

## 4TH QUARTER 2011:

# NEWS FROM SUSTAINABILITY ROUNDTABLE, INC.

From the service leader

James Boyle, President & CEO



## Corporate Sustainability = Strategic Continuous Optimization

Sustainability Roundtable Inc.'s ("SR Inc") shared-cost research and consulting service's burgeoning 4<sup>th</sup> quarter growth was both quantitative and qualitative. We added dozens of extraordinary Member Executives to the **Sustainable Real Estate Roundtable** (SRER) as well as remarkable talent to SR Inc's full-time team as we grew our business more than 150% for the 3rd consecutive year.

What was most important, however, was how our now nearly 300 Member Executives benefitted from our business service. SR Inc provided vendor neutral best practices research and subscription Advisory Services to these **Member Executives who are responsible for optimizing well more than 1.5 billion SF of leased and owned real estate** towards more sustainable, high performance.

What our day-in and day-out experience with global leaders in more sustainable real estate has evidenced is that "Corporate Sustainability" is not a "nice to have" or even a discrete discipline. Instead, a commitment to Corporate Sustainability and an ability to integrate it into department and business unit strategy is, increasingly, a core competence expected of executives at the highest performing companies.

At companies such as **SAP** and **USAA RE Co.**, executive and line management teams are organized and animated by a shared commitment to continuous optimization with clearly articulated goals, key performance indicators, and monitoring and verification of performance.

Companies like SR Inc SRER Outstanding Corporate Leader of 2011 - SAP - understand that the long recognized need for continuous optimization can be better met by embracing a commitment to Corporate Sustainability to help guide, organize, and energize efforts towards continuous optimization.

This is because a commitment to Corporate Sustainability imbues a traditional commitment to continuous optimization with the added energy of social and environmental relevance. Top performing companies do not continually optimize "just" for greater efficiencies in processes, energy, and materials; they continually optimize for greater efficiency as well as for innovations of growing importance and a healthier and more sustainable interface with our environment.

This has helped companies like SR Inc SRER Outstanding Landlord of the Year 2011 **USAA RE Co.** better align with top customers like fellow SRER Member-Client the **U.S. GSA**. For example, **USAA RE Co** became impressively efficient at winning LEED certification at outstandingly low net cost *before* the **U.S. GSA** began requiring LEED Certification to lease space.

Since the interest of top talent, customers, investors, and regulators in greater sustainability is only increasing as globalization and resource costs increase, the world's best run companies are recognizing that Corporate Sustainability can be very profitably understood as in many respects equal to long-needed and highly **Strategic Continuous Optimization**.

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### SRER Calendar of Events

**Jan. 26, 2012 Charter Member Meeting II**  
Charter Members met virtually to discuss, plan and ratify the SRER 2012 Service Agenda

**March 22, 2012 Q1 Conference**  
Members meet in Boston, Chicago, London, New York, San Jose, and Washington D.C

**June 14, 2012 West Coast Executive Meeting**  
Members meet in Boston, Chicago, London, New York, San Jose, and Washington D.C.

**Sept. 20, 2012 Q3 Conference**  
Members meet in Boston, Chicago, London, New York, San Jose, and Washington D.C.

**Nov. 28, 2012 Summit VIP Reception/Dinner**  
SRER Members gather for Pre-Summit Dinner

**Nov. 29, 2012 Summit on Sustainable RE IV**  
SRER Members collaborate to present Sustainable Real Estate Best Practices & Research



**Roger van Overbeek, Director of Corporate RE at Autodesk on SR Inc Management Best Practices Research and Tools**

"SR Inc's content [is] excellent

because it [is] not just a high level overview, but meaningful enough that I can use it for implementation and refinement. The information I obtained in 1 day and on the thumb drive [is] equal to months of consulting provided by one of our vendors, and the SR Inc materials are more meaningful. I cannot say enough good about the content."

## BEST PRACTICES: Summit on Sustainable Real Estate III

Over 100 top Industry Leaders joined together at SR Inc's third annual Summit on Sustainable Real Estate. The event was held on December 1, 2011 at the St. Regis Hotel in Washington, D.C., following a VIP Dinner Reception on November 30, 2011, and reflected the continued and dramatic growth of SR Inc's shared-cost research and consulting service.

