

aap.architekten ZT-GmbH

Gemeinwohl - Bericht 2013







COMMON GOOD REPORT

THE COMPANY

COMPANY NAME: AAP-ARCHITEKTEN ZT-GMBH

Sector: Architecture Number of employees: currently 10-12

SCOPE OF BUSINESS

All stages of classic architectural services (consulting, design, dealing with the authorities, site layout plans and detailed planning, construction site management, project implementation, and cost control).

User participation process, project development.

School construction and conversion (participation process for construction, structural and organisational changes in the education sector, educational facilities).

Mediation.

Distribution of business areas by revenue (2012):

70% low-energy, passive house or zero-energy standard in the new build and renovation sectors, assisted living and assisted living and working buildings for the disabled, kindergartens, educational facilities, housing for the elderly. Planning and structural organisation for a "zero-energy student hall of residence" connected to a research contract within the scope of "Building of Tomorrow".

Evidence of energy efficiency is obtained via, among others, officially verifiable energy certificates, blower door tests (wind resistance measurements by approved measuring bodies), or by the actual energy costs after the first year of operation.

10% conversion work without increased client energy needs.

10% consulting without opportunity for specific energy measures or interests on the part of the client (real estate, structural engineering and building code consulting).

10% for mediation and participation process (school construction and conversion) - partially as pro bono/volunteer activities.

THE COMPANY AND THE COMMON GOOD

As a pioneering business, in autumn 2011 our practice prepared a common good balance sheet for the first time. During the course of this work it became clear that, in addition to the external impact, preparation of the balance sheet also increased the office team's concern with all the issues raised. Considering the common good balance sheet matrix criteria prompted internal discussions and changes of opinion.

Due to our company's socio-political views, our practice has been increasingly implementing individual criteria addressed by the ECG since the company's inception: sustainability, energy efficiency and the social impact of our projects, and organisation of our team as a partnership.

Since we have been involved with the ECG, we have increasingly reflected the values of transparency and fairness. Awareness of our computer hardware's energy efficiency has visibly changed since the first balance sheet (see C2).



A1 – ETHICAL SUPPLY MANAGEMENT

The breakdown of aap.architekten's global expenditure is as follows:

- 72.6% Fees, salaries and social insurance contributions
- 6.2% Rent (office)
- 5.4% Depreciation, professional organisation subscriptions and insurances
- 3.2% Accounting, tax advice, advertising
- 1.9% Continuing professional development (CPD)
- 0.9% Communications
- 0.3% Travel
- 0.2% Cash expenses, bank charges

The expenditure relevant for A1 ethical supply management is

0.9% Office consumables and printing costs

0.3% Energy costs

The essential impact of our decisions relating to supply management (A1) affects the way we deal with the people who work for aap and those aap works for (C, D, E) and ensues from the sustainability of the buildings we design (D3).

Specific procurement measures include:

- No PET bottles, mainly tap water instead of mineral water
- Recycling of office equipment (files, dividers, paper printed on one side)
- Refillable pens
- Fair Trade coffee
- Generally, everyone in the offices tries to buy regionally produced fruit and other produce
- Purchasing from local traders (no Internet purchases wherever possible)
- Use of recycled paper for hygiene purposes and in the office
- Any newly purchased equipment has a good energy rating.

Further measures:

- Collection of spent printer cartridges for Cliniclowns laughter therapy charity
- Waste separation (glass, metal, paper, hazardous waste, residual waste)
- Long-term usage of furniture (drawing boards and shelves)
- Heat consumption: Wien-Wärme, zoned reduction in room temperatures at weekends and at night
- The proportion of spending on energy/electricity (0.3%) declined in absolute terms from 2010 to 2011. Electricity supplier: Wien-Strom
- IT: long term usage of hardware (re-used in the office for simpler tasks, or redistribution for private or charitable purposes)
- IT services: 90% remote maintenance by the administrator.

The purchase of a colour copier has saved approx. 10 ink cartridges per month.

Conversion to an energy-efficient server:

In 2012 it was necessary to replace the central server for the 10 workstations in the office. As the previous system had been prone to overheating and breakdowns, the supplier urgently recommended that we cool the server room in order to neutralise the surplus energy from the computers given off in the form of heat.

After it had proved impossible, despite repeated enquiries, to find an energy-efficient solution from our existing supplier, we obtained quotations from several suppliers and selected and implemented a system based on low energy consumption criteria.

