



## SUSTAINABILITY PLAN 2015-2016

As a steward for the environment and leader of our industry, the Building Technologies Division of Siemens is committed to fostering a culture of environmental responsibility. That culture includes reducing the environmental footprint of our business operations and developing innovative products, services and solutions that have a positive environmental impact for our customers.

### Progress on our Pillars of Sustainability

When we originally developed our four *Pillars of Sustainability*, we set out to establish a framework that demonstrated our commitment to building a successful and long lasting sustainability program that reflects our business, our environmental responsibility, and our employees and customers. These Pillars remain the cornerstone of our program, and they continue to guide our efforts even as our business grows and evolves.



#### Pillar 1: Products

Reduce the environmental impact of the products we manufacture.



#### Pillar 2: Operations

Minimize the environmental footprint of our business operations.



#### Pillar 3: Solutions

Develop industry-leading products, services and solutions that generate a positive environmental impact for our customers.



#### Pillar 4: Transparency

Provide transparency and visibility of our sustainability strategies, initiatives and performance.

## Company Overview

This Sustainability Plan is primarily for the Western New York Region of Siemens Industry, Inc., Building Technologies (BT) Division. As Buffalo is a part of Siemens BT Upstate NY District, the plan will also be promoted and expanded to cover all of Upstate NY, Northwest Pennsylvania and Vermont. As local operations do not include manufacturing, our focus will be on Pillars 2-4.

Siemens BT is market leader for safe and secure, energy-efficient and environmentally-friendly buildings and infrastructures. As a technology partner, service provider, system integrator and product vendor, Building Technologies has offerings for fire protection, life safety and security as well as building automation, heating, ventilation and air conditioning (HVAC), and energy management.

Our 100 local service and installation professionals maintain and expand mechanical and EMS systems in a variety of facilities. The majority of our employees travel to customer sites daily, thus transportation resource use is a major factor in our operations.

## Sustainability Journey

Since the introduction of our company's first energy savings products over a century ago, enabling customers to conserve resources has been fundamental to our corporate mission. We also understand that today's environmental challenges are driving our stakeholders' growing expectations of us as an organization. We strive to lead by example in our own operations by reducing our environmental impacts, maintaining transparency around operational performance, and educating our customers to identify Siemens as enabling them to conserve resources.

Commitment from the highest levels of Siemens Industry, Inc., has lead to the creation of a corporate Sustainability Committee. Representation includes individuals from the highest levels as well as field personnel. Corporate representation includes supply chain, service directors, field operations directors, marketing, research and development, and facilities management.

### **Siemens Began a sustainability program in 2007, driven by:**

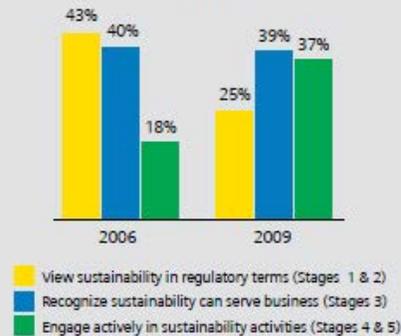
- Rapid adoption of sustainability within our core markets (Higher Education, Government, Commercial Office)
- Identified business growth opportunities in energy and sustainability within BT strategy
- Expectation from customers that key suppliers "Walk the Talk" on sustainability – seen in RFPs and supplier surveys
- Desire to be a leader in the marketplace – connect to our customers and differentiate vs. competitors

## Greening of Corporate America Research Study



### GCA Finding: Corporate views on sustainability are evolving

Company Involvement in Sustainability Over Time (2006-2009)



In 2009 Siemens partnered with McGraw-Hill Construction to conduct a follow-up study to the landmark Greening of Corporate America research study conducted in 2006. The study, which explored the attitudes of the C-Suite of corporate America, demonstrated that we were rapidly approaching a tipping point, where sustainability would become the norm rather than the exception. The goal of the 2009 update was to track the progress of America's corporate leadership and to assess the impact of a severe economic downturn on sustainability efforts.

The 2009 Greening of Corporate America study confirms that corporations are steadily progressing in their commitments to sustainability and belief that sustainability is good for the bottom line.

