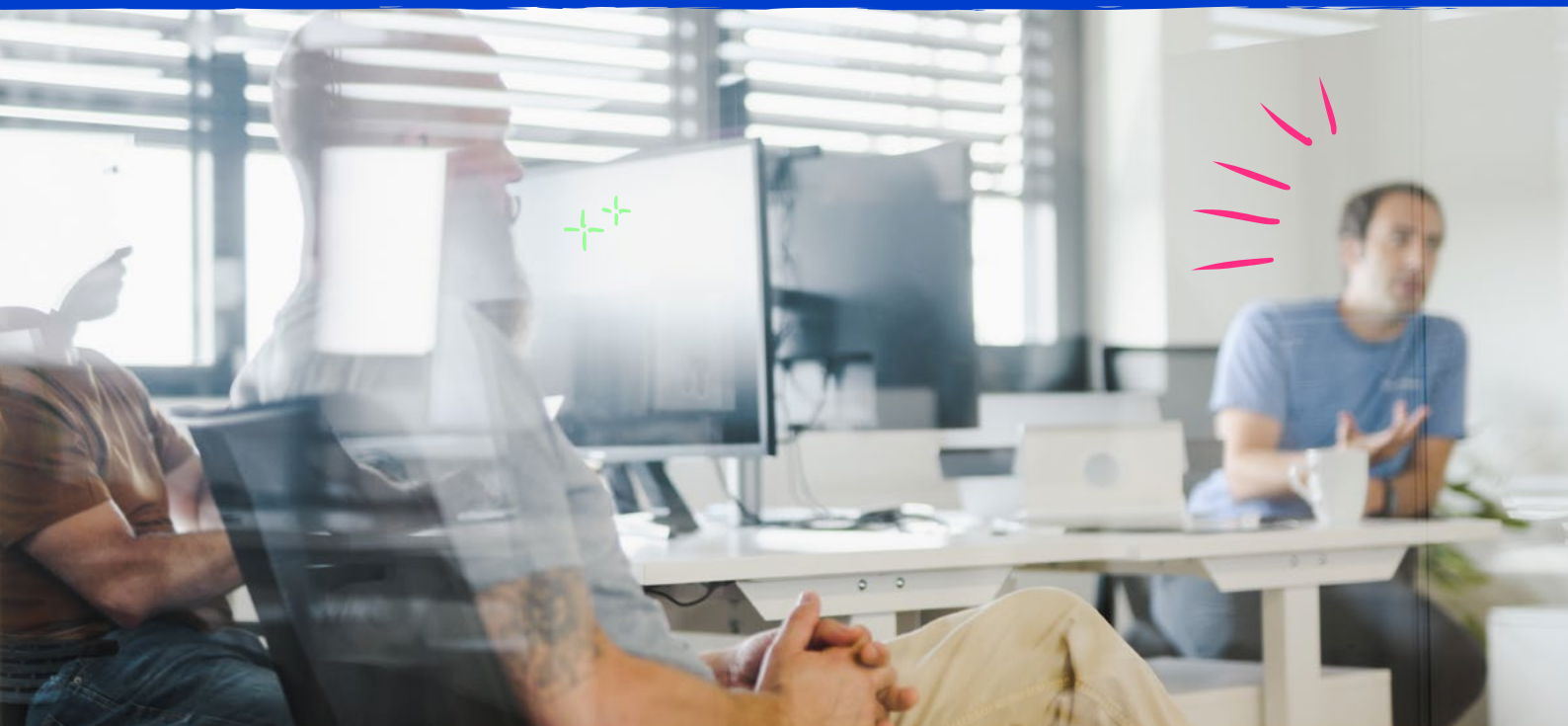


# Common Good Report for the 2020 financial year



# Contents

General information about the company	3
General company information	4
Products and services	5
The company and the common good	6
Audit opinion	7
A1 Human dignity in the supply chain	8
Negative aspect: violation of human dignity in the supply chain	11
A2 Solidarity and social justice in the supply chain	12
Negative aspect: abuse of market power against suppliers	14
A3 Environmental sustainability in the supply chain	15
Negative aspect: disproportionately high environmental impacts in the supply chain	18
A4 Transparency and co-determination in the supply chain	18
B1 Ethical position in relation to financial resources	20
B2 Social position in relation to financial resources	22
Negative aspect: unfair distribution of funds	22
B3 Use of funds in relation to social and environmental impacts	23
Negative aspect: reliance on environmentally unsafe resources	24
B4 Ownership and co-determination	25
Negative aspect: hostile takeover	26
C1 Human dignity in the workplace and working environment	27
Negative aspect: violation of human dignity in the supply chain	29
C2 Structuring of employment contracts	30
Negative aspect: unfair structuring of employment contracts	32
C3 Environmentally friendly behavior of staff	33
Negative aspect: guidance on waste and environmentally damaging practices	34
C4 Co-determination and transparency within the organization	35
Negative aspect: obstruction of works councils	37
D1 Ethical customer relations	37
Negative aspect: unethical advertising	40
D2 Cooperation and solidarity with other companies	41
Negative aspect: abuse of market power to the detriment of other companies	42
D3 Impact on the environment in the use and disposal of products and services	43
Negative aspect: willful disregard of disproportionate environmental impacts	44
D4 Customer participation and product transparency	45
Negative aspect: non-disclosure of hazardous substances	46
E1 The purpose of products and services and their effect on society	47
Negative aspect: unethical and unfit products and services	48
E2 Contribution to the community	49
Negative aspect: inappropriate non-payment of tax	50
Negative aspect: no anti-corruption policy	50
E3 Reduction of environmental impacts	51
Negative aspect: infringement of environmental regulations and disproportionate environmental pollution	52
E4 Transparency and co-determination	53
Negative aspect: lack of transparency and willful misinformation	54
Perspective	55
How this Common Good Balance Sheet was created	56



## General company information

Company name:



Ownership and legal form:

GmbH (German equivalent to Limited Liability Company)

Website:

<https://raidboxes.io/en/>

Industry:

Web hosting

Company headquarters:

Hafenstraße 32, 48153 Münster, Germany

Total number of employees:

32

Full-time equivalents:

27.5

Seasonal or temporary workers:

0

Turnover:

2,777,148 euros

Net profit for the year:

-521,723 euros

Period under review:

2020

## Brief presentation of the company

Raidboxes' mission is to give people working professionally with the content management system (CMS) WordPress the freedom to host and manage their website so they can concentrate fully on their business. These WordPress professionals includes agencies, freelancers, shop owners and publishers of online magazines. We provide a dashboard with various settings and features to enable our customers to create, develop and manage multiple WordPress websites as easily, efficiently and centrally as possible.

The story of Raidboxes begins in 2013 when our founders Torben Simon Meier and Johannes Benz were running an online agency in Münster, Germany. While working with their clients, they quickly realized how many hours they had to invest in the installation, development and maintenance of WordPress websites. At that point, dedicated WordPress hosting was only available in the USA which meant long communication channels, uncertain server security and difficult customer support. The desire for simple WordPress hosting with maximum performance and security from Germany quickly arose. In 2014, this wish was put into practice and the first Raidboxes prototype was created. After two years of intensive development, Raidboxes received a seed investment from a high tech start-up fund in 2016 and became the number one WordPress host in the German-speaking region. In 2019, Raidboxes received further growth funding from four investors to strengthen its market position and expand the team.

Raidboxes management decided to introduce *Holacracy* already back in 2016 and thus do without classical hierarchies within the company. Holacracy has been a part of the company DNA from the very beginning and has been able to grow successfully with the team. Today, Holacracy is not only an integral part of the corporate culture, but is often a reason why candidates choose to apply at Raidboxes.



## Products and services

Raidboxes offers managed WordPress hosting – we provide our customers with web storage on which their WordPress websites run securely and quickly. Compared to generic web hosts, the “managed” part of our hosting is what sets it apart. It can take several hours of work every month to set up and manage a WordPress website and, with multiple websites, this effort multiplies. When you run a WordPress website, for example, you have to take care of SSL certificates, look for and configure plugins for backups, caching or security and always keep the WordPress version plus your plugins and themes up to date. Customers don’t have this effort at Raidboxes and can concentrate fully on their core business or use the time they save for other pursuits.

The Raidboxes Dashboard – the administration interface our customers use to manage their WordPress projects – has many settings and options. These options were developed so our customers can experience the simplest solutions in hosting and managing their websites, without compromising on their flexibility. Because here, too, we follow our mission to give our users freedom.

Raidboxes customers can choose between several subscription plans for their WordPress hosting, which represent different performance levels. The availability of Raidboxes Dashboard features hardly differs between the plans, however. On our smallest plan, we have hosting for customers who do not use their WordPress website commercially where server resources are shared with the websites of other customers. Our other hosting plans are based on a vServer infrastructure. In simple terms, this means the server resources and services associated with the plan are permanently allocated and customers do not share them with other websites. The various vServer plans are tailored to different target groups or requirements (e.g. online shops) and therefore offer different levels of service. The higher the Random Access Memory (RAM), the number of CPU cores or the PHP memory limit, for example, the more calls a website can handle.

Our WordPress hosting has also been climate-positive for over a year. We achieve this on the one hand by working with data centers that use certified green electricity. On the other hand, we work together with the [Eden Reforestation Projects](#) organization and plant trees – one for every new website hosted with us, as well as for diverse initiatives like conferences, campaigns or new partnerships.

In addition to WordPress websites, users can order and manage domains via the Raidboxes Dashboard. In cooperation with Mailbox.org, we also offer email hosting directly via the Raidboxes Dashboard. We use the provider Mailbox.org to provide our customers with a particularly secure email hosting service. Domains and email hosting only account for about 5 percent of our turnover, however.



## The company and the common good

Raidboxes has been a member of the ECG regional group Münsterland for two years and has actively participated in several events during this period. We network within the Solidarischen Unternehmen Münsterland (SUM) and have made our offices available to the SUM network several times for events. Within the framework of an internal vision workshop, we started to deal with the ECG with the help of the quick test.