The result of this decision is:

- No need for server room cooling and the concomitant extensive modifications
- The new server doesn't cause the noise that previously impinged upon the administration office
- Reduction of the electricity consumption (current estimate around 1,000-2,000 KW/h) which had risen in recent years as a result of the new IT equipment.

B1 ETHICAL FINANCIAL MANAGEMENT

aap.architekten is a GesmbH, or limited liability company. In addition to the three founders there are three silent partners who play an equal part in all the company's strategic decisions.

In 2012 aap only just managed to pay statutory wages according to the collective bargaining agreement tariffs. At this time the question of ethical investment does not arise in view of the hours worked.

The company does not invest funds apart from business accounts (no securities, bonds or shares, and no derivatives either).

All the practice's bank accounts have been held with Bawag for around 20 years; for approximately five years most transactions have been conducted using e-banking.

In order to remain as independent of the banks as possible, the company does not take out loans and does not have an overdraft facility. All activities are currently financed using the shareholders' personal equity. Development of innovations: the six shareholders jointly and severally furnish the risk capital for competitions, or it is funded from undistributed surpluses.

The company holds third-party liability insurance with Generali (professional association group insurance cover); other policies for fire, theft and loss of data are also with Generali.

We are planning to move our accounts to an ethical/alternative bank (we are waiting for the planned ethical Demokratische Bank to become a reality).

C1 WORKPLACE QUALITY AND AFFIRMATIVE ACTION

Working hours:

In principle we work together for as long as necessary to bring projects to fruition. The core team divides up the project or project stages and puts together the team of employees needed for each stage. Hours of work, attendance, days off and holidays are therefore discussed within project teams and the core team.

Together we divide up the core working hours of 9.00 - 17.00 (employees, freelances and shareholders), such that are always at least two people in the office. Adjustments to working hours due to personal reasons are discussed (family, children, health), but usually take priority. It is possible to make changes at short notice and cover will be arranged.

We therefore divide and allocate our working hours according to project requirements and the opportunities they afford.

We feel it is important for employees to be able to determine their working hours and methods themselves and to take responsibility for them.

We cope with demanding family situations as they arise (possibility of children accompanying parents to the office if there are problems with child care, i.e. during holiday periods).

We don't have any all-inclusive agreements – payment is pro rata to hours worked.

Work place organisation:

A limited amount of **working from home** is possible by agreement with the shareholders (online connection, access to office data).

We provide high quality, ergonomic chairs; employees may decide where they sit and may personalise their workstations.

Because of structural reasons dictated by the building in which the office is located, the office does not have **disabled access**.

It is not currently possible to provide a **quiet area** due to lack of space.

If employees are studying, we bear in mind the time required for study and examinations when deploying them at work.

Physical health/Nutrition (see C3)

Physical health:

We take a proactive/consultative approach to conflicts and problems. One core team member underwent training in mediation in order to be able to provide service of corresponding quality. This has meant that non-aggressive communication has become part of the aap office team's consultative practice, and is also applied to relationships with customers and specialists.

Regular employee reviews help with early identification and resolution of problems. This approach has been validated by employee feedback and the positive working atmosphere.

Self-organisation, job satisfaction at work, making sense of life:

To a great extent the meaning of our work is determined by our projects and jobs (ecologically cutting-edge, socially responsible and supportive). Everyone in the practice is able to experience the value of his or her work through results, internal discussions and client feedback.

Awareness of a culture which values employees has increased as a result of management team seminars and can be experienced internally and externally. We share our successes (project-related and financial). We actively work though our conflicts; we accept the fact that people make mistakes and we learn from our mistakes.

Male and female equality:

In the construction industry, which is still dominated by men, aap currently employs more women than men. No gender-specific distinctions are made either with regard to jobs in the office or on-site (contact with clients and the authorities, on-site supervision of works). In our opinion aap has overcome the issue of whether men or women should do a certain job because of their sex and should consequently have a different position or remuneration.

The rest of the office team is currently made up of more women than men.

Where pay and development opportunities are concerned there is no difference between men and women.

Disability policy:

Unfortunately it is not currently possible to employ people with special needs due to financial and space constraints.

Continuing professional development:

The practice finances CPD directly related to working procedures, specialist topics and projects.

Thirty hours are also set aside for each partner for their choice of non-project-related CPD.

We run a two-day, moderated team-building and organisation seminar for the core team approximately every year.