Summit III provided inspiration, fellowship, and Executive Guidance. The last was comprised of SRER Management Best Practice Research, SRER tools and SRER vendor-neutral advisory services about what is working best to drive more sustainable high-performance. Topics presented at the Summit III included:

- **Executive Session on Sustainable Real Estate**, an opportunity for Enterprise-wide Leadership
- **Advancing Portfolio-wide Sustainability Strategy** What strategies are real estate executives using to create sustainable value? (including Innovative Finance for Energy Efficiency)
- **Benchmarking Real Estate Portfolio Sustainability** What KPI's for sustainability should real estate executives adopt and what are the relevant performance benchmarks?
- **U.S. Federal Government Leadership** How is the US Federal Government advancing the move to a more sustainable built environment and how can senior real estate executives benefit?
- **Integrated Alternative Workplace Strategies** What AWS strategies are being successfully adopted to increase productivity and how can landlords best respond?



The Sessions also included a mock **Sustainable LOI Negotiation**, a new favorite feature of the Summit. The session investigated how Tenants and Landlords can best share the

costs and benefits of more sustainable leased space in a smart LOI.

We hope you found the Summit III constructive and that you initiated or deepened important professional relationships with executives prepared to offer leadership and fellowship in accelerating the move to more sustainable real estate.

As a reminder, all of the research provided at the Summit III in the Binders and flash drives is available online in our Digital Library.

## SR Inc Names SRER 2011 "Outstanding Leader Awards"



During the SRER VIP Dinner Reception on November 30, 2011, SR Inc announced the Sustainable Real Estate Roundtable (SRER)'s "Outstanding Leader Awards 2011," recognizing SAP, USAA Real Estate Company, Suzanne Cooper, Kevin Kampschroer, and Brandywine Realty Trust for their corporate-wide focuses and leadership on sustainability.

### **SAP** SRER Outstanding Corporate Leader 2011

**SAP** was chosen for this award due to its success in developing and driving optimization toward greater sustainability throughout its global facilities. SAP's approach is top to bottom, global, and industry-leading; resulting in cost avoidance of over EUR 185 million since 2008 and a carbon footprint reduction of 25% since 2007.

### **USAA** SRER Outstanding Landlord 2011

**USAA Real Estate Company** won this award for helping to set the standard for excellence in the move to more sustainable buildings at the most impactful, portfolio-wide level; by establishing industry-leading efforts including benchmarking through ENERGY STAR Portfolio Manager, LEED-EBOM high-performance credits, and a 5% improvement goal in ENERGY STAR ratings on an asset by asset and overall portfolio-wide basis.

### **BrandywineRealtyTrust** SRER Emerging Leader Landlord 2011

**Brandywine Realty Trust** won this award for its outstanding efforts to move its portfolio toward greater sustainability; by implementing sustainable landscape and pest management, portfolio-wide green cleaning initiatives, LEED-compliant cleaning equipment and chemicals use, and a goal of gaining ENERGY STAR ratings in +33% of properties and LEED certification when practical.

### **CISCO** SRER Outstanding Corporate Executive 2011, Suzanne Cooper- Cisco

Suzanne won this award for her significant success moving Cisco toward greater sustainability, most recently helping introduce a unique sustainable leasing program, standard lease, related forms, and training for Cisco's operations.

### **GSA** SRER Outstanding Public Sector Leader 2011, Kevin Kampschroer- U.S. GSA

Kevin won this award for his work coordinating Federal efforts in building sustainability, acceleration of industry capability, and adoption of sustainable principles across all aspects of asset creation, operation, maintenance and disposal.

## Select New SRER Charter Members in 4Q11



Citrix Systems, Inc. (NASDAQ:CTXS) is a leading provider of virtual computing solutions that help people work and play from anywhere on any device. Over 250,000 enterprises rely on Citrix to create better ways for people, IT, and business to work through virtual meetings, desktops and datacenters. Citrix virtualization, networking, and cloud solutions deliver over 100 million corporate desktops and touch approximately 75 percent of Internet users each day. Citrix partners with over 10,000 companies in 100 countries. Guy Desautels, VP of Global Real Estate & Facilities, will lead Citrix's relationship with SR Inc.

[www.citrix.com](http://www.citrix.com)

### LEVI STRAUSS & CO.

Founded in San Francisco, CA in 1853, Levi Strauss & Co. is one of the world's largest brand-name apparel companies and a global leader in jeans wear and related accessories for men, women, and children under the Levi's®, Dockers®, Signature by Levi Strauss & Co.™, and Denizen™ brands. Levi Strauss has a strong commitment to sustainability and a vision that ambitiously aims to restore environmental health to the planet. Colleen Kohlstaad, Director of Global Environmental Sustainability, will lead their relationship with SR Inc.