### Contact:

Johannes Benz  
[johannes@raidboxes.de](mailto:johannes@raidboxes.de)



# Audit opinion



**ECONOMY**  
FOR THE COMMON GOOD  
An economic model for the future

Company with Balance  
and Audit

AUDIT CERTIFICATE:	External Audit	Common Good Balance Sheet:	Raidboxes GmbH
	<b>M5.0 Compact</b>	<b>2020</b>	Auditor: <b>Daniel Mindnich</b>

VALUE	HUMAN DIGNITY	SOLIDARITY AND SOCIAL JUSTICE	ENVIRONMENTAL SUSTAINABILITY	TRANSPARENCY AND CO-DETERMINATION
STAKEHOLDER				
<b>A: SUPPLIERS</b>	<b>A1</b> Human dignity in the supply chain  0 %	<b>A2</b> Solidarity and social justice in the supply chain  10 %	<b>A3</b> Environmental sustainability in the supply chain  10 %	<b>A4</b> Transparency and co-determination in the supply chain  10 %
<b>B: OWNERS, EQUITY AND FINANCIAL SERVICE PROVIDERS</b>	<b>B1</b> Ethical position in relation to financial resources  10 %	<b>B2</b> Social position in relation to financial resources  . / .	<b>B3</b> Use of funds in relation to social and environmental impacts  0 %	<b>B4</b> Ownership and co-determination  10 %
<b>C: EMPLOYEES, INCLUDING CO-WORKING EMPLOYERS</b>	<b>C1</b> Human dignity in the workplace and working environment  70 %	<b>C2</b> Self-determined working arrangements  30 %	<b>C3</b> Environmentally-friendly behaviour of staff  20 %	<b>C4</b> Co-determination and transparency within the organisation  50 %
<b>D: CUSTOMERS AND OTHER COMPANIES</b>	<b>D1</b> Ethical customer relations  50 %	<b>D2</b> Cooperation and solidarity with other companies  10 %	<b>D3</b> Impact on the environment of the use and disposal of products and services  10 %	<b>D4</b> Customer participation and product transparency  60 %
<b>E: SOCIAL ENVIRONMENT</b>	<b>E1</b> Purpose of products and services and their effects on society  20 %	<b>E2</b> Contribution to the community  50 %	<b>E3</b> Reduction of environmental impact  20 %	<b>E4</b> Social co-determination and transparency  30 %

Certificate valid until:  
**08/31/2024**

**BALANCE  
TOTAL: 256**

This certifies the audit of the Common Good Report. The certificate relates to the Common Good Balance Sheet 5.0. AUDIT  
CERTIFICATE ID: gkygc



## A1 Human dignity in the supply chain

*Which goods and services are purchased? What are the criteria for selecting suppliers?*

Our most important suppliers are the operators of our data centers. These service providers were selected in terms of quality, technical specifications, server location, data protection and price as well as environmental sustainability (see A3). The majority of our servers are standardized hardware and software from Hetzner. This is supplemented by servers from Dogado where a complete cloud infrastructure is available to us.

To a small extent, Digital Ocean also provides us with standardized hardware and software.

We use domain infrastructure from InterNetX and mail infrastructure from Heinlein Support. Amazon Web Services provides us with backups of the hosted websites. These companies were selected with regard to quality, technical specifications, data protection and price.

Various software is provided by companies such as Intercom, Aircall and Zoho. They were selected with regard to quality, practicability, data protection and price. Another important service we use is online advertising. In particular, we advertise on Facebook, Twitter and LinkedIn platforms to promote our company. Job advertisements have been placed on the Stack Exchange platform. In addition, we take advantage of the possibility to be displayed preferentially in search results in the Google search engine. Other suppliers include the electronics retailer Cyberport and the online retailer Amazon. They were selected with regard to price, product variety and convenience. We selected our legal and tax advisors with regard to trustworthiness, regionality and price. In addition to the payment service provider BS Payone, the tourism service provider Airbnb and the self-employed Stefan Leuthoff, our suppliers include graphic and web designers, advertising agencies as well as shops and online shops for everyday office, food and household supplies.





### How are social risks in the supply chain reviewed or evaluated?

Social risks have not yet been systematically checked in the supply chain. For our largest suppliers, Hetzner and Dogado, we chose German companies to minimize social risks.

This is the first time we have carried out a risk assessment, with the help of an assessment of the supplier's general business behavior. We make this assessment on the basis of the location and size of the company as well as, if applicable, the industry and, in some cases, publicly known assessments and allegations. Employee working conditions, in particular, play a role here.

The companies Hetzner, Dogado and Heinlein Support, the tax consultancy "Sommerfeld, Majka, Reifig" and the law firm Meibers are all located in Germany. Stefan Leutloff is self-employed. As there is personal contact and regular exchange with all of them within the scope of our business relations, we can assure responsible business behaviour. Accordingly, we consider the social risk to be very low.

The companies InterNetX, Cyberport and Payone are medium-sized companies based in Germany. The medium-sized company Aircall is based in France. The US company Zoho has a registered location in Germany. In view of this data, we assume responsible business behavior for these companies. We assess the overall social risk at these companies as low.

The companies Digital Ocean, Twitter, Intercom and Stack Exchange as well as the Microsoft subsidiary LinkedIn have their headquarters in the USA. Their European part of the company, if any, is located either in Ireland or the UK. We do not see any evidence of irresponsible business behavior. Most of their staff are, however, employed in the USA so it is possible the same working conditions do not apply there as in Europe. We thus assume a moderate social risk for these companies.

The companies Meta (Facebook), Google and Airbnb are headquartered in the USA and have a European part of the company in Ireland. The MSCI sustainability standard classifies their business conduct as below-average responsible. The companies often employ their staff in the USA and occasionally in Asia. It is therefore possible that, to a large extent, the working conditions there are not the same as in Europe. This assessment applies equally to the Amazon subsidiary Web Services. We assume that the allegations regarding working conditions (see negative aspect) do not apply to Amazon Web Services, as the company operates in a different industry than the parent company. We assume that the companies mentioned have an increased social risk.



### Which certificates do acquired products have?

With regard to social aspects, none of the above-mentioned suppliers have a certificate. Items for everyday office use, such as coffee, occasionally have a fair trade label.

### Mandatory indicators:

Supplier	Parent Company	Industry	Purchase Sum	Share	Working Conditions
Hetzner Online		Servers/Data Centers	€616,057	32.94 %	● ● ● ● ●
Dogado		Servers/Data Centers	€253,255	13.54 %	● ● ● ● ●
Facebook	Meta	Advertising	€146,666	7.84 %	● ●
Google	Alphabet	Advertising	€102,632	5.49 %	● ●
Digital Ocean		Servers/Data centers	€62,429	3.34 %	● ● ●
InterNetX		Domain-Infrastructure	€48,511	2.59 %	● ● ● ●
Twitter		Advertising	€47,117	2.52 %	● ● ●
Heinlein support		Mail Infrastructure	€42,173	2.25 %	● ● ● ● ●
Sommerfeld, Majka, Reifig		Tax Consulting	€27,387	1.46 %	● ● ● ● ●
Stefan Leutloff		Project Management	€19,836	1.06 %	● ● ● ● ●
Linkedin	Microsoft	Advertising	€17,715	0.95 %	● ● ●
Amazon		Mail Order	€17,686	0.95 %	●
Amazon Web Services	Amazon	IT Services	€16,463	0.88 %	● ●
Intercom		Software	€15,841	0.85 %	● ● ●
Cyberport	Hubert Burda Media	IT Mail Order	€13,533	0.72 %	● ● ● ●
Aircall		Software	€10,024	0.54 %	● ● ● ●
Zoho		Software	€9,811	0.52 %	● ● ● ●
Payone		Payment Processing	€9,715	0.52 %	● ● ● ●
meibers.rechtsanwälte		Legal Advice	€9,012	0.48 %	● ● ● ● ●
Airbnb		Tourism	€7,937	0.42 %	● ●
Stack Exchange		Job Advertisements	€7,500	0.40 %	● ● ●
<b>Total</b>			<b>€1,501,302</b>	<b>80.27 %</b>	
			<b>€1,870,356</b>	<b>100.00 %</b>	

● ● ● ● ● Very low risk    ● ● ● ● Lower risk    ● ● ● Moderate risk    ● ● Higher risk    ● High risk

### Potential for improvement and goals:

The general discussion of the Common Good Balance Sheet has led to increased awareness in our purchasing behavior. Therefore, we would like to shed more light on the topic of supply chains. To this end, comprehensive purchasing guidelines are to be developed in 2022. Likewise, lists of criteria are to be developed and presented to existing, new and potential suppliers.

## A1 Negative aspect: violation of human dignity in the supply chain

Can the company confirm that human dignity is not violated in the supply chain of the main suppliers?

We cannot exclude the possibility that human dignity is violated in the supply chain at Amazon.

Which areas of the supply chain pose a particular threat to human dignity?

What measures are taken to reduce and avoid these impacts?

We use shipping services from Amazon. The company is headquartered in the USA and has a European part of the company in Luxembourg. In Amazon we see below-average responsible business behavior and major weaknesses in working conditions. In the mail order business, there have been increasing allegations of human rights violations, such as excessive monitoring of employees. We therefore see a high social risk here.

There have not been any measures introduced thus far to avoid possible impacts. A reduction of the impact is impossible as we do not have any market power over Amazon.

### Mandatory indicators

The share of ethically risky products corresponds to our purchasing from Amazon. These account for only a small proportion of approximately 1 percent of total purchases.



## A2 Solidarity and social justice in the supply chain

What measures does the company take along the supply chain to demand and promote fairness and solidarity among all participants? How does the company monitor and sanction any risks and grievances in this regard?

So far, we have not implemented any corresponding measures along the supply chain.

We have not yet systematically reviewed risks in this regard. Therefore, no sanctions are applied. For our largest suppliers Hetzner and Dogado, we intentionally chose German companies in order to minimize corresponding risks.