C2 JUST DISTRIBUTION OF LABOUR

Hours of work From five hours (students, employees undertaking studies or with young children to care for) to 40 hours per week depending on position and by agreement. Occasionally up to 60 hours for those in charge of projects and management.

Basically we do not work on Saturdays, Sundays or evenings (competition entries), or only in exceptional circumstances and voluntarily. Last year a lot of hard work was required because of a competition and as a consequence of multiple projects, which resulted in the creation of two new full time jobs.

Currently, from time to time we are experiencing very great pressure at work due to the constant multiplication of mobile forms of communication (mobile telephones, e-mails) and the amount of time being consumed by clients and the order situation. We must work together to relieve this pressure.

We will not be employing agency workers, external labour, or outsourcing work stages to cutprice firms.

We will not be employing cheap student/intern labour.

C3 ENVIRONMENTALLY FRIENDLY BEHAVIOUR OF EMPLOYEES IS REQUIRED AND ENCOURAGED

Nutrition: Fruit will be made available in the office to all employees. From time to time we will hold a joint lunch in the office, paid for by the practice, as the occasion arises.

If employees eat lunch in the office, as a rough estimate the breakdown is 10% vegan, 40% meat-free and 50% conventional.

Travel to work: incentives/actual behaviour

90% use public transport, walk or cycle to and from work (9 out of 10 people).

aap makes less of a contribution to car-running expenses (approx. 60% of the official rate for mileage).

aap makes the same contribution to use of public transport.

Organisational culture, awareness and internal company processes

The ecological "code" is an implicit part of the works agreement. Our own behaviour is also significantly influenced by training on sustainable architecture. We regularly hold very intensive discussions on ecological topics and behaviour (nutrition, mobility, long-distance travel, our own homes, fair trade). Where our own homes are concerned, one employee lives in a passive house, another lives in a zero-energy house, and in the autumn a third moved into a passive house.

Employees have actively engaged with ecological and social topics, which in recent years has resulted in work enquiries from people who are interested when they read about this subject in our corporate profile.

The office team's approach to procurement is therefore predominantly ecological. Without being specifically asked or encouraged, this approach started with an employee who was looking for a screen for the meeting room and who considered the ecological aspects and energy ratings, with the result that we ultimately purchased a machine with an A+ rating.

Employees' ecological footprint

Is not being drawn up at this time.

C4 JUST INCOME DISTRIBUTION

Income disparity based on the same hours of work - 1:2.

We pay the collectively agreed minimum wage.

By improving the level of fees that our practice charges, we have been able to increase revenues and thus, after years of stagnation, increase rates and wages by around 10%. No income is below €1,250 based on core working hours.

C5 CORPORATE DEMOCRACY AND TRANSPARENCY

Degree of transparency

There is full transparency at owner level (six people), with reporting obligations and joint responsibility. Anyone can see what all those involved in the practice are paid.

The hourly rates (the basis for everyone's salary) are disclosed and known throughout the practice.

Legitimisation of management

Confirmation at owner level (six people) based on development of the practice (practice founders).

Co-determination of operating principles/Decision-making framework

The factual and financial circumstances to and bases for decisions are discussed one-to-one and also in groups. In the process we disclose the important backgrounds to our activities and include employees in the decision-making process.

Half of the people who work in the practice are its owners (6 people). There is full transparency at proprietor level, with reporting obligations and joint responsibility. The partners take financial and strategic decisions at the 1-2 weekly meetings held in the office and decisions are consensual.

At employee level certain aspects of the financial situation are explained. If employees express an interest and make enquiries then there is full disclosure. The workforce as a whole addresses issues relating to running of the office or the atmosphere in the office/collaboration.

The partnership agreement makes provisions for participation by other partners. If a partner retires and relinquishes equity, this is first to be offered to the joint owners for a fixed price.

Codetermination of employees' profit share

The owners shall reach consensual decisions on utilisation of surpluses and profit shares for the core team and employees.

D1 ETHICAL CUSTOMER RELATIONS

Scope of ethical marketing

The practice is commissioned following customer enquiries (word-of-mouth referral, website) and invitations to take part in competitions. Orders predominantly come from our practice's networks and renown for specific construction tasks.

Essentially we do not undertake any marketing activities.

We attach high priority to a customer- and user-friendly business approach. Occasionally our comprehensive advice includes advising against a building project. The obvious disadvantage of this is that we lose projects. On average this affects two projects per year. In other cases we advise modifications to the project.