#### Some of the most exciting results include:

- Corporations are steadily progressing in their commitments to sustainability — the percentage of firms at the highest levels of engagement doubled over these three years, growing from 18% of firms to 37%.
- There has been a significant shift in looking at sustainability in terms of how it can save money. Now, firms are driven by revenue generation—more than half (56%) are providing green products and services to the market as well as requesting sustainability information from their vendors and service providers.

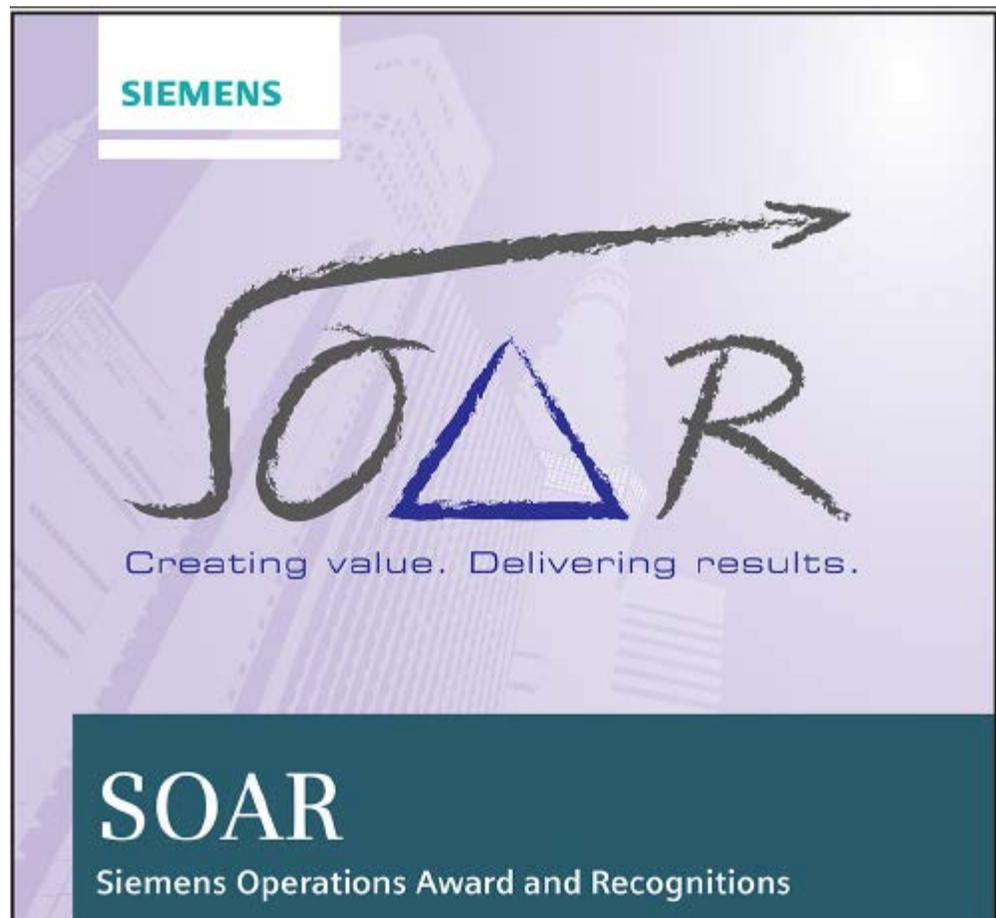
- Corporate leaders understand the market differentiation sustainability commitments can bring their firms. Over just three years, the number of C-Suite executives that perceive this advantage has grown from 31% to 57%.
- Sustainability is at some level insulated from the economic downturn. Over half (58%) of the respondents believe that corporate sustainability practices are either unaffected or are aided by the economic crisis.
- Increased energy cost continues to remain the primary driver for green initiatives.

Corporate leaders should learn from their peers in order to maximize the benefits from the incorporation of sustainability into their business practices. From our research, we are confident that sustainability and sustainable business practices are here to stay.

- Sustainability will continue to become part of standard corporate practice.
- Increased regulation is likely to occur.
- Public reporting and transparency is becoming routine.
- Larger corporations are embracing sustainability more enthusiastically and engaging in more benchmarking activities.