We are carrying out a risk assessment here for the first time. This is done with the help of an assessment of the supplier's general business behavior. We make this assessment on the basis of location and company size as well as the industry, if applicable.

We have personal contact and regular exchanges with the companies Hetzner, Dogado and Heinlein Support, the tax consultancy "Sommerfeld, Majka, Reifig", the law firm Meibers and the self-employed Stefan Leutloff as part of our business relationships. We can therefore ensure responsible business conduct and accordingly assume a low risk.

We are not aware of any allegations of irresponsible business behavior at InterNetX, Cyberport, Payone, Aircall, Zoho, Digital Ocean, Twitter, Intercom and Stack Exchange. We therefore assume a moderate risk for these companies.

The business behavior of the companies Facebook, Google, Amazon (this includes the subsidiary Web Services) and Airbnb is below average in terms of responsibility. We therefore see an increased social risk here.



## Mandatory indicators:

Supplier	Parent Company	Industry	Purchase Sum	Share	Solidarity & Justice
Hetzner Online		Server/Data Centers	€616,057	32.94 %	■■■
Dogado		Server/Data Centers	€253,255	13.54 %	■■■
Facebook	Meta	Advertising	€146,666	7.84 %	■
Google	Alphabet	Advertising	€102,632	5.49 %	■
Digital Ocean		Server/Data Centers	€62,429	3.34 %	■■■
InterNetX		Domain Infrastructure	€48,511	2.59 %	■■■
Twitter		Advertising	€47,117	2.52 %	■■■
Heinlein Support		Mail Infrastructure	€42,173	2.25 %	■■■
Sommerfeld, Majka, Reifig		Tax Consulting	€27,387	1.46 %	■■■
Stefan Leutloff		Project Management	€19,836	1.06 %	■■■
LinkedIn	Microsoft	Advertising	€17,715	0.95 %	■■■
Amazon		Mail Order	€17,686	0.95 %	■
Amazon Web Services	Amazon	IT Services	€16,463	0.88 %	■
Intercom		Software	€15,841	0.85 %	■■■
Cyberport	Hubert Burda Media	IT Mail Order	€13,533	0.72 %	■■■
Aircall		Software	€10,024	0.54 %	■■■
Zoho		Software	€9,811	0.52 %	■■■
Payone		Payment Processing	€9,715	0.52 %	■■■
meibers.rechtsanwälte		Legal Advice	€9,012	0.48 %	■■■
Airbnb		Tourism	€7,937	0.42 %	■
Stack Exchange		Job Advertisements	€7,500	0.40 %	■■■
<b>Total</b>			<b>€1,501,302</b>	<b>80.27 %</b>	
			<b>€1,870,356</b>	<b>100.00 %</b>	

■■■ Lower risk
■■■ Moderate risk
■ Higher risk

To our knowledge, none of our major purchased products and services have a label that takes solidarity and justice into account.

Furthermore, fair and solidarity-based dealings have not yet been addressed with any suppliers and no supplier has been selected on the basis of corresponding criteria.

## Potential for improvement and goals:

In the context of the purchasing guidelines and list of criteria named in A1, solidarity and justice of suppliers should be given greater consideration.

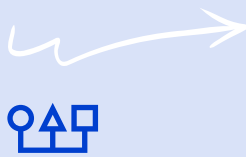
## A2 Negative aspect: abuse of market power against suppliers

Can the company confirm that solidarity and fairness in the supply chain are not violated and that the market power of the main suppliers is not exploited?

We cannot confirm beyond doubt that solidarity and fairness are not violated along the supply chain. However, we do not have any concrete information that would allow a high risk assessment of a supplier.



We do not abuse market power  
against our key suppliers.





## A3 Environmental sustainability in the supply chain

Which criteria are used to select raw materials, products and services? Which ecological criteria are taken into account when selecting products and suppliers?

We already explained how we select products and services in the section A1 above.

Ecological criteria were only taken into account for some of the major suppliers.

Our largest suppliers Dogado and Hetzner were selected according to the source of electricity (renewable energies) as well as their origin (Germany).

In the case of goods for daily use, we also make more frequent use of ecologically higher-quality products, e.g. regional products and those certified organic.





### How are ecological risks in the supply chain evaluated?

Ecological risks in the supply chain have not been systematically evaluated so far. This is the first time that we have evaluated ecological risks.

We consider the CO<sup>2</sup> emissions of our suppliers to be a significant ecological risk. In this context, we take into account the measures and objectives taken to reduce and compensate as well as the size and sector of the company. As far as possible, we include compatibility with the Paris Climate Agreement.

With the companies Hetzner, Dogado and Digital Ocean, we can trace and confirm that the servers we use are located in Germany and are operated with green electricity. Therefore, we consider the ecological risk with these companies to be very low. However, we would generally like to see greater transparency from Digital Ocean with regard to ecological sustainability.

The companies Facebook, Google and the LinkedIn parent company Microsoft have CO<sup>2</sup> reduction targets compatible with the Paris climate goals. The companies InterNetX and Heinlein Support are characterized by an ecological orientation that suggests compatibility with the Paris Climate Agreement. We therefore consider the ecological risk with these companies to be low.

We see a low ecological risk for the tax consultancy "Sommerfeld, Majka, Reifig", the law firm Meibers and the project manager Stefan Leutloff due to their industry and size. The companies Airbnb and Stack Exchange also have a business model that is compatible with the Paris Climate goals and therefore also have only a low risk. In our view, however, there is little potential for environmental improvement among the suppliers mentioned.

We do not have any information on environmental sustainability from the companies Payone and Cyberport. These companies are not active in business areas that are excessively affected by ecological risks. The Amazon subsidiary Web Services and Twitter have, in our view, an ecological objective that is compatible with the Paris Climate Agreement. The software companies Intercom, Zoho and Aircall do not provide any information on environmental sustainability. Their servers are located at Amazon Web Services sites. Overall, we see a moderate risk with these companies.

Amazon's CO<sup>2</sup> reduction targets are not compatible with the Paris Climate Agreement. We attribute this in particular to the mail order business. We see an increased ecological risk here.

### What are the differences to competitors in terms of ecological purchasing?

We see the ecological sustainability of the purchased computing power as an important factor here. All major competitors also rely on, either entirely or almost entirely, green electricity. We also do not see any noticeable differences with regard to other purchased products and services.



## Mandatory indicators:

Supplier	Parent Company	Sector	Purchase Sum in €	Share	Ecol. Sustainability
Hetzner Online		Servers/Data Centers	€616,057	32.94 %	● ● ● ● ●
Dogado		Servers/Data Centers	€253,255	13.54 %	● ● ● ● ●
Facebook	Meta	Advertising	€146,666	7.84 %	● ●
Google	Alphabet	Advertising	€102,632	5.49 %	● ●
Digital Ocean		Servers/Data Centers	€62,429	3.34 %	● ● ● ● ●
InterNetX		Domain Infrastructure	€48,511	2.59 %	● ● ●
Twitter		Advertising	€47,117	2.52 %	● ●
Heinlein Support		Mail Infrastructure	€42,173	2.25 %	● ● ●
Sommerfeld, Majka, Reifig		Tax Consulting	€27,387	1.46 %	● ● ●
Stefan Leutloff		Project Management	€19,836	1.06 %	● ● ●
LinkedIn	Microsoft	Advertising	€17,715	0.95 %	● ● ●
Amazon		Mail Order	€17,686	0.95 %	●
Amazon Web Services	Amazon	IT Services	€16,463	0.88 %	● ●
Intercom		Software	€15,841	0.85 %	● ●
Cyberport	Hubert Burda Media	IT Mail Order	€13,533	0.72 %	● ●
Aircall		Software	€10,024	0.54 %	● ●
Zoho		Software	€9,811	0.52 %	● ●
Payone		Payment Processing	€9,715	0.52 %	● ●
meibers.rechtsanwälte		Legal Advice	€9,012	0.48 %	● ● ●
Airbnb		Tourism	€7,937	0.42 %	● ● ●
Stack Exchange		Job Advertisements	€7,500	0.40 %	● ● ●
<b>Total</b>			<b>€1,501,302</b>	<b>80.27 %</b>	
			<b>€1,870,356</b>	<b>100.00 %</b>	

● ● ● ● Very low risk  
 ● ● ● Lower risk  
 ● ● Moderate risk  
 ● Higher risk

## Potential for improvement and goals:

Ecological aspects will be systematically taken into account in the purchasing guidelines and list of criteria named in A1.

## A3 Negative aspect: disproportionate environmental impacts within the supply chain

Can the company confirm no products or services are purchased that are associated with particularly high harmful environmental impacts in the supply chain?

We cannot absolutely rule out the possibility that the products and services we purchased are associated with a high level of harmful environmental impact. We do not, however, have any concrete information that would allow a high risk assessment of any suppliers.

### Mandatory indicators

The share of probably ecologically risky products and services is 0 percent.

## A4 Transparency and co-determination in the supply chain

What measures does the company take to demand and promote transparent and participatory interaction between all parties involved along the supply chain? How does the company check and sanction any risks and grievances in this regard?

So far, we have not implemented any corresponding measures along the supply chain.

We have not yet systematically reviewed risks in this regard. Therefore, no sanctions are applied. For our largest suppliers Hetzner and Dogado, we chose German companies in order to minimize corresponding risks. We are carrying out a risk assessment here for the first time. This is done with the help of an assessment of the supplier's general business behavior. We make this assessment based on the location and size of the company as well as the industry, if applicable.

There is personal contact and regular exchange with the companies Hetzner, Dogado and Heinlein Support, the tax consultancy "Sommerfeld, Majka, Reifig", the law firm Meibers and the self-employed Stefan Leutloff within the scope of our business relations. We can therefore ensure responsible business conduct and thus assume a low risk.

We are not aware of any allegations of irresponsible business behavior at InterNetX, Cyberport, Payone, Aircall, Zoho, Digital Ocean, Twitter, Intercom and Stack Exchange. We therefore assume a moderate risk for these companies.

