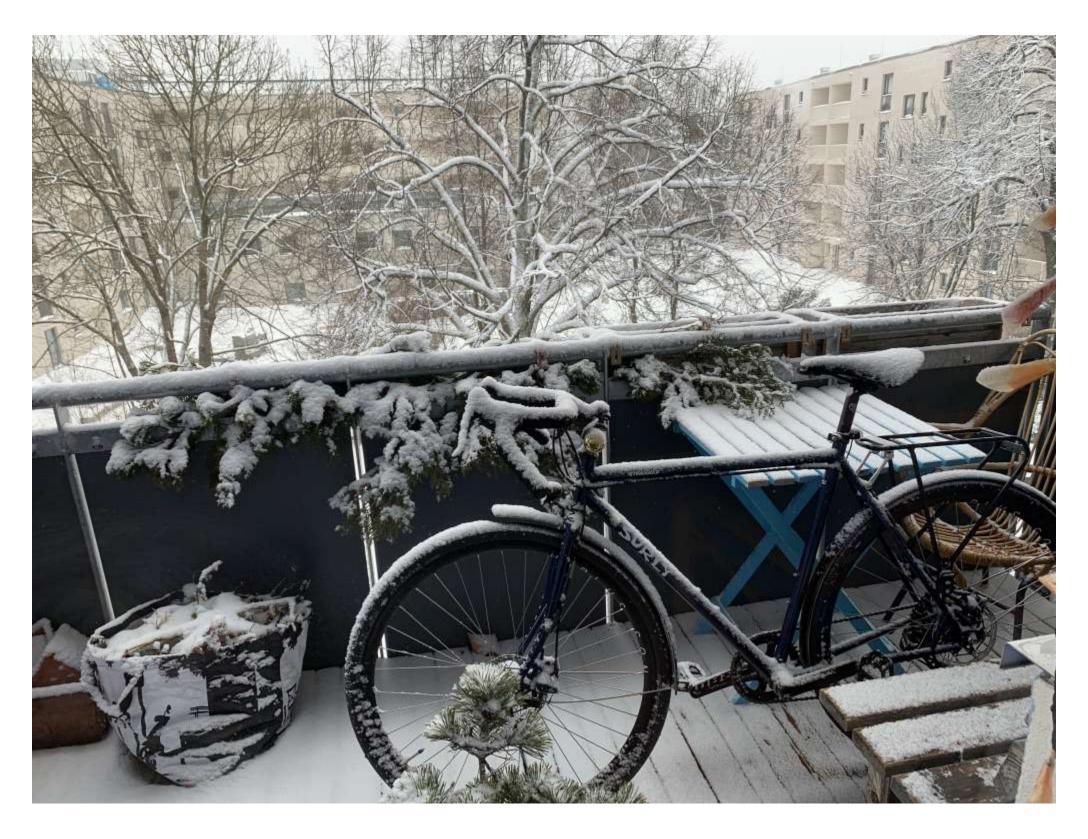
Transportation: Bike Leasing (JobRad)

Due to our transportation guidelines explained before, we do not see company cars as a requirement for a digital company. But this also means that our employees miss out on tax benefits compared to having a company car for private use.

To furthermore encourage the use of (e-)bikes and to enable at least some kind of tax benefit, we signed up for JobRad, the largest bike leasing provider in Germany.

We chose JobRad because they have a long history of expertise, the largest network of dealers, include a mobility service and they offer the possibility to buy the bike after the leasing period.

We hope this will be a success story in the future and we will follow-up with leasing numbers in 2019!



The first JobRad - an early christmas present!



3.1. Ethical Guidelines

As an agency, we have to constantly evaluate and decide on incoming requests for business. Besides practical information like scope and financials **we are taking our responsibility towards society serious**. As such, we do not want to engage with certain companies and institutions. Such companies might either act unfairly or work in industries we cannot support. Using the following guidelines, we aim to streamline and standardize the process.

Evaluating Clients Process

We have a 2-tier process for evaluating clients:

- 1. Quick Check
- 2. Ethical investigation group

In order to structure the findings, we created an **evaluation template** to be filled out in each step.

Quick check

Every potential new project should be evaluated against our guidelines in a quick check. In case of concerns, those should be added to our internal project lead workflow documentation.

Basic research:

- Check the website
- Check sources (Fair Finance Guide, SIPRI, Tagesschau.de, ...)
- Look / ask for clients ethical guidelines
- Validate against our No-Gos

Ethical investigation group

In most cases, someone on the team might have more insights regarding certain companies / industries / topics and will inform the team about those concerns.

If this is the case, the person should pick a buddy to work on the ethical aspect of the project following our predefined template. The ethical guidelines group will support you with any questions and ideally one of the group members should join the investigation group.

Notes:

- The investigation has to be finished within a week
- The investigation should not take longer than 8 hours
- Talk to the client openly about concerns
- Donations could be interesting because some NGOs have guidelines regarding donations

No-Gos

If a client does any of the following, we won't work with them:

- Tax evasion
- Arms / weapons industry
- Slavery / child labour
- Strong environmental offences

If a client has a customer doing any of the above, we have to discuss it per case.

Decision Process

- The Ethical investigation group presents their findings during the following weekly meeting
- Everyone with concerns can vote against the project
- The founders will consider the investigation and votes and decide about the project in a founders meeting
- Everyone should consider consequences like a potential lack of jobs and financial implications
- Someone who voted against the job does not have to be part of the project team

Fairness

For Peerigon "Fairness" includes the following attributes:

- Honesty
- Respecting other people's freedom
- Using resources with proper/equal compensation, e.g.
 - Proper payment of workers (no wage dumping / exploitation)
 - Paying appropriate taxes when profiting from tax-financed (public) services
 - Compensating for negative impact on the environment if avoidance is not possible

In conclusion:

An entity is fair when it strives to avoid the negative impact on its surroundings.

3.2 Ethical Report

Clients

In order to streamline and standardize our process for evaluating companies, we established the Ethical Guidelines for clients as well as created the internal Ethical investigation group. The group supports the evaluation.

Evaluation overview

Year	Clients Evaluated	Clients Rejected	Reasons for Rejection
2018	0	0	_

We only established the working group in Q4. We will present more data next year.

Donations

We donate to organizations to support different causes twice a year. In 2018 we **donated 2500 Euros** to eight different projects:

- Women Who Code
- One Dollar Glasses
- Campact
- Viva Con Aqua
- netzpolitik.org e.V.
- Grandhotel Cosmopolis Augsburg
- ReDI school
- One hundred for Haiti



Outlook: Peerigon in 2019

- We plan to create and publish **yearly reports** from now on.
- Future evaluations should take previous reports into account and improve data collection.
- We continue to iterate on both our sustainability and ethical guidelines to **become a better company**.

Thank you for taking the time to read our company guidelines report 2018. We hope to see you again next year! No

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