Local Siemens efforts have been developed and expanded to support both the corporate, and regional, sustainable business objectives. With internal improvement and support of local initiatives in mind, accomplishments include;

Being the only Siemens Area to ever win back-to-back SOAR Awards (partially as a result of our Sustainability efforts). We received several grants from the Siemens BT Eco-Fund and with those we've purchased flatware, plastic drinking glasses, and plates for the offices which have yielded a tremendous reduction in our waste. We even had a comment from an outside organization that was in our Syracuse office for a lunch meeting about how nice it was to eat and drink with real products and how it was nice to be in an office environment that "walks the talk" when it comes to being "Green".



Our offices themselves are also slowly but surely turning "green". When the Rochester office needed new carpet we went with a low-VOC solution and the Albany office used the Eco-Fund to buy a new Energy Star rated dishwasher to clean all of the newly purchased plates. We've also added occupancy sensors in some strategic areas, as well as some bathroom sink flow controls to reduce our energy and water costs, and you'll be seeing more of these coming soon. We also received another grant to buy "Smart" power strips that have the manual On/Off button and built in timer to shut down your non-essential devices after hour and

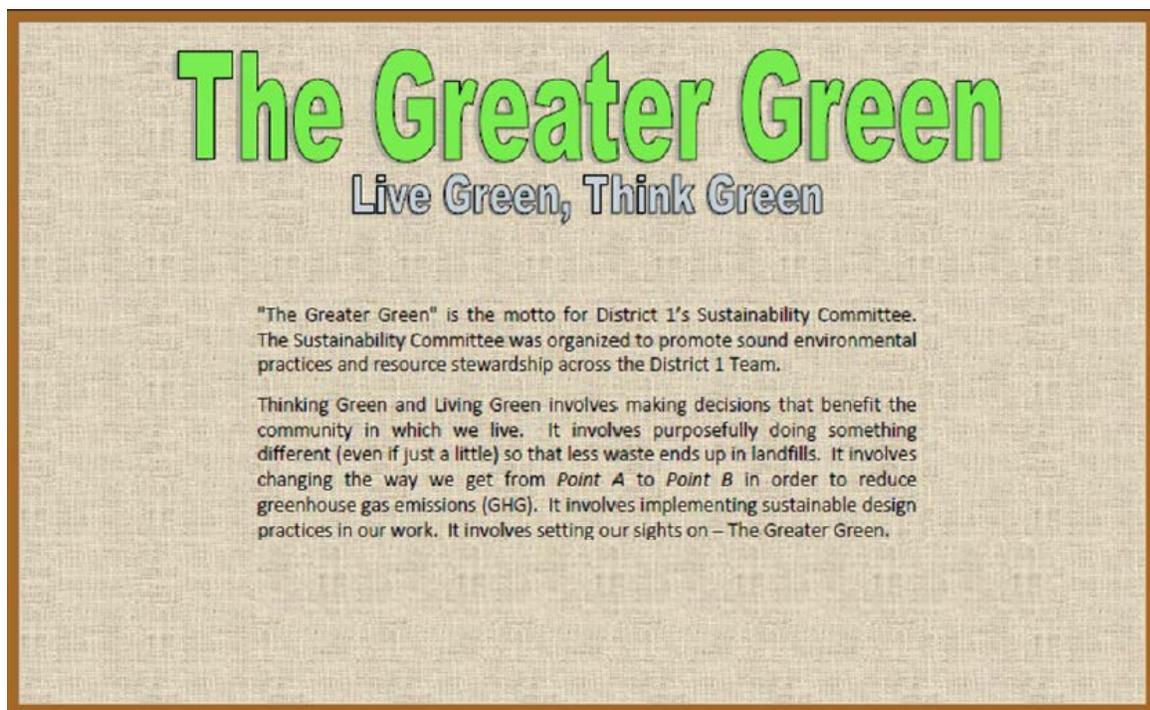
eliminate those phantom loads. We will be continuing to pursue these kinds of opportunities as we strive to update our office environments.

The Albany office is now in the final stages of receiving a Green Globes certification for their efforts in sustainability. The initial audit identified the need to commit to low VOC materials, reduce electrical use and lower resource use. Through installation of occupancy sensors, permeable material sidewalks and expanded recycling, the employees are looking forward to receiving this certification soon.