Ethical sales/marketing training

We do not currently offer marketing training. Everybody actively involved in sales (owners) adheres to the above approaches, which are/have been developed in meetings.

Alternative to payment of sales/marketing commission

aap does not customarily pay commission.

Bonuses are not customary at aap either.

Extent of client co-determination

Where architectural projects are concerned, client/principal co-determination depends on the structure, but is used to a varying extent.

It is self-evident to aap.architekten that users should be included.

For 50-70% of projects users or their representatives are surveyed or included in the planning process (see D4).

D2 COOPERATION WITH BUSINESSES IN THE SAME FIELD

aap does not try to lure away customers, or use derogatory advertising for projects on which other practices are already working, or to which they have supplied services.

Disclosure of information and transfer of technological know-how

We openly exchange information about technical solutions, contracts and fees with friendly practices. We proactively discuss **fair pricing** with professional colleagues and other practices.

Transfer of personnel, contracts, cooperative marketing activities

We submit joint entries to competitions with partner practices; we tender with them and supply technical resources and manpower.

Cooperative marketing

We tender services jointly with partner practices in Vienna, Graz and Salzburg.

We financed our participation in architecture conferences (2010, 2012) ourselves, giving papers on ecological and social responsibility in architecture.

D3 ECOLOGICAL DESIGN OF PRODUCTS AND SERVICES

Compared ecologically to competitors or alternatives with comparable uses, our products and services are EFFICIENT & CONSISTENT.

90-100% of new-build planning to passive house standards.

Zero-energy projects in progress are included (especially the biggest current project, accounting for around 60% of our services and construction volume).

Where renovation projects are concerned, the plans include big reductions in the building's energy consumption after renovation (50-80% of heating requirement).

With the exception of purely interior refurbishments, all our practice's construction volume achieves climate class A, or at worst B.

Active design for ecological use and "sufficient" consumption

We use some ecological construction materials in projects (wooden structure, cellulose insulation, currently using straw insulation and lime plaster on a project).

Continuous in-house training on building ecology. The tender for the biggest current project was based on building ecology criteria.

Because of our practice's reputation, aap.architekten's customers are mainly those with enhanced social and ecological requirements.

Active communication of ecological aspects to customers

We actively inform customers in detail about energy efficiency, sustainability and the social aspects of projects.

C.f. A1 regarding conventional electricity, conservation measures for server equipment, room thermostats, and paper and ink consumption.

D4 SOCIALLY ORIENTED DESIGN OF PRODUCTS AND SERVICES

Consideration of economic barriers for customers

Standard hourly rate for industrial or commercial customers.

Discount for social projects, kindergartens, cultural institutions for young people, tiered prices for commercial businesses, NGOs approx. 80% (currently represents approx. 25% of fee income).

Access to and design of products and services for disadvantaged groups 4 dimensions: physical, visual, linguistic and intellectual

Co-determination projects for people with special needs as a voluntary part (Christmas gift) during a project for these people.

The industry's customary Christmas gifts to customers are replaced by donations or voluntary contributions to social institutions (halfway houses, day-care centre for the severely handicapped, aid for refugees).

The website can be viewed in different font sizes.

Processes and measures regarding ethical risks and social aspects of customer relations

We do not recommend and largely advise against firms and suppliers who contravene our ethical standards.

Co-determination projects for children, young people and adults.

We head up large group events and mediation sessions as an additional opportunity to support the decision-making process.

Mediation is explicitly offered and used as a tool for clarification and implicitly to prevent conflicts.

We deal politely and respectfully with officials from the authorities, and we incorporate their expertise into preliminary project discussions in good time.

D5 RAISING SOCIAL AND ECOLOGICAL STANDARDS

Cooperation with competitors and partners in the value creation chain

We founded and help to organise the "schulUMbau" (school construction and conversion) social initiative.

Membership of and partial involvement in shaping the following associations and NGOs:

IG-Passivhaus Ost, IG-Passivhaus Österreich and IG PH Deutschland (Association for Development and Dissemination of Energy-Efficient Construction).

IG-Architektur (voluntary association which makes a greater socio-political contribution than the Austrian Chamber of Architects and Consulting Engineers)

Common Good Economy – membership and active participation

Active contribution to raising legislative standards

Active, civil society contributions to ecological and social improvement of planning regulations.