The business behavior of the companies Facebook, Google, Amazon (this includes the subsidiary Web Services) and Airbnb is below average in terms of responsibility. We therefore see an increased social risk here.

## Mandatory indicators:

Supplier	Parent Company	Industry	Purchase Sum	Share	Transparency & Co-determination
Hetzner Online		Servers/Data Centers	€616,057	32.94 %	+++
Dogado		Servers/Data Centers	€253,255	13.54 %	+++
Facebook	Meta	Advertising	€146,666	7.84 %	+
Google	Alphabet	Advertising	€102,632	5.49 %	+
Digital Ocean		Servers/Data Centers	€62,429	3.34 %	++
InterNetX		Domain Infrastructure	€48,511	2.59 %	++
Twitter		Advertising	€47,117	2.52 %	++
Heinlein Support		Mail Infrastructure	€42,173	2.25 %	+++
Sommerfeld, Majka, Reifig		Tax Consultancy	€27,387	1.46 %	+++
Stefan Leutloff		Project Management	€19,836	1.06 %	+++
Linkedin	Microsoft	Advertising	€17,715	0.95 %	++
Amazon		Mail Order	€17,686	0.95 %	+
Amazon Web Services	Amazon	IT Services	€16,463	0.88 %	+
Intercom		Software	€15,841	0.85 %	++
Cyberport	Hubert Burda Media	IT Mail Order	€13,533	0.72 %	++
Aircall		Software	€10,024	0.54 %	++
Zoho		Software	€9,811	0.52 %	++
Payone		Payment Processing	€9,715	0.52 %	++
meibers.rechtsanwälte		Legal Advice	€9,012	0.48 %	+++
Airbnb		Tourism	€7,937	0.42 %	+
Stack Exchange		Job Advertisements	€7,500	0.40 %	++
<b>Total</b>			<b>€1,501,302</b>	<b>80.27 %</b>	
			<b>€1,870,356</b>	<b>100.00 %</b>	

+++ Lower risk    ++ Moderate risk    + Higher risk

To our knowledge, none of our major purchased products and services has a label that takes transparency and co-decision into account. Furthermore, transparent and participatory dealings have not yet been discussed with any suppliers and no supplier has been selected on the basis of corresponding criteria.

## Potential for improvement and goals:

In the context of the purchasing guidelines and list of criteria named in A1, aspects of transparency and participation of suppliers should be given greater consideration.

## B1 Ethical position in relation to financial resources

### What different ways of gaining equity have been considered?

For us, capital from entrepreneurs or founders is the first option for the basic financing of own funds. For growing capital needs, financing through institutional and private investors is an option.

### What forms and proportions of funding through contact groups and/or via ethical banks could be implemented?

We tried unsuccessfully to obtain financing from two ethical banks. We are still in contact with one of the ethical banks about possible financing.

We have not implemented funding through contact groups so far.

### How can conventional loans be replaced and financial risks reduced?

We financed ourselves without conventional loans thus far. However, we received a loan in the form of mezzanine capital from HTGF, one of our owners (see B4). From our point of view, this does not result in any corresponding financial risk.



#### How are the financial partners to be assessed in terms of ethical-sustainable orientation?

We have our business, reserve and rent deposit account with Sparkasse Emsdetten-Ochtrup. This institution is characterized by its anchoring in the region where it supports, for example, regional business start-ups. Upon explicit request, the bank was not able to present a dedicated sustainability report. An ethical-sustainable orientation is therefore not identifiable. Our transaction account for SEPA direct debit mandates and customer transfers is located at the [Deutsche Handelsbank](#). A sustainability report is not available. The Handelsbank has been accused of being [involved in money laundering](#).

We also use the payment service provider BS Payone for credit card billing. A sustainability report is not available. We therefore assume that BS Payone has a low ethical-sustainable orientation.

We organize the company pension scheme of our employees through the service provider MLP. MLP makes its [sustainability reporting](#) in accordance with the German sustainability code. We recognize an increasing ethical-sustainable orientation at the company. This is expressed, for example, in the goal of climate neutrality by 2022. MLP also improved its [ESG rating](#) for 2020. In addition to conventional financial products, the company also offers ethically-sustainable financial products, which we opted for. We selected these financial products from the insurance companies [Alte Leipziger](#) and [Allianz](#) which also have sustainability reports. Allianz meets almost 40 percent of the assessment criteria of the [Fair Finance Guides](#), Alte Leipziger only 15 percent. We therefore assume that Allianz has a higher ethical-sustainable orientation than Alte Leipziger.

#### Potential for improvement and goals:

We want to switch various accounts, especially the one at Handelsbank, to an ethical bank (e.g. GLS Bank). We expect an increasing need for external financing in the future and would like to deal with ethical-sustainable criteria in this context. We see sustainability standards such as ECG or B-Corp as a way to filter potential lenders.

#### Mandatory indicators

Our equity ratio is around -200 percent. This ratio can be traced back to high investments in the past. These investments were financed with, among others, the loan from HTGF (see above). In our view, the negative equity ratio therefore only represents a limited risk to the company's continued existence.

## B2 Social position in relation to financial resources

What necessary future expenses could be identified and to what extent are their coverage and additional risk provisioning possible?

Our future expenditure needs are mostly made up of rising personnel and marketing costs. Their coverage is possible to the full extent by the investors. There is no risk provisioning in the form of, for example, reserves.

What claims do the owners make on capital gains and on what grounds?

In our view, the managing owners and the other private owners (see below) have reasonable claims to capital gains in the sense of a long-term participation in the company's profits.

The institutional owners (see below) demand, in our view, high returns on investment over the long term. This level results from the high investment risk when the company was founded. The long-term goal of the institutional investors is a profitable sale of the ownership shares.

### Mandatory indicators

Our surplus funds from operating activities amount to -201,974 euros. We estimate the total need for future expenditure in 2020 to be approx. 300,000 euros. We consider this to be fully covered. Therefore, we also estimate the strategic tasks to be approx. 300,000 euros. Our asset additions amount to 36,716 euros. As we do not generate a profit, neither additional reserves could be formed nor could capital gains be distributed.

### Potential for improvement and goals:

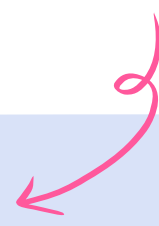
In the long term, we are considering setting a maximum return.

## B2 Negative aspect: unfair distribution of funds

Can the company confirm that the distribution of funds is fair despite stable profits?



We can confirm that the distribution of funds is fair despite stable profits.





## B3 Use of funds in relation to social and environmental impacts

Which investments in own facilities have ecological improvement potential? What funds are needed for realization and which funding programs can be used? What specific investments have been or are being made?

Our assets essentially consist of operating and office equipment. In theory, there is potential for ecological improvement, especially in IT hardware. High technical requirements, e.g. processor performance, stand in the way of realization, however.

We made a deposit for electric charging points on our building.

To what extent does the company participate in financing forms of social-ecological projects?

We do not participate in the financing of socio-ecological projects. As we do not have any fund investments, we also do not invest in sustainability funds.

### Mandatory indicators

We have not prepared an investment plan for 2020. Fixed asset investments account for only a small share of our total annual budget.

We cannot determine the ecological renovation needs of our investments. We have made an ecological investment of 7,431 euros.

We do not finance any socio-ecological projects and do not have any fund investment.

### Potential for improvement and goals:

If we expand our vehicle fleet in the future, we want to focus on electric cars or plug-in-hybrids.



## B3 Negative aspect: reliance on environmentally unsafe resources

Can the company confirm that the business model is not based on ecologically questionable resources or that measures for reducing this reliance have been planned for at least the medium term?



“

We can confirm that our business model is not built on ecologically questionable resources.

”

## B4 Ownership and co-determination

Who are the owners, what shares do they have and what rights, duties and liabilities do they carry as a result?

Owner	Type of investor	Share
Johannes Benz	Managing Director	31 %
Torben Simon Meier	Managing Director	31 %
High-Tech Gründerfonds (HTGF)	Seed, Institutional	18 %
Marcel Gleis	Private, Co-founder	12 %
Jens Schumann	Private	3 %
Pascal Tilgner	Private	2 %
Jan Beckers	Private	2 %

The rights of the owners are regulated by our articles of association and, if applicable, by shareholders' agreements. The managing directors are entitled to make decisions in accordance with their shares. A shareholders' agreement has also been signed with HTGF. According to this, HTGF must approve strategic and central financial decisions. All investors have the right to inspect the annual financial statements.

There is a duty to participate in decision-making in accordance with the legal situation. Formally, HTGF is obliged to pay out its capital contributions in full under certain conditions.

The owners are liable with their capital (limited liability).

**What form of co-decision and ownership participation could be found?**

We are a limited liability company (GmbH). Strategic decisions are made by the company (see above). The management is free to make operational decisions beyond this. Employee participation takes place through an employee stock ownership program (ESOP). Employees receive virtual shares in the company. These are shares in the property of the managing directors. Through virtual shares, employees participate in the value or profit of the company. The amount of shares increases gradually over a period of five years. These shares do not entitle the employees to co-decision.

**How does the company ensure transparent decision-making principles for all owners and how does it prepare the new community for these tasks?**

All owners regularly receive information about the company's divisions and are given access to the annual financial statements. The information required for specific decisions is made available to the owners in full accordance with the legal requirements (e.g. on expenditures requiring approval).

A basis for decision-making is attached to the shareholder resolution for comprehensibility.

#### How has the ownership structure developed in recent years and how is the change safeguarded?

In recent years, three private investors have acquired property on a small scale. The share of managing directors has decreased in recent years. Any change in the ownership structure must be approved by the managing directors as well as HTGF. This requirement ensures that, in the long term, the managing directors still have a majority.

#### Mandatory indicators

According to the table above, 38 percent of our equity structure is distributed among non-participating capital investors and 62 percent among entrepreneurs. 7.7 percent of the entrepreneurial capital is pledged to five employees within the framework of the ESOP, staggered until 2024. This corresponds to an employee share of approx. 16 percent.