[www.levistrauss.com](http://www.levistrauss.com)



Pacific Gas and Electric Company, incorporated in California in 1905, is one of the largest combination natural gas and electric utilities in the United States, providing service to approximately 15 million people throughout a 70,000 square-mile service area in northern and central CA. A subsidiary of [PG&E Corporation](http://www.pge.com), the company has approximately 20,000 employees. PG&E's focus on sustainability is a recognition that its success today depends as much on fulfilling a complex array of social, environmental, and other stakeholder expectations as it does on traditional business performance measures. Balancing these considerations in ways that create value across the "triple bottom line"—people, planet, profit—is the essence of sustainability as PG&E defines it. Karen Cochran, Real Estate Strategy, will lead PG&E's relationship with SR Inc. [www.pge.com](http://www.pge.com)



Founded in 1999, [salesforce.com](http://www.salesforce.com) builds and delivers award-winning customer relationship management (CRM) applications as scalable online services, providing integrated online sales force automation, customer service, support management, and marketing automation applications to help companies meet the challenges of global customer communication. The company is committed to environmental responsibility throughout its business operations, and sets the highest level of environmental standards for all areas of its business: data center operations, real estate and facilities, global environmental performance, and employee engagement. Larry Wolfert, Senior Director of Real Estate, will lead Salesforce.com's relationship with SR Inc. <http://www.salesforce.com>



Xerox Corporation is a \$22.5 billion leading global enterprise for business process and document management, with 134,000 employees serving clients in over 160 countries. Through its broad portfolio of technology and services, Xerox provides essential back-office support for clients to focus on their real business. Xerox provides leading-edge document technology, services, software, and genuine supplies for graphic communication and office printing environments. Xerox believes that sustainability can no longer be viewed as a cost of doing business, but as a way of doing business. Its responsibility to the environment focuses on four areas where they can have the most impact: climate protection, preserving biodiversity and the world's forests, preserving clean air and water, and preventing and managing waste. David Nappi, VP Workplace Services, will lead Xerox's relationship with Sustainability Roundtable. <http://www.xerox.com>

## CHARTER MEMBERS OF THE SRER INCLUDE:

**Adobe Systems, Inc**  
**AOL**  
**Apollo Group**  
**Autodesk**  
**BC Hydro**  
**BNY Mellon**  
**Bonneville Power Administration**  
**Brandywine Realty Trust**  
**Brocade Communication Systems**  
**Capital One**  
**Cisco**  
**Citrix**  
**Clarion Partners**  
**Electronic Arts**  
**EMC Corporation**  
**Equity Office Properties**  
**Genentech**  
**Gensler**  
**Harvard University**  
**IBM**  
**Intuit**  
**J.P. Morgan Asset Management**  
**KeyBank**  
**Lenovo**  
**Levi Strauss & Company**  
**McKesson Corporation**  
**Mintz Levin**  
**National Grid**  
**National Institutes of Health**  
**NetApp**  
**Oracle**  
**PG&E**  
**Sage Software**  
**Salesforce.com**  
**SAP**  
**Symantec**  
**UGL Services**  
**Unum Group**  
**U.S. GSA**  
**USAA Real Estate Company**  
**Xerox**

## SRER Member U.S. GSA Announces New Sustainability Tools

The U.S. General Services Administration announced the creation of four new tools for promoting greater sustainability in federal agency workplaces. "Sustainable behavior requires transformative change, and transformative change occurs when people are empowered to make informed decisions at all levels," says Michael Bloom, GSA Sustainability & Green Building Program Advisor. GSA developed these tools as part of their ongoing effort to improve sustainable workplace, facility, and procurement practices. These tools include the **Workplace Solutions Library**,