Active promotion of and consultation on the legal basis and legislation (e.g. modification of the obsolete design of rooms when constructing schools).

Scope, breadth and depth

Participation in and contributions to congresses: passive house construction, school construction and conversion, media reports, interviews, television and newspaper reports on the subject of passive house construction, participation and school construction and conversion.

Two of our employees have produced a children's book about passive houses and published it through our company (approx. 18,000 copies sold, translation into several languages). It is targeted at children, teachers, building users and interested adults, thus widely disseminating the concept of energy-efficient construction.

Dissemination of ideas through seminars, workshops and seminars at teacher training colleges and universities.

E1 VALUE AND SOCIAL IMPACT OF PRODUCTS AND SERVICES

Corporate processes

Internal team discussion concerning the ecological and social aspects of our projects, activities and initiatives. Regular exchanges with junior office colleagues to pass on our ideas.

What are the positive benefits or negative consequences directly caused by our products and services?

Exemplary effect of PH buildings and co-determination projects; propagate ecological standards.

Involvement in school construction projects in several Austrian communities promotes democratic awareness, active involvement of children and young people and convince participants of the project's importance.

How do you assess social aspects of the value creation process compared to alternatives with similar end uses?

Projects have a high level of social effectiveness as a result of the participation process.

Compatibility with nature, sufficiency:

How do you rate ecological aspects of our products and services compared to products and services with similar end uses?

High standard compared to the rest of the industry.

See above.

E2 CONTRIBUTION TO THE LOCAL COMMUNITY

We are in the process of printing a project-related practice report (2002–2012), which details the greater contribution to the local community in the section on **aap.initiativ**.

Participation in debates on various social topics (architecture, culture, care of the elderly, energy-efficient construction, Common Good Economy, climate policy).

These activities account for approximately 5% of our time and are financed from global income.

Passive house construction/Children's book:

Comprehensive contributions (in addition to the projects) through attendance at congresses, presentations, publications, interviews and media reports.

So far, since 2006, the 18,000 copies of the passive house children's book written, published by and sold through aap have contributed to disseminating the concept of energy-efficient construction.

schulUMbau:

Initiation of the interdisciplinary "SchulUMbau" platform (voluntary or practice-financed commitment to change the culture, content and outcome of educational institution planning). In Austria this topic is attracting increasing political attention and making an impact.

Active involvement in educational initiatives. Some pro bono presentations.

CGE

Active participation in development of the common good economy (membership of the board and management group). Provision of the practice's meeting room for MG meetings.

Several times per month aap.architekten makes its meeting room available to the Management Group and other CGE bodies for meetings.

E3 REDUCTION OF ENVIRONMENTAL IMPACT

Absolute impact:

High potential savings in the buildings designed by us. Annual reduction in energy equivalent to 20-40 t heating oil.

C.f. A1 for conventional electricity savings for server equipment, room thermostats, paper and ink consumption.

Since the last CG report there has been a marked increase in travel to participation projects in other Austrian provinces. This travel has been conducted almost exclusively by rail (approx. 10,000 km in 2012).

50% use of public transport for travel to and from building sites and authorities.

Relative impacts: compared to the rest of the industry the company

is above average where key ecological aspects are concerned.

E4 INVESTING PROFITS FOR THE COMMON GOOD

We do not distribute profits to external recipients.

E5 SOCIAL TRANSPARENCY AND CO-DETERMINATION

Scope of content

We actively portray aap's ecological and social activities and the organisation as a partnership at meetings and seminars. Business and cooperation partners acknowledge this, regard it positively and partly follow our lead.

PROSPECTS

SHORT TERM GOALS

- Switch to green electricity
- Fruit box (seasonal, organic fruit)
- Transfer of work, better division of labour
- Health-promoting measures, culture of taking a break, rest and relaxation area, better smoothing of work peaks
- Put CG balance sheet on the website.

LONG TERM GOALS

- Ethical financial management
- Ecological footprint for internal office activity and for the products (building) of our services
- Website suitable for disabled users
- The most consistent use possible of ecological building materials. Take account of the building global energy account (life cycle).

DESCRIPTION OF THE COMMON GOOD BALANCE SHEET PREPARATION PROCESS

This common good balance sheet was prepared by:

Franz Ryznar, architect and Managing Director

Natascha Ehrenberger, Administrative employee (content feedback and proofreading)

Reporting period: 10/2011 - 04/2013

How many man hours were required? Approx. 20 hours

23 April 2013