#### Potential for improvement and goals:

The long-term goal is to expand the ESOP to many more employees. A further 20 percent of the entrepreneurs' shares are earmarked for this.

## B4 Negative aspect: hostile takeover

Can the company confirm that no hostile takeovers have taken place?



We can confirm that no hostile takeovers have taken place.



# C1 Human dignity in the workplace and working environment

How can the corporate culture in the company be described? What measures and processes for an employee-oriented corporate culture have already been implemented?

We live the values of passion, independence, respect, transparency and sustainability in our company. We have a [code of conduct for our employees](#) which calls for friendly and respectful interaction, attentive communication and a constructive approach to conflict.

We use various measures to implement this corporate culture. Managers hold a staff development meeting with employees every three months. Goals are defined based on the current situation. This contributes to a constructive approach to conflict. Employees have the opportunity to request such an interview or other informal feedback at any time.

Each new employee receives a general and team-specific induction and a technical introduction. We use a wiki for knowledge management.

Every employee has the opportunity to take part in basic non-violent communication (NVC) training. Building on this initial training, we offer monthly NVC workshops with an external trainer for the entire team. We also enable our employees to take part in external professional development. They can make use of the statutory entitlement to educational leave for further training.

For professional development, full-time staff have a training budget of 1,200 euros per year, which they can use freely.

Employees also have the opportunity to take part in udemy business courses free of charge. They can buy work-related books for 30 euros a month and have access to an e-book library as well as an online audio book library.

Employees have an 88 euros per month budget at their disposal for health offers (e.g. gym membership, see below) and/or pension provision.

Which measures have been implemented for workplace health promotion and occupational safety and how are they evaluated?

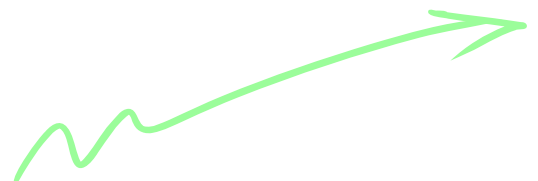
Our workplace health promotion is primarily carried out by the Mental Health team (8 hours per week). This is designed as an anonymous contact point for employees.

We offer employees throughout Germany free gym membership at Urban Sports Club. We attribute the low use of this offer in 2020 to the corona virus pandemic. We intend to maintain the offer in the future despite the low take-up.

We purchased standing desks as back-friendly office equipment. We also provide these to employees for their home offices on request.

What role does diversity play in welcoming and dealing with employees and what company agreements or measures are already in place?

We attach great importance to taking diversity into account both in our recruiting and in our dealings with employees. We have two equal opportunities officers who pay particular attention to gender and cultural diversity. In our code of conduct, we commit ourselves to non-discrimination with regard to any characteristics, including age, religion, etc. This results in an awareness of non-discriminatory language.



### Mandatory indicators

Our average length of service is 496.9 days. We consider the significance of this indicator to be limited, however, as it should be regarded in the context of our growing staff. We hired 21 employees in 2020. Two full-time employees and one working student resigned, the employment contract of one full-time employee was not extended. In addition, the length of service should be seen in relation to the still young existence of our company.

For professional and personal development, we offered monthly two-hour NVC workshops in 2020 (see above). An average of eight staff members took part in these workshops.

Sick report data for 2020 has only been available since April. Our sickness rate extrapolated from the available data was 2.1 per cent. It is not possible for us to retrospectively determine the number of days on which employees came to work despite illness. We did not have any occupational accidents in 2020.

In 2020, three employees took up the offer of a free gym membership. We provided eight employees with standing desks on request.

We list the number of employees in terms of age, gender and nationality below. We decided against the characteristic "ethnicity" due to ethical concerns.

	Age distribution				Total
	<31	31-40	41-50	>51	
<b>Gender</b>					
Male	6	10	3	0	19
Female	6	4	2	1	13
<b>Nationality</b>					
German	9	14	4	1	28
Other	3	0	1	0	4
<b>Total</b>	<b>12</b>	<b>14</b>	<b>5</b>	<b>1</b>	<b>32</b>

As no children were born to our employees in 2020, no team member went on parental leave.

### The following was implemented during the reporting period:

We released a code of conduct on how employees should treat each other (see above).  
 We reworked our approach to knowledge management.  
 We evaluated and further developed the tasks of the Mental Health team.  
 We planned various other measures, e.g. employee surveys.

### Potential for improvement and goals:

We would like to get more involved with occupational health management.  
 We want to develop an onboarding project to enable new employees to learn the ropes as auto didactically as possible.



## C1 Negative aspect: inadequate working conditions

Can the company confirm that no structures, behaviors or partial aspects, which support inhumane working conditions, are in place?

We can confirm that we do not support inhumane working conditions either through structures or behavior.



We can confirm that we do not support inhumane working conditions either through structures or behavior.





## C2 Structuring of employment contracts

How does the organization ensure all employees are entitled to a “living wage” relative to the local cost of living?

We pay our employees, even in lower income groups, adequate lifetime earnings that enable them to earn an income above the [poverty line](#) if they work full-time. We thus assume our employees have a livable income. Employees can increase their working hours by agreement to ensure an adequate income.

What possibilities are there in the organization to determine earnings in a self-organized way?

As a rule, merit is determined by the management. Once a year, a staff development meeting is held to discuss the respective earnings of the employee. Employees still have the opportunity to ask for a change in their salary at any time. Increases in the cost of living, for example due to a change in the family situation, are taken into account.

How are working hours recorded and workloads distributed in the organization? What role does over-time play in the success of the organization?

Working hours are recorded by a digital time recording tool. Employees enter their working times in the tool themselves and the HR department monitors the entries. Workloads are distributed informally within the respective teams. Overtime generally plays a certain role in the success of the organization. Especially in the support team, overtime is needed more often to ensure smooth operational running. In 2020, 25 hours of overtime per month were covered by the salary defined in the employment contracts.

What possibilities are there in the organization to determine working time in a self-organized way?

What working models does the organization offer?

In the support team, the staff draw up a shift plan together. In all other teams, a core working time is set; other working time can be determined by the team members themselves. Employees are free to determine when they take holiday.

Staff members have the option of reducing or increasing their working hours in consultation with team leaders and management.

Full-time and part-time working models are offered. Other working models, such as freelance work, are possible by arrangement. The working model can be adapted at any time.



What measures are in place in the organization to ensure a work-life balance? How can employees' opportunities for social participation be expanded?

We take various measures to ensure a work-life balance. A break in the employment relationship is possible after consultation with the management. We monitor worked overtime. We alert employees to possible work overload, such as an accumulation of overtime or a lack of separation between work and free time or holidays. We offer support in improving the work-life balance in our mental health counselling.

### Mandatory indicators

The spread of company internal pay is 3.9, with median earnings of 3,695 euros per month. Based on data from the [Federal Statistical Office \(Statistisches Bundesamt\)](#), we set the poverty line at 14,109 euros per year – or 1,176 euros per month as a location-dependent livable wage. As our median earnings show, our salary for full-time employees is well above this poverty line. Our minimum wage for mini-jobbers and working students is 10 euros. Our company-wide defined weekly working time for a full-time position is 40 hours. The number of accumulated overtime hours in 2020 was 4,656. 963 of these overtime hours were compensated by time off. We are constantly striving to recruit more employees to reduce the number of overtime hours. We can already show a personnel growth of 17 employees for the year 2020.

### The following was implemented during the reporting period:

We decided to reduce the number of overtime hours compensated by salary to 15 per month for 2021.

### Potential for improvement and goals:

We are considering a further reduction in the monthly overtime covered by salary.

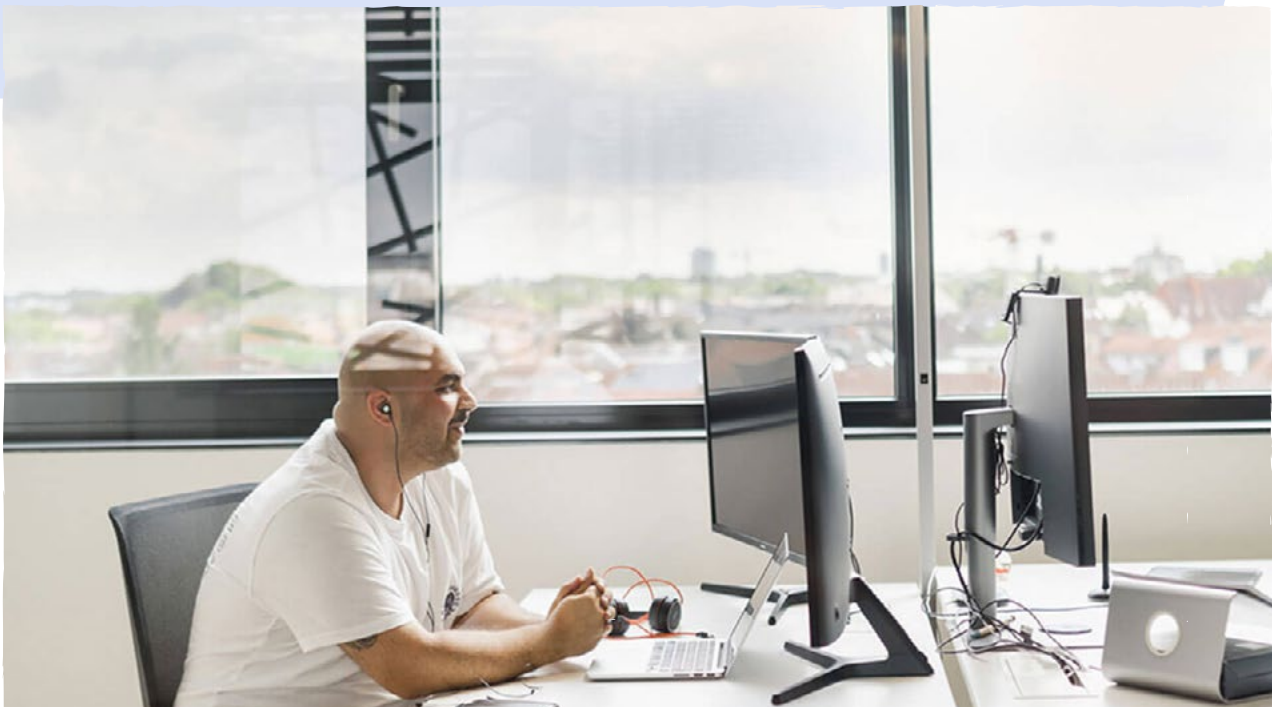


## C2 Negative aspect: unfair employment contracts

Can the company confirm that employees are not burdened or exploited by unfair employment contracts?



