

SR INC'S SUSTAINABLE BUSINESS & ENTERPRISE ROUNDTABLE (SBER) 4th QUARTER NEWS

From the service leader

JAMES BOYLE, PRESIDENT & CEO



Innovating For Sustainability

SR Inc's Advisory Service to leading global companies and large real estate owners has matured over the last 5 years to efficiently assist more than 250 Member Executives responsible for optimizing over two billion square feet of real estate and facilities globally.

In 2013, SR Inc's Advisory Team conducted in-depth confidential management assessments and provided detailed recommendations for improvement with supporting SR Inc Guidebooks, Tools and vendor-neutral Solution Assessments to leaders of the sustainability committees at more than 50 global companies and large real estate owners. SR Inc's 2013 Sustainable Business & Enterprise Roundtable's (SBER) annual assessments reflected three clear directional trends:

First, those leading sustainability efforts have recognized that developing a comprehensive "sustainability strategy" enables them to be better recognized and resourced by senior management. Business case supported, multi-year, milestone-based Sustainability Strategies are proving to be a no capital cost "force multiplier" that enables enterprises to translate the noise of disparate efficiency and engagement programs into a signal senior management, top talent, top customers, top investors and regulators can recognize and reward.

Second, high performing enterprises have recognized that a systemized commitment to greater Corporate Sustainability better organizes and animates their existing continuous optimization and innovation efforts. Corporate Sustainability is becoming less a discrete additional activity and instead a more strategic framework and catalyst to better understand and drive existing commitments to continuous optimization and innovation. Sustainability is turbo-charging conventional continuous optimization and innovation with the energy of broader social and environmental relevance.

Third, high performing enterprises are increasingly focusing on the strategic and technical innovations that a commitment to greater corporate sustainability can best drive. High performers recognize that resource constraints are rising world-wide and they are leveraging external and internal multi-stakeholder engagement processes organized around the need for greater sustainability to identify opportunities for system change and "transformative efficiencies" for their companies and customers.

These trends were underscored by broader industry research. In 2013, Accenture and the UN surveyed more than 1,000 global CEOs across 27 industries and found 93% believe "sustainability" will be key to their future business success, 63% believed related issues would transform their industry within 5 years but only 33% felt "business was doing enough". Consequently, in 2014 the best in business will accelerate their embrace of *innovating for sustainability* like everything depended on it.

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2014 Select Planned Events

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| Jan 16, 2014
11am PT/
2pm ET | ELC Charter Member Meeting
Charter Members meet virtually to discuss and ratify the <i>Enterprise-wide Agenda</i> |
| Jan 30, 2014
11am PT/
2pm ET | RLC Charter Member Meeting
Charter Members meet virtually to discuss and ratify the <i>Real Estate Leadership Agenda</i> |
| Mar 20, 2014
12-2pm ET | Q1 Executive Symposium EC
SBER Member-Clients meet in Boston, MA. |
| Mar 27, 2014
9-11am PT | Q1 Executive Symposium WC
SBER Member-Clients meet in San Francisco, CA. |
| June 12, 2014
12-3pm ET | Q2 Executive Symposium EC
SBER Member-Clients meet in Washington, D.C. |
| June 19, 2014
12-3pm CT | Q2 Executive Symposium MW
SBER Member-Clients meet in Chicago, IL. |
| Sep 18, 2014
12-3pm ET | Q3 Executive Symposium EC
SBER Member-Clients meet in New York, NY. |
| Sep 25, 2014
12-3pm PT | Q3 Executive Symposium WC
SBER Member-Clients meet in San Jose, CA. |
| Dec. 4, 2014
12-3pm PT | Q4 Executive Symposium
SBER Member-Clients meet in Los Angeles, CA. |

Q4 Executive Symposium: *Sustainable Optimization & Innovation*

SR Inc was pleased to host its SBER Q4 Executive Symposium: ***Sustainable Optimization & Innovation- Advanced Sustainability Strategy*** on December 5th at SBER Member-Client **Nokia's** offices in San Diego, CA and remotely.

The Symposia built upon SR Inc original Executive Guidance, Guidebooks & Tools, case studies, as well as on-going related work with SBER Member-Clients. Facilitated discussions examined SR Inc's flagship 2013 Executive Guidance on *Sustainability Strategy for Operations*, and outstanding leadership in sustainable buildings and business. Vendor-neutral reports on relevant **technological innovation, employee engagement** as well as **energy and EHS management systems**, and **materials management** were also released and discussed, including:

- **Advanced Sustainability Strategy:** Management best practices that drive continuous optimization and innovation through vision, strategy and governance and related SBER 2013 Assessment data and findings.
- **Sustainable Innovation:** How market leaders are effectively moving beyond continuous optimization to effectively prioritize Sustainable Innovation in processes and technologies in buildings and business.
- **Employee Engagement:** How leaders in buildings and business are leveraging low and no cost management practices and software to engage the first audience for sustainability: employees.
- **Lighting Technology for Sustainability:** Executive Guidance, tools, and management approaches to multi-site evaluation and upgrade of lighting, controls and integration towards sustainability.
- **Materials Management for Sustainability:** Executive Guidance, tools, and best practices for materials management across owned and leased portfolios to reduce GHG emissions and waste costs.
- **Member Briefings on EECA & EHS Solutions:** 2013 vendor neutral analysis of management systems, services and software for Enterprise Energy Carbon Accounting (EECA) and Environment Health & Safety (EHS).
- **SBER Outstanding Leadership Awards for 2013**

The presentations and select relevant Executive Guidance discussed at the Q4 Symposium are available to SBER Member-Clients in SR Inc's [Digital Library](#), or by clicking on the image below.