**Sound Matters**, **Sustainable Facilities Tool**, and **Green Products Compilation** module.

- The [Workplace Solutions Library](#) provides comprehensive workplace information in an organized, linked way. The tool is based on six "work patterns" that run the gamut of federal knowledge work, providing a simple structure to think about complex issues. It is designed to help the user reduce real estate and consequently, GHG emissions footprint while improving workplace quality. Users can identify and translate work styles to appropriate space designs that afford practical mobility options, inform proper furniture choices, and provide strategic guidance to manage change.
- The [Sound Matters](#) tool was created to help agencies develop cost-effective acoustic mitigation strategies and create high-performance, vital workplaces even as real estate footprints shrink. The tool specifies designs, products, and human behavior modifications necessary to create workplaces that furnish acoustic comfort. The tool's intent is to increase awareness of a formerly peripheral issue that is quickly becoming primary in new workplaces.
- The [Sustainable Facilities Tool](#) serves as a "one-stop portal" to empower any government or private sector user to identify and prioritize cost-effective sustainable building strategies that lead to improved environmental performance in small building projects. "Before creation of this site, there was no one-stop tool for learning about such a wide breadth of sustainable products and options available for retrofitting and renovating buildings," says Stephen Leeds, GSA Senior Sustainability Officer. SFTool promotes the use of energy efficient, sustainable design and environmentally preferable materials in renovations, alterations and leases, while enhancing skills required to assess more sustainable leases and support integrative design.
- The new, web-based version of the [Green Products Compilation](#) utilizes the interactive SFTool platform, providing users with information regarding sustainable building principles, materials, and systems. This platform allows purchasers to search, sort, and identify sustainable products and associated guidance. GSA anticipates further updates this spring to further expand its scope and functionality.

Additional documentation about GSA's tools is available in SR Inc's Digital Library.

## SR Inc Selected 4Q 2011 Executive Guidance

Below lists selected, vendor neutral, management best practice research created by SR Inc and provided to SRER Member-Clients in Q4. SRER Member-Clients can access these documents in SR Inc's Digital Library.

### **Energy Management**

#### **Advanced Energy Management Systems**

Advanced Energy Management Systems Report  
ISO 50001: 2011 Energy Management Systems Advisory

#### **Enterprise Energy & Carbon Accounting (EECA)**

Deploying Enterprise Energy and Carbon Accounting Software Report

### **Lighting & Daylighting**

Induction Lighting Advisory

### **Healthier Workplace**

#### **Indoor Environmental Quality**

Managing Indoor Air Quality Report

### **Alternative Workplace**

Integrated Alternative Workplace Strategies Report

### **Sustainable Commuting**

Electric Vehicle Charging Stations Briefing  
Ridesharing & Ridematching through Integrated Portals Briefing

### **Recycling**

Reducing Waste, Increasing Diversion Briefing

### **Water Efficiency**

Water Footprinting Briefing  
Electronic Waste Regulation Advisory  
Payback for Automatic (Hands Free) Faucets Advisory  
Water Efficiency- Reducing Costs and Use Portfolio-wide Report

## Working Globally with Lenovo

During 2011, SR Inc's EVP, Research & Consulting, Michael Gresty and his team supported SRER Member-Client Lenovo with additional consulting on corporate sustainability. Notable among the outcomes of this effort are:

- A revised corporate governance structure including the appointment of Lenovo's Senior Vice President for the Think product line, Peter Hortensius, as Sustainability Leader.
- Lenovo's Senior Leadership Committee (SLC) approved the integration of sustainability into the company's core business strategy, and to support sustainability strategy development, communication, and awareness of sustainability practices at Lenovo.
- Lenovo was among the top 10 companies that received a Hang Seng Index rating of AA or A+, with a rating of A+, up from an A- in 2010, out of a total 638 companies.
- Oekom Research issued Lenovo a status of "Prime" and a "B" rating, up from "C" in 2010.
- Lenovo endorsed educating the global and China real estate teams on sustainability, and additional guidance for new headquarters building to pursue LEED Platinum certification.

According to Lenovo's Deidre Buzzetto, Director of Global Real Estate, the real testament to Michael's reputation, expertise, and work completed in China was demonstrated at the architectural review of the submittals for the new headquarters project. Michael was seated at the "Head Table" with the four distinguished Chinese architects who had been invited to evaluate the projects. SR Inc will continue to work with the China Lenovo team in 2012.

## SRER SERVICE LEADERS:



# SIEMENS

**Mechanical Systems & Services** provides comprehensive facilities solutions with superior technical resources in a rapidly changing, technology-driven market. The team of experts at MSS has a solid history of superb client-focused projects. Providing customer service and superior quality accentuates their many service offerings, including HVAC Service.

A division of **Siemens Industry, Inc.** (SII), Building Technologies (BT) Division is a leading provider of energy and environmental solutions, building controls, electrical distribution equipment, fire safety and security systems solutions. BT's solutions enable America's buildings to be more comfortable, secure and environmentally friendly as well as less costly to operate. With its U.S. headquarters in Buffalo Grove, IL, BT employs 9,000 people and provides a full range of services and solutions from more than 100 locations.