We have implemented full recycling programs in each office; where not just paper and cardboard, but also bottles, cans, and even batteries are recycled to avoid sending them to landfills. When we went to the "single stream" recycling program through Modern Recycling in Buffalo we not only recycled more products but it also saved us \$800/year in our disposal bill. We have switched to "green" cleaning products where possible in our offices. We are also utilizing recycled paper products in our restrooms and kitchens.

The Rochester office has hosted three e-cycling events which saved over 30,000 pounds of electronic waste from across the State from going to a landfill. Through our "Shred-it" service, located in each office, we saved 95 trees last year by recycling our shredded paper.

We've had great turnouts for our Earth Day events across upstate NY that demonstrated the real commitment of our people through the volunteering their time to better our environment. Annual work parties at City, Town and County parks have reduced the work load of those municipalities and improved the access and functionality of these community resources.



## Improvements Due To Our Sustainability Journey Thus Far

- 3.8% reduction in CO2 emissions through our “Driving the Green Mile” program
- 6.0% increase in fleet fuel efficiency
- 2.0% reduction in energy consumption
- 302 (2013) National LEED accredited professionals
- Readyng the Next Generation Education (STEAM program)
- Paper Shredding and Recycling (Partner with Shred-It)
- Turned old cell phones into charitable cash

## CELL PHONE RE-USE PROGRAM

In an effort to reduce the waste from keeping or throwing outdated cell phones in the trash-



Siemens Caring Hands

will be collecting all old cell phones, iPhones, blackberry devices and wall charger units and turning them into cash for various Caring Hands programs in the district.

All units will be appraised through [www.CorporateRenew.com](http://www.CorporateRenew.com) to determine the worth of the unit. Outdated phones or those without wall chargers will be recycled and a certificate of recycling provided.

Please bring any unwanted cell phones and wall chargers you would like to donate to the following coordinator's in your office.

## The Corporate Overview

- We continue to track a wide range key sustainability performance metrics
- We are in the process of developing organizational targets and goals
- Metrics will be made available on a regular basis, as data collection and accuracy improve

Key BT-US Sustainability Performance Metric Tracking		
<b>BT GHG Emissions</b> <ul style="list-style-type: none"> <li>▪ Scope 1: fleet fuel consumption, natural gas use</li> <li>▪ Scope 2: purchased electricity</li> <li>▪ Scope 3: air travel</li> </ul>	<b>Portfolio Energy Performance</b> <ul style="list-style-type: none"> <li>▪ Total energy use from buildings</li> <li>▪ Portfolio average EUI</li> <li>▪ Portfolio average ENERGY STAR rating</li> <li>▪ % of electricity offset by Renewable Energy Credits</li> </ul>	<b>Energy Metering/Monitoring</b> <ul style="list-style-type: none"> <li>▪ # of buildings with energy metering</li> <li>▪ # of buildings with water metering</li> <li>▪ # of buildings in Utility Bill Management program</li> </ul>
<b>Fleet Performance</b> <ul style="list-style-type: none"> <li>▪ Fleet average MPG</li> <li>▪ # of Prius in fleet</li> </ul>	<b>Buffalo Grove Campus Performance</b> <ul style="list-style-type: none"> <li>▪ Energy use and cost</li> <li>▪ Water use and cost</li> <li>▪ Landfill waste and recycling amount</li> <li>▪ Landfill costs and recycling sales</li> </ul>	<b>Building Certification &amp; Professional Credentials</b> <ul style="list-style-type: none"> <li>▪ Total number of certified facilities by system or program</li> <li>▪ Number of LEED credentialed professionals by zone</li> </ul>

## Elements of Siemens Local Sustainability Plan

“We commit to become a thriving and resilient business by establishing and implementing a Sustainability Plan that:

### Reduces waste and pollution

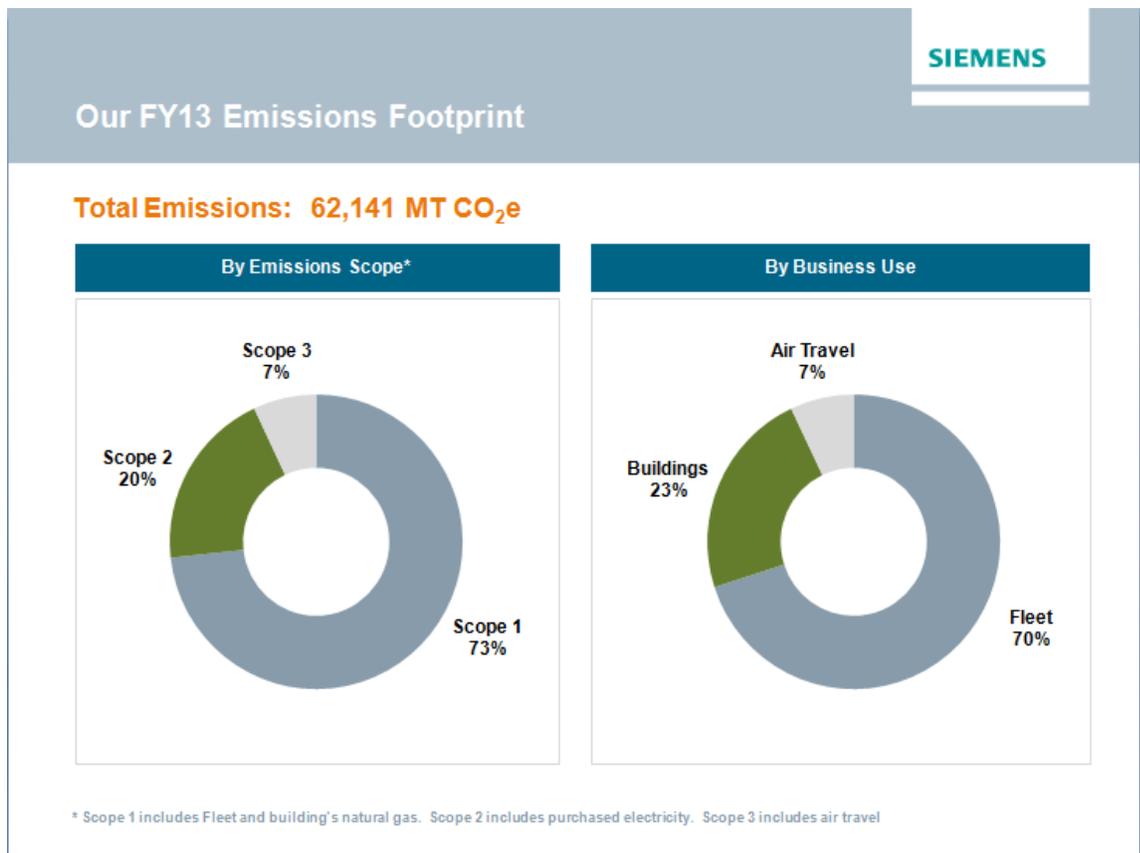
Opportunities for waste and pollution reductions are many in our office environment as well as with suppliers and customers.

In our offices we produce waste from printing operations, kitchen use, restroom consumables and packaging materials from our stock room and warehouse areas. Emissions improvement opportunities exist in choice of interior finishes, cleaning chemical use and vehicle emissions.

Our sustainability program will contain waste and landfill reduction initiatives including;

- Foam, Paper and Plastic Elimination. Through continued expansion of reusable dishes, glasses and silverware we will further reduce the amount of consumable waste we create
- Initiate Duplex Printing Standards. Siemens BT produces many reports and O&M manuals. To reduce the amount of paper, ink and electricity used in creating these, a standardized policy will be developed by which printing is done.
- Paper Towel Waste Reduction. An initiative to convert from paper towel to electric hand driers in the restrooms will reduce paper towel use. As we transition, we are using recycled paper products in our restroom.