We can confirm that our employees are not burdened or exploited by unfair employment contracts.



## C3 Environmentally friendly behavior of staff

What value do the company and the employees place on the ecological-regional origin of their food in the workplace?

Many individual employees purchase organic and regional food. The company pursues such a purchasing strategy only intermittently.

What means of transport do employees use to commute to their place of work?

The majority of employees use public transport to get to the office. Almost all other journeys are made by bicycle or on foot.

A bicycle is available for travelling to the office. A BahnCard for reduced train travel is subsidized for employees on request.

What strategy does the company pursue regarding the ecological behavior of its employees and does it offer further training in this area?

The company does not pursue a systematic strategy regarding the ecological behavior of its employees and it does not offer any particular training in this area.

### Mandatory indicators

We estimate the share of organic catering to be around 10 percent.

We estimate that 50 percent of our employees travel by public transport, 15 percent travel by car, 25 percent by bicycle and 10 percent by foot.

In 2020, only one person took advantage of the subsidy for a BahnCard for reduced train travel.

### Potential for improvement and goals:

We intend to develop purchasing guidelines that will also apply to food in the workplace (A3).

We intend to survey the commutes of our employees.

We are considering offering training for employees on ecological behavior.



## C3 Negative aspect: guidance on waste and environmentally damaging practices

Can the company confirm it does not encourage wasting resources and does not tolerate environmentally damaging behavior?



We can confirm that we do not promote wasting resources nor tolerate environmentally damaging behavior.



## C4 Co-determination and transparency within the organization

### What essential or critical data is easily accessible to employees?

In principle, all data is easily accessible to employees, including data on salaries, financial planning, strategy papers or meeting minutes. Access to data is only limited by data protection obligations towards clients or employees.

Personnel decisions are communicated transparently. Strength/weakness profiles are defined for each position, for example, and discussed in detail in the staff development meeting. Staff members have access to the minutes of their staff appraisals and the corresponding evaluation results. The human resources circle (see below) is the contact for this and also monitors the handling of the corresponding data. The respective meetings of the teams (see below) are open to all employees.

### How are leaders selected, evaluated and removed? By whom?

Management is not selected, evaluated or removed with staff participation. Team leaders are selected and removed by management. The evaluation is done informally with the participation of the staff of the respective teams.

### Which key decisions can employees help to decide, either by majority vote or by consensus?

Co-decision making takes place primarily via [Holacracy](#). Employees organize themselves in circles, each of which fulfills specific tasks within the company. Each team relevant to business operations, e.g. marketing, product development, has its own circle. In addition, there are other circles that affect the internal organization of the company, e.g. Human Resources. Individual roles are distributed in the circles, e.g. Mental Health. These roles are accessible to every employee. Employees can take on multiple roles. Employees usually have a role in the circles relevant to business activities and can also play one or more other roles in internal circles. In the past, roles were determined and filled in a holacratic process.

Major operational decisions are not taken by democratic vote. In accordance with Holacracy, decisions are made individually within the scope of the assigned role. In weekly meetings, role holders have the opportunity to express possible improvements to other role holders. The definition and boundaries of roles are also discussed in monthly meetings. It is anchored in the organizational culture that each role must respect the boundaries of other roles and obtain feedback.

In the engineering team, the tool Echometer is used to conduct retrospectives every two weeks. Employees can give feedback on the work in their teams. The team derives improvement measures from this feedback and checks the implementation of those measures in subsequent retrospectives.



Wir organisieren uns über die Holokratie. Dieses Organisationsmodell ermöglicht unseren Mitarbeitenden eine eigenständige Arbeitsweise und viele Mitentscheidungsmöglichkeiten.





### What previous experience has the company had with more transparency and co-determination?

Our experience with transparency shows that it requires additional communication or information to provide context. By implementing the value of transparency in this way, employee satisfaction, participation and ownership have increased.

In our experience, co-determination and the exchange of feedback have a positive influence on the quality of corporate decisions. However, it is always necessary to weigh up when it makes sense to hand over decision-making power.

### Mandatory indicators

All material and critical data is transparent to our employees as long as it does not violate data protection obligations (see above). We therefore assume a level of transparency of 100 percent. Only one out of seven managers was selected through consultation with the employees. This corresponds to a share of approx. 14 percent.

We estimate that 5 percent of decisions were made with employee participation. We also estimate that 65 percent of decisions were made with significant employee input.



### The following was implemented during the reporting period:

The Mental Health team has been available as an anonymous contact for feedback to managers since 2020. The team is instructed to pass on the feedback in a form that ensures the anonymity of the respective employee.

### Potential for improvement and goals:

We would like to set up a regular format in which employees can ask management questions, for example about operational changes.

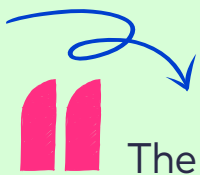
We are thinking about increasing the use of so-called 360-degree reviews where employees and managers can give each other feedback.



## C4 Negative aspect: obstruction of works councils

Can the company confirm that a works' council is not obstructed?

The company can confirm that the works' council is not obstructed. So far, there has been no demand from the employees for a works' council, as participation takes place through Holacracy and other feedback formats.



The company can confirm that there are not obstructions to a works' council.



## D1 Ethical customer relations

How are new customers acquired and what customer care services are provided to existing customers?

Our clientele consists mainly of B2B clients and individual customers referred by them. The B2B clients are agencies and professional web developers or freelancers. Most B2B clients refer individual customers to us who, in turn, start a business relationship with us. Some B2B clients only enter into a client relationship with us and then manage the websites of their end clients themselves. The individual customers then have the opportunity to manage their website via a free account with us. A few individual customers enter into a customer relationship directly with us.

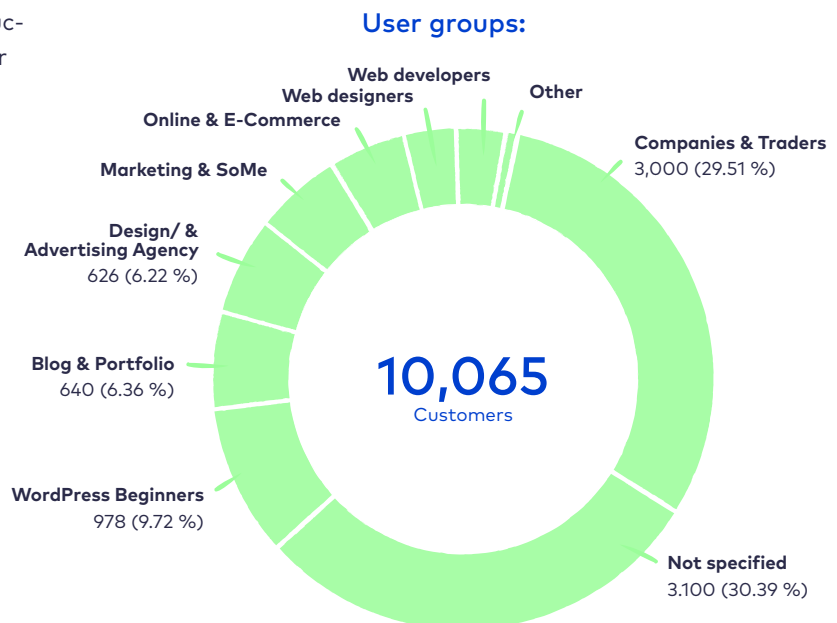
Customers are acquired in various ways. Slightly more than a third are acquired through organic branding. This is done through our [magazine articles](#), which are optimized for Google search and advertised on social media. Almost a third, especially individual customers, are also acquired through our Partner Program for agencies and freelancers. When these individual customers are referred to us, the partner agencies or freelancers receive a commission. B2B customers can use our product free of charge for up to 90 days for the development of their customers' website projects. If B2B customers enter into a contractual relationship with us themselves, we offer them bulk rates with volume discounts. Individual customers are usually provided with our product free of charge for up to 14 days for testing purposes. Almost 15 percent of our customers are acquired through paid advertising (Google Ads).



We gain our customers to a large extent through organic marketing and our partner program.



We provide our customers with instructions on how to use our product in our [Help Center](#). All customers can contact our support (via chat or email) 365 days a year from 8 am to 10 pm. We guarantee a fast response time from our support with a median value of 145 seconds. Telephone consultations are available for existing and potential customers to help them select products and hosting plans as well as for major B2B companies. All customers and specific customer groups regularly receive information via email, for example on technical updates. We also display minor updates on the dashboard that our clients use.



All customers can contact our support 365 days a year from 8 am to 10 pm. We guarantee a fast response time of less than three minutes on average.





**How does the company ensure that the benefit to the customer takes precedence over the pursuit of revenue?**

Our hosting service can be tested by individual customers for up to 14 days and, on request, used by B2B customers for the development of websites for up to 90 days free of charge. This also includes a free website migration at the customer's request. If customers decide to not host with us, there are no follow-up costs. If our customers pay by debit or credit card, our subscription model allows for monthly cancellation in many cases. For technical reasons, however, there is sometimes a remaining contract period of several months.

Our code of conduct (see C1) also applies to our dealings with customers. Employees in all teams are therefore required to orientate themselves towards the goal of long-term customer loyalty when dealing with customers. We place particular emphasis on the values of equal treatment, friendliness, honesty and product transparency. There are no other written guidelines for dealing with customers.