Member Executive Comments



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

“SR Inc’s content was excellent because it was not just a high level overview, but meaningful enough that I can use it for implementation and refinement. The information I obtained in one day and on the thumb drive was 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.”



Deidre Buzzetto,
Director, International Real
Estate at Lenovo, on
experience with SR Inc

“SR Inc was critical in us bringing forward to our senior executive team how important it is to input sustainability into our overall strategy... Having SR Inc with us pushing us forward and pushing us in the right direction is what we needed. Our sustainability council has gotten the data they need and all the right metrics. Getting the research has been invaluable. We’re gaining the knowledge [SR Inc is] getting from others. That shared resource has been really important.”



Brad A. Molotsky,
EVP & General Counsel at
Brandywine Realty Trust, on
experience with SR Inc

“SR Inc was one of the early stops we made. The ability to have a third party-neutral kind of ‘referee’ at all the noise that’s out there was very relevant, very meaningful. The ability to connect with people who are sprinting, crawling, and all in between on various aspects is what [SR Inc] is able to bring to the table in a cogent, cohesive fashion. To me nothing is ever worth the price of admission, but that’s worth the price of admission.”

Select New Q4 2013 Charter Member-Client:



W. W. Grainger, Inc. is a Fortune 500 industrial supply company founded in 1927 in Chicago, IL. Grainger's catalog includes motors, lighting, material handling, tools, fasteners, plumbing, and safety supplies- including more than 19,000 "green" products. Grainger is the first industrial distributor to publically disclose its carbon footprint through the Carbon Disclosure Project, to have and operate 15 LEED certified facilities in the U.S., Canada and Mexico, to take the pledge for the Dept. of Energy's Quality Advocate program, and to be recognized by the U.S. EPA as a SmartWay Transport Partner.

From adopting LEED standards for new branch construction, to participating in numerous recycling programs, to working with the U.S. Green Building Council, the company is helping to preserve the natural resources within the communities where it does business.

Select New Q4 2013 Charter Member-Client:



Founded in December 2002 and launched May 5, 2003, **LinkedIn** is the world's largest professional network with 225 million members in over 200 countries and territories around the globe.

Headquartered in Mountain View, CA, LinkedIn has more than 4,800 full-time employees with offices in 26 cities around the world including Chicago, Los Angeles, New York, Omaha and San Francisco, Amsterdam, Bangalore, Dubai, Dublin, Hong Kong, London, Madrid, Melbourne, Milan, Mumbai, Munich, New Delhi, Paris, Perth, São Paulo, Singapore, Stockholm, Sydney, Tokyo and Toronto.

LinkedIn is focused on changing the world, and funds the Transformation Grant program- an annual competition for employees to win money toward transforming the world in some way, which must be carried out by the employees.

Select New Q4 2013 Charter Member-Client:



T. Rowe Price, founded in 1937, is a publicly owned investment firm offering a full range of investment strategies, planning, and guidance tools, including mutual funds, subadvisory services, and separate account management for individuals, institutions, retirement plans, and financial intermediaries. The company manages \$617.4 billion in assets and a 1.2 million-square-foot portfolio that consists of 19 facilities in the United States, including its headquarters campus in Baltimore, Maryland, and offices in 13 countries around the world with over 5,300 associates.

T. Rowe Price has a longstanding—and growing—commitment to corporate social responsibility (CSR), and has dedicated an analyst to evaluating investment opportunities in solar, wind and other alternative energy sources.

SELECT CHARTER MEMBERS OF THE SBER INCLUDE:

- AEW Capital Management
- Adobe Systems
- Apollo Group
- Autodesk
- Bentall Kennedy
- Brandywine Realty Trust
- Brocade Communication Systems
- Capital One
- Cisco
- City National Bank
- Clarion Partners
- Discover Financial Services
- Electronic Arts
- EMC Corporation
- Genentech
- Grainger
- IBM
- Interpublic Group
- Intuit
- Kaiser Permanente
- KeyBank
- KLA Tencor
- Lenovo
- LinkedIn
- McKesson
- MetLife
- National Grid
- National Institutes of Health
- NetApp
- Nokia Siemens
- Oracle
- Pearson
- PG&E
- Putnam Investments
- Salesforce.com
- SAP
- T. Rowe Price
- Teradyne
- The Tower Companies
- Toyota
- U.S. GSA
- USAA Real Estate Company
- Verizon Wireless
- Xerox