- Improve Indoor Environmental Quality. Following the lead of our Albany office, all further interior renovations will require the use of low VOC materials including paint and carpeting.
- Our existing recycling program with Modern will continue, with future improvement concentrating on source reductions and expanding into potential compostable inclusion. Although the infrastructure is not currently available, the number of facilities interested in reducing the amount of valuable nutrients land filled is increasing. Hopefully we can add our voice to creation of this service.
- Vehicle Emissions reductions. As 70% of Siemens BT GHG emissions are from transportation fuel use, improvement in gas mileage and the addition of more hybrid vehicles to the fleet will be an important initiative. As striving to travel less is counter to a goal of increased business, it is only through greater efficiency and fuel switching (petroleum to electric or NG) and carpooling that we could make improvements. Metrics for this improvement will be the number of hybrid vehicles added and fleet MPG.



## **Protects our Waterways**

Siemens BT can affect water usage both internally and with our clients. We have done extensive work in fresh water and waste water treatment plants, optimizing operations which reduce resource use and energy costs. We will continue to work with local municipalities to improve water system efficiency, an example being a second round of initiatives with the Buffalo Water Authority after our installation of more efficient pumping systems recently.

Internally, our offices have made efforts to reduce water usage through installation of low flow sink aerators and toilets.

Going forward, we are going to either get access to an existing water meter to track use or install one so that usage can be measured and managed. Our goal this year will be to obtain, record and track, water usage data by December 2015.

Further initiatives will be to work with landlords to minimize landscaping water consumption by requesting local plant use for landscaping, as well as drought resistant plantings.

## **Optimizes use of Energy and Materials**

As a building automation and metering solution provider, Siemens BT has extensive experience in supplying energy and water efficiency solutions to our customers. Internally we have not committed enough attention to management of our own resource use. Data on utility usage (natural gas, electric and water) is not consistent or complete, due to our offices not being in stand-alone locations.

From a company standpoint, Siemens BT has made phenomenal progress working with clients to reduce utility usage and GHG emissions. Through establishing metering programs and applying system optimization strategies, our customers have increased facility comfort and reduced energy use.

We have been recognized as Industry Partners by local utilities for our efforts of working with regional distributors and NYSERDA to identify and complete energy conservation projects that have saved millions of Kilo-watt hours.

Internally Siemens has applied those same savings strategies. Office lighting retrofits have occurred and Energy Star appliances have been incorporated into our spaces. Energy saving, auto-shutoff power strips have been installed in all office to ensure computers, monitors and printers all go off during unoccupied hours. Occupancy sensors in all offices have also reduced the time lights are on.

The company Minimum Sustainability Standard is driving our focus this year to get our office spaces metered so that we can comply with annual energy audit requirements and Energy Star scoring. Actual energy use data will be available by January 2016.

## **Invests in our Employees and Communities**

Being a Siemens employee involves constant adherence to the Safety and Zero Harm Culture initiative. Above all else, Siemens values the safety and well being of our employees. Extensive safety education is mandated yearly that educates our staff, both office and field, on the importance of safety from biological, chemical and physical dangers. These educational courses are taught in group settings and as online courses, with satisfactory completion required on things like blood borne pathogens, fire extinguisher use, defensive driving and safe lifting, to name a few.

Adherence to our safety program is measured individually through course completion records. The metric of OSHA Incident Rate (OIR) included in our corporate KPI roll up and tracked for annual Improvement. The goal is to be less than 1.36 and we are currently at 1.92.

Siemens Caring Hands mission: We are committed to supporting all our employees who are inspired to make a difference in their communities by volunteering their time, money and skills to help change the world where we live and work.

In the past year alone, the 200+ Siemens BT employees in Upstate NY have donated many thousands of dollars and hundreds of hours to their local communities, in addition to the many national initiatives we support.

We have fielded teams in Breast Cancer Walks and Runs across NY State. We have collected food and donated our time to the Food Bank of Central New York, the Albany Regional Food Bank, and the Buffalo City Mission. We have donated clothes to the Savona Fire Department, the Buffalo City Mission, the Open Door Mission in Rochester, and to the Rensselaer County CEO Head Start for their Clothes for Kids campaign.

In every one of our five primary Upstate NY offices we collected backpacks before the start of school to donate to local children in need.

Each office also participates every year in local Earth Day clean up events, where Siemens gives our employees the afternoons off (with pay) to volunteer with our Caring Hands teams to clean up local areas in need, resulting in over 200 man hours of time donated annually to our local communities for these events alone.