**Which customer groups have difficult access to the products and services? What is being done to ensure that they can also benefit from the products and services?**

We have not yet systematically recorded the extent to which customers have difficulties accessing our product ([web accessibility](#)). Within the WordPress community, there is an awareness for accessible web design. We also strive to make the website content, e.g. the magazine, and the product dashboard accessible. We changed the contrast settings of our website, for example, to make it easier for people with reduced vision to access it via their screen reader.

Some of our customers are WordPress beginners who often have little knowledge of web hosting. In our magazine, our Help Center and via our live support, we provide this group of customers with information on how to get started. If required, we help customers find a suitable agency for further support. Through our pre-selection, we ensure the trustworthiness of our partner agencies. We also see that access is difficult for people without German language skills. Therefore, we increasingly strive to internationalize our customer service, for example by translating website content or increasing contact with international customers. In general, all potential customers without internet access also have more difficult access to our products.

In terms of finances, certain organizations, such as non-governmental organizations (NGOs), have a more difficult access to our product. Upon request, we usually grant these organizations a discount of 25 percent, or even 50 percent if they reciprocate by advertising us on their website. In individual cases, this discount can be up to 100 percent.



### Mandatory indicators

In 2020, we spent 400,000 euros on marketing campaigns and advertising measures. For sales, the expenditure was 20,000 euros. All sales staff receive a fixed payment without commission. They are not given any internal sales targets. Only a turnover expectation is formulated, the achievement of which, however, is subordinate to the goal of long-term customer loyalty. The share of turnover for disadvantaged customer groups can only be quantified to a limited extent. So far, the recording of these dimensions was insufficient. Moreover, information provided by customers is always voluntary. We estimate the share of WordPress beginners among our customers at 9.7 percent.

### The following was implemented during the reporting period:

We increasingly enter into co-operations with B2B customers within the scope of our [affiliate program](#). In this context, we offer B2B customers additional services and certain extended product features.

We transformed our blog into a magazine and broadened our content and editorial base. Some of our external authors are clients themselves. With this expansion of the blog, we are making it easier for our clients to use WordPress.

### Potential for improvement and goals:

Our support team strives to draft formal guidelines.

We would like to successively make our website and dashboard more accessible for customers. We would like to set up a dedicated landing page for NGO discounts on our website. We would like to record how many NGOs we have provided discounts for.

We plan to translate our dashboard into several languages to make it accessible to a wider customer base. We plan to include web accessibility as a role in the Holacracy system.

## D1 Negative aspect: unethical advertising

Can the company confirm that no unethical advertising methods are used?

If not, this negative aspect is to be reported after full accounting.

The company can confirm that it does not carry out unethical advertising methods.

## D2 Cooperation and solidarity with other companies

*With which companies is cooperation already taking place and what are the objectives of this cooperation?*

Within the framework of our partner program, we cooperate with partner agencies. The agencies have the opportunity to create articles for our online magazine together with us. In this way, we can jointly create added value for our individual customers. We list our partner agencies in a partner directory. This enables the agencies to network with individual customers as well as with each other.

We see ourselves as part of the WordPress community. Cooperation with other companies takes place in the course of community WordPress events called WordCamps. At these events, we aim to network within the community and draw attention to our product. Our managing director Johannes Benz and employee Leefke Krönke co-organized the first WordCamp Osnabrück in 2019. We have also sponsored several WordCamps. Our employee Matthias Held has been involved in the WordPress community since 2017, organizing various events and giving talks at them. He has also played a significant role in the hosting team in the further development of WordPress standards. In preparation for WordCamp Europe 2020, he discussed WordPress hosting security standards publicly with representatives from other hosting companies at an event.



**“** We see ourselves as part of the WordPress community and have already supported numerous WordCamps with sponsorship, talks, planning and volunteering. **”**



We have networked with various socio-ecological companies in the Solidarisches Unternehmen Münsterland.

*In which areas does the company show solidarity with other companies and help without expecting anything in return?*

So far, we have not shown solidarity with other companies.

### Mandatory indicators

We have not created any product in cooperation with another company and so have not spent any time or resources on such a project. We estimate the share of working time in the cooperations described above to be less than 0.1 percent. We have only cooperated with companies that address the same target group.

We collaborate in the WordPress community on initiatives to raise industry standards.

To date, we do not cooperate with civil society initiatives, nor do we actively work to raise legal standards.

We have not shared labor, contracts or funding with other companies.

### Potential for improvement and goals:

In the long term, we consider initiating a network by exchanging information with other web hosts on ecological standards (such as the resource composition of servers).

## D2 Negative aspect: abuse of market power to the detriment of other companies

Can the company confirm that the company does not engage in any damaging or discrediting behavior towards other companies?



We can confirm that we completely refrain from damaging or discrediting behavior towards other companies.







## D3 Impact on the environment in the use and disposal of products and services

What is the environmental impact of the products and services, in absolute terms and compared to existing alternatives with similar benefits?

We consider the variable ecological impacts of our product to be low. We are only able to determine the impacts of our product to a limited extent. Following the [sustainable web design methodology](#), we estimate our CO<sup>2</sup> emissions at 75 mg CO<sup>2</sup> per page view. We do not see ourselves in a position to make a comparison with alternatives.

Which strategies and measures are used to reduce the ecological impact caused by the use and disposal of the products and services offered?

“

With the support of Eden Reforestation Projects, we plant a tree to bind CO<sup>2</sup> for every website hosted with us.

”

We plant a tree for each hosted website through support from Eden Reforestation Projects (see E2) in order to bind CO<sup>2</sup>. Further measures to reduce variable ecological impacts have not yet been taken.

How are consistency, efficiency and sufficiency embedded in the business model?

So far, we do not systematically reflect these principles in our business model.

We see consistency anchored in our business model through the use of green electricity (see A3 + E3).

We take efficiency into account through our specialized infrastructure and server configuration for WordPress websites. Server-side caching is enabled by default on our websites, for example. This server-side caching reduces resource consumption each time the website is called up because the data is cached. Sufficiency is part of the business model according to the strategies described below.

What strategies and measures are used to promote moderate consumption and the sustainable use of products and services? How is moderate use promoted in communication with customers?

We advise clients according to their needs. We advise customers on which of our hosting plans meet their requirements based on their website, for example the expected number of visitors. We point out how they can [optimize their website](#) with regard to the server load. We offer advice and a free load test. Increased server capacity will not be offered for longer than necessary if higher visitor numbers are expected in the short term.

We try to create ecological awareness among our customers through various blog articles. This is shown, for example, by our articles on [sustainable web design](#), [sustainable websites](#) and [sustainable online sales](#) as well as tips for a [sustainable orientation of business activity](#) of B2B customers.

#### Potential for improvement and goals:

We want to rethink communication about the ecological impact of our product.

One possible option would be an area on the website where all information is collection, for example on sustainable web design and green hosting.



## D3 Negative aspect: willful disregard of disproportionate environmental impacts

Can the company confirm that there is no willful disregard of disproportionate environmental impacts?

The company can confirm that there is no willful disregard of disproportionate environmental impacts.





## D4 Customer participation and product transparency

[What opportunities for co-determination and decision-making rights are afforded to customers and how is this communicated?](#)

Our customers have the opportunity to participate in a feedback forum and in the chat service we offer for customer support. Occasionally, feedback is also given via the magazine and on social media channels. On one occasion, we hosted a feedback workshop with B2B key accounts. So far, our customers do not have any specific decision-making rights.

[Are ideas from customers for the socio-ecological improvement of products and services incorporated?](#)

We receive customer ideas in various ways. One staff member collects the suggestions made in the feedback forum. Further ideas are collected in the respective teams.

Support staff collect improvement requests on our contact platform. A good example of this is domain endings. The support staff record how often certain endings (e.g. ".shop") are requested. Searches in the dashboard for these endings are also tracked. We take these statistics into the decision-making process for new features. In their status and product planning meetings, the respective teams make suggestions to the role Product Owner. In turn, the Product Owner takes the collected suggestions, evaluates them in terms of costs, benefits and feasibility and passes them on to product development. We expanded our product, for example, to include domains and email accounts at the request of our customers. So far, we have not explicitly taken socio-ecological aspects into account.

What product information is publicly available? (e.g. ingredients, value chain, ecologically relevant information, pricing)

In a [detailed comparison with other WordPress hosts](#) in our magazine, we make the characteristics of our product, such as the price-performance ratio, transparent.

The prices and components of our respective [rates](#) are publicly available. The guaranteed technical services are also listed there in detail. Our data protection statement lists the server locations where our customers' data is stored. When advising our customers, we explain the possibilities and limitations of our product.

We highlight our [CO<sup>2</sup> compensation and the use of renewable energies](#).

On request, we can explain further details, such as our ecological commitment, in discussions with customers.



We take on board suggestions for product improvement in a variety of ways. For example, at the request of our customers, we expanded our product range to include domains and email hosting.



## D4 Negative aspect: non-disclosure of hazardous substances



Can the company confirm that products do not contain any substances that could harm customers and the environment and that no harmful side effects occur when the products are used for their intended purpose?

We can confirm that no harmful side effects occur when our product is used for its intended purpose.

## E1 The purpose of products and services and their effect on society

Which of the new basic needs (see below) do the company's products and services fulfill?

With our product, we enable people to participate in digitalization, facilitate their creative expression, contribute to the creation of meaning and identity, and promote their freedom and autonomy.

Which of the products and services are luxury products that mostly "only" serve one's own status and could be replaced by cheaper, less resource-damaging products of the simple or good life?

Our product is not a luxury. We are not aware of any alternatives of the same quality that are cheaper or less harmful to resources.

In what way do our products and services serve people's personal growth or health?

Our product serves people's personal growth by enabling them to present their concerns and issues self-determined in the digital public sphere.

Which social or environmental problems, whether regional or global, are solved or mitigated by our products and services? (Orientation towards UN development goals, see in-depth online information)

Our product contributes to reducing the problem of digital inequality on a regional level. We enable digital participation through our product.