SBER 2013 Outstanding Leadership Awards

SR Inc was pleased to announce and present the 2013 Outstanding Leadership Awards as part of the Sustainable Business & Enterprise Roundtable (SBER) Q4 Executive Symposium: *Advanced Sustainability Strategy: Sustainable Optimization & Innovation* hosted by SBER Member-Client [Nokia](#) in San Diego, CA December 5th. The awards for the year included:

SBER Outstanding Landlord of 2013: Bentall Kennedy



Bentall Kennedy is a leading real estate investment advisor with more than \$30 billion of office, retail, industrial and apartment properties through-out North America. SR Inc recognized Bentall Kennedy for its growing global leadership in the move to more sustainable and high-performing real estate – specifically, its best practice leadership in portfolio-wide optimization structures and programs, responsible property investment, employee and tenant engagement and systemized continuous improvement.

SBER Outstanding Emerging Leader of 2013: Clarion Partners



CLARION PARTNERS Clarion Partners has been a leading U.S. real estate investment manager for over 30 years. SR Inc chose Clarion Partners as this year's Emerging Leader due to its corporate-wide approach to sustainability, specifically, the company's leadership and ability to develop and secure a sustainability mission, goals and roadmap for implementation, and increased support from the CEO and other key decision makers. Additionally, the company made significant headway in energy efficiency measures, building benchmarking, green cleaning, and external reporting.

SBER Outstanding Corporate Leader of 2013: Oracle



SR Inc recognized Oracle for its leadership in developing and driving optimization efforts towards more sustainable real estate and operations globally. SR Inc praised Oracle's development and implementation of a multi-year, milestone-based Sustainability Strategy that is helping its global real estate function drive broad based optimization efforts globally. Specifically, Oracle's leadership in increasing energy, water, and materials productivity; driving data centers optimization; and developing new products to further their sustainability initiatives.

SBER Outstanding Executive of 2013: Karen Cochran, PG&E



Karen Cochran has served as a PG&E Real Estate Sustainability Lead for 28 years and as the Real Estate Sustainability Manager from 2000-2011. SR Inc awarded Ms. Cochran for her exceptional leadership in developing PG&E's life cycle replacement and design standards; for leading its aggressive pursuit of reductions in energy use to decrease the environmental impact of PG&E's commercial buildings and facilities; and for leading efforts to align corporate goals with ENERGY STAR and LEED frameworks.

SBER Member Exec Highlight: Ramé Hemstreet, Kaiser Permanente



Ramé joined Kaiser Permanente in Sept. 2011 as VP for Operations & Chief Energy Officer. He is responsible for coordinating and integrating a multibillion-dollar annual construction program and a \$68 million real estate portfolio, while collaborating with stakeholders to reduce energy intensity, utility costs, and Kaiser's carbon footprint. As former commanding officer of the Naval Facilities Engineering Command and a program manager in numerous countries, Ramé excels in facilities management and leading efforts to plan, build, and operate facilities and infrastructure around the world.

SBER Member Exec Highlight: Ana Meyer, Verizon Wireless



As Corporate Sustainability & Strategy Lead, Ana oversees the Sustainability program for Verizon Wireless. In just one year Ana has established a Sustainability Council and a sustainability scorecard that tracks and measures the performance of Verizon's top sustainability initiatives within the Verizon Wireless departments. She also developed, lead and implemented consumer-facing green product initiatives such as ECO Specs- an ingredients label for all Verizon Wireless devices that, just like a nutritional label, allows a consumer to make healthy choices by comparing devices and choosing how "green" they want to be.

Featured Service Leader



SBER Member-clients have found [OneReport](#) helpful and SR Inc is pleased to recognize One Report as a Service Leader. OneReport was developed to simplify and orchestrate the challenging process of information collection and oversight, reporting and Web publishing. OneReport identifies commonalities among the information being requested and helps harmonize the process, with tools for planning, engaging colleagues or consultants, leveraging information for different stakeholders and tracking reporting. Ultimately, users will be better equipped to address their sustainability performance, enhance their firm's reputation and maximize shareholder value.

Select 4Q Executive Guidance



The SBER-ELC Member Advisory: *Holding Company Policies & Governance* provides executive guidance on best practices among leading holding companies in establishing a collaborative sustainability agenda among subsidiaries. It reviews key governance components and policies that leaders adapt to implement a well-aligned and centralized sustainability program.



The SBER-ELC Member Briefing: *Next Generation EHS Software Compliance* details best practices in Environmental Health and Safety (EHS) data collection through web-enabled and customized software solutions. The changing landscape of compliance software is most relevant to EHS managers with financial, safety and risk management responsibilities. However, real estate and sustainability executives often work with EHS managers to implement tools and processes that integrate with the overall sustainability program. This briefing includes an assessment of EHS compliance software vendors and Member-Client Case studies with detailed information about the current and future roles of EHS solutions in company operations.



The SBER-ELC Briefing *Deploying Enterprise Energy and Carbon Accounting (EECA) Software* provides an update to SR Inc's 2011 Report Deploying Enterprise Energy and Carbon Accounting (