We do not just volunteer our labor, but also our expertise. We use our knowledge to support local schools with their Science, Technology, Engineering, Arts, and Math (STEAM) initiatives to help prepare students for careers in technology. Siemens initiated the Central NY, North Country, and Mohawk Valley STEM Hubs, which create a local network of communications through a public/private partnership to support STEAM education in local K-12 and higher education schools. We recently sponsored creation of the WNY STEM HUB. We also host the annual Collaborative Educators Summit, where over 200 local teachers and administrators gather to share thoughts and best practices on implementing project based learning in the K-12 environment. To date we have invested over \$100,000 locally and hundreds of hours through our Sustainable Education Department in this initiative.

We also collect all of our electronic waste from our offices and families and run a yearly event to donate the proceeds from this collection to Camp Good Days and Special Times. To date, we have saved over 30,000 pounds of E-waste from going to landfills, while making a significant donation to a great charity. In addition to E-waste recycling all of our old cell phones are collected separately and donated directly to charities that can use them.

Through the process of supporting our customers and being active in our local upstate communities, our corporate offices have given over \$200,000 each and every year over the last five years to local charities and industry organizations.

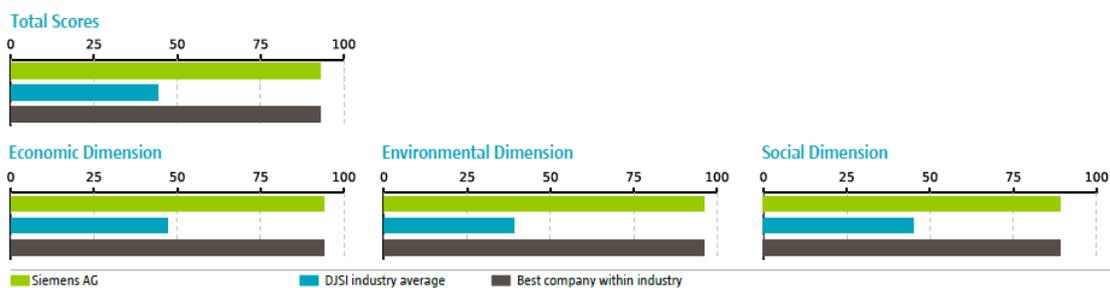
On our own time the Siemens employees in the Upstate NY community volunteer their time as youth hockey, lacrosse, soccer, baseball, football and basketball coaches. We volunteer with local charities and are on many community foundation boards. We are active members of our local churches and charitable organizations. We ring bells for the Salvation Army and collect toys for our local Toys for Tots while arranging for fundraisers for our neighbors in need.

We are a collection of individuals who make up a caring, local, successful business that provides jobs and benefit to our own Upstate NY communities.

## Stakeholders and Promotion

Siemens Industry, Inc. is a worldwide corporation dedicated to sustainability and driving innovation to reduce the built environment's impact on our resources. Chosen by the Dow Jones Sustainability Indices as among the best, Siemens is proud of its accomplishments and gladly accepts the challenges that come with improving efficiencies and developing renewable technologies, as well as driving efficiency improvements in the world's existing infrastructure. Our Corporate leadership knows that improvements made in products from wind turbines to gas turbines, light rail to city lights, impacts each of us.

### Sustainability Scores



Locally, our sustainability champions include everyone, from managers to administrators. Our Area Manager Paul Ingham's promotion of our sustainability efforts is a great example. Fawn Jones, Patty Burgess, Mary Hynes and Paul Rogers form the core sustainability team and guide our efforts across the State. Their leadership has resulted in the admirable progress we have made to date. Our Performance Assurance team creates our strategies for measurement and verification of the data used to gauge our progress.

On Boarding information is important to orientating our new employees. Communicating policy and procedure must include information on our sustainability plan and the individuals' importance in the initiatives.

Our business is to know our customers' facilities. Assisting them in their sustainability is something we take great pride in. Siemens looks forward to building our relationships and expanding our influence as the markets we are involved in. From green hospital operations to driving operational savings in local school districts, Siemens BT will be there to improve the health and security of the WNY region and the State of NY.

BT Sustainability INTERNET site: [www.usa.siemens.com/btsustainability](http://www.usa.siemens.com/btsustainability)