In our online magazine, we provide information on approaches to solving social problems, for example about [sustainable business models](#). This information is available to the public in several languages.

### Mandatory indicators

Our product fulfills only the basic needs explained above. It is not a status symbol or luxury. Our product serves human development. By contributing to enabling digital participation, it also solves a social problem. It does not contribute to the ecological development of the biosphere.

Our product has at least one simple benefit for customers. This can be, for example, the facilitation of an economic activity or participation in digital exchange. In our view, there is no inhibiting, pseudo- or negative benefit.

### Potential for improvement and goals:

In the long term, we would like to gear our products specifically to NGOs. As a first step, we want to develop specific website templates for this purpose.



## E1 Negative aspect: unethical and unfit products and services

Can the company confirm that none of the listed unethical products or services are produced or sold?

We can confirm that we do not produce or sell any of the listed unethical products or services.



We also prohibit our customers from using our product in certain ways in accordance with § 12 of our general business terms and conditions (No pornography, gambling, glorification of violence).





## E2 Contribution to the community

What direct financial contribution does the company make to society and its institutions?

(e.g. through income tax, payroll tax and social security contributions)?

On the other hand, what direct material support (e.g. grants, subsidies) does the company receive?

We contribute to society financially through income tax and the usual payroll-related levies and social security contributions.

We have not received any funding or subsidies. We receive indirect support through the entry of the High-Tech-Gründerfonds (HTGF) as a shareholder (see B4).

How much money, resources and work hours is spent on the company's voluntary social engagement?

What is the intrinsic benefit of these activities? What sustainable changes do the company's voluntary activities bring about?

In 2020, we offered at least three months' free hosting for digital platforms that [connected local businesses](#). By the end of the year, we had supported 17 platforms in this way and the resulting costs amounted to 9,490 euros.

We donated a one-time amount of 5,000 euros to a local charity [StepbyStep Münster](#) to support global aid projects.

We donated 9,729 euros (\$11,738) to the organization [Eden Reforestation Projects](#). The project also provides long-term income for local communities through tree planting. In 2020, we planted 117,384 trees and, at the same time, made 1,173 working days possible. We estimate the carbon emissions saved per year to be approximately 866 tonnes. We adjust the amount donated each year in line with business developments.

We donated 1,600 euros to [Greenspark](#). This enabled us to offset 232 tonnes of CO<sup>2</sup> in 2020 and remove 63,000 plastic bottles from the sea. We donated 5,000 euros to [Atmosfair](#) and just compensated for 217 tons CO<sup>2</sup>.

The self-interest of these activities lies in the improved acquisition and retention of customers and employees. In addition, the activities contribute to a more positive perception of us by the WordPress community and society in general.



We donated a total of about 31,000 euros to various projects. These included, among others, development projects, tree planting and plastic removal.



How does the company ensure that illegitimate tax avoidance or corruption and negative lobbying are prevented and not enabled?

Prevention of illegitimate tax avoidance and corruption are ensured by the tax audit as well as annual auditors. We are obliged by our participation agreement with HTGF to conduct such an audit. We do not engage in lobbying. Therefore, we do not take any special precautions to avoid negative lobbying.

### Mandatory indicators

Our revenues amount to 2,797,905 euros. We paid taxes amounting to 731,487 euros. We calculated our value added from wages and salaries, other income and the annual result to be 693,671 euros. By relating the levies to the annual result, the net levy ratio is 105 percent. The voluntary financial benefits for the community amount to 30,819 euros. We cannot quantify the operational benefit in this respect. This sum corresponds to a share of 1.1 percent of our turnover.

### Potential for improvement and goals:

We want to promote the voluntary commitment of our employees in selected projects in the long term.

ull



## E2 Negative aspect: inappropriate non-payment of tax

Can the company confirm that it does not engage in any practices that serve the purpose of illegitimate tax avoidance or that deliberately deprive the company profit generated of correct taxation and thus of the common good?

We can confirm that we do not engage in any practices that serve the purpose of illegitimate tax avoidance or that deliberately deprive the company profit generated of correct taxation and thus the common good.

## E2 Negative aspect: no anti-corruption policy

Can the company confirm that it does not engage in corruption-promoting practices and that all lobbying activities have been disclosed?

We can confirm that we do not engage in practices that promote corruption. We do not engage in lobbying so we cannot disclose such activities.



## E3 Reduction of environmental impact

What are the negative environmental impacts of the company's production and work processes in terms of emissions, noise, waste, consumables and energy, water and power consumption?

Our work processes essentially consume energy, electricity and water. We also cause CO<sup>2</sup> emissions. We produce waste and use consumables in small quantities. We exclusively use [green electricity](#).

Which data on significant environmental impacts (environmental accounts) are collected and published? How are environmental data published?

We have drawn up our CO<sup>2</sup> balance including Scope 3 for the year 2020 and recorded the consumption of electricity, petrol, heating energy and paper. The data mentioned have not yet been published.

### Mandatory indicators

We do not emit any greenhouse gases apart from CO<sup>2</sup>. Heating energy consumption was extrapolated using a previous year's value. Paper consumption was estimated. We cannot determine the consumption of drinking water and the use of artificial light. We did not transport anything. We do not use chemicals or other consumables and do not emit any pollutants.



Environmental account	Measured/estim. amount	Per employee
Greenhouse gas emissions	129,434 kg	4,045 kg
Petrol consumption	1,543 l	48.2 l
CO <sup>2</sup> equivalent	5,920 kg	185 kg
Electricity consumption	6,144 kWh	192 kWh
CO <sup>2</sup> equivalent	276 kg	8.6 kg
Average temperature	20 °C	
heating energy	593 kWh/°C	18.5 kWh/°C
Paper consumption	3.7 kg	0.1 kg

### Potential for improvement and goals:

We would like to adopt initial reduction targets for environmental accounts and derive measures from them.

## E3 Negative aspect: infringement of environmental regulations and disproportionate environmental pollution

Can the company confirm that it is not in breach of environmental regulations or does not place an unreasonable burden on the environment?



We can confirm that we do not violate environmental regulations nor do we place an unreasonable burden on the environment.



## E4 Transparency and co-determination

What important or critical information is collected for the social contact groups and in what form is it reported (scope and depth, type of publication, accessibility to the public)?

Our website provides the public with key information about our company, such as an overview of our employees. Information on our advisory services and products is also available. In our online magazine, we report in depth on our working methods (e.g. with Holacracy), our ecology projects and current changes within the company.

How can citizens enter into dialogue and social contact groups represent legitimate interests towards the company? How are the results of the dialogue documented and how do they feed into decision-making?

We are available to all interested citizens to answer questions about our company via our support service. Furthermore, any interested person can register a free account with us and actively participate in our feedback forum.

We communicate with the WordPress community in particular via community events, social media and various Slack channels.

The WordPress community operates with a [code of conduct](#).

The community informally reviews our compliance with the code of conduct. The community informally monitors us for compliance.

There is no systematic involvement of social contact groups. The documentation of the results is only informal. On an informal level, they flow into the decision-making process.

### Mandatory indicators

We have not published a public benefit report or any other non-financial reporting in 2020. Other groups have not been involved in decision-making so far.

### The following was implemented during the reporting period:

We plan to start the certification process according to the B-Corp standard by the end of 2020.



## E4 Negative aspect: lack of transparency and willful misinformation

Can the company confirm that it does not spread misinformation about the company or social phenomena?



We can confirm that we do not spread misinformation about the company or social phenomena.





## Perspective



### Short-term goals

What short-term goals are you pursuing in implementing the Common Good Economy? (next 1-2 years)

Implementing the Economy for the Common Good (ECG) gives us an initial assessment of our performance in terms of sustainability. Another key objective is to communicate our sustainability efforts to our employees and customers. In particular, we want to strengthen our employees' awareness of sustainability. We will define and sharpen our future goals with their participation. We want to derive initial measures for organizational development from the Common Good Economy and implement them. These should include, for example, purchasing guidelines, a change of bank, working time management, the introduction of a company health management or an in-depth examination of ecological impacts. We expect a strong growth of our company in the next few years and, in this context, we want to use Common Good Economy, among other things, to take into account a socio-ecological orientation of our debt capital.

### Long-term goals

What are the long-term goals for implementing the Common Good Economy? (next 3-5 years)

Our long-term goal with ECG is to make sustainability an integral part of our corporate strategy. This includes, in particular, continuous and sustainable organizational development. As a company, we want to act as a role model for society and thus contribute to changing the economic system in the sense of ECG.

In the long term, we want to give greater consideration to the social impact of our product. In particular, we want to develop product solutions for the civil society sector. We are also pursuing the goal of having employees invest five percent of their working hours in social engagement (for example, in open source projects).

We continue to expand our Employee Stock Ownership Programme (ESOP) to give employees an appropriate share in the company's profits.

### Disclosure of non-financial information

Due to our size, we are not obliged as a company to comply with the EU directive 2014/95/EU (non financial reporting directive). We use the Common Good Balance Sheet to voluntarily report on our non-financial information with regard to the topics of environment, social affairs and business management and thus partly fulfil the requirements of the above-mentioned European directive.

## How this Common Good Balance Sheet was created

Who was involved in preparing the ECG Balance Sheet/ECG Report in the company?

The report was mainly written by Johannes Benz and Tim Schubert.

Other participants include:

- C1-4 — Michael Firnkes
- D1-D4 — Leefke Krönke, Navid Razavi, Jan Hornung, Marcel Kurrek
- E1, E4 — Milva Mahnke

Which stakeholders were involved? (Name, position and/or connection to the company)

No stakeholders outside the company were involved.

How many working hours were spent on this project?

We estimate 140 working hours were spent creating the report.

How was the ECG Balance Sheet/Report communicated internally?

We informed all staff about the progress of the Common Good Report. The report was accessible to employees at all times. Involved staff members dealt with the report in depth in the course of its preparation. Following publication, we plan to hold a workshop where we present the contents of the report to all employees.

Date: 12.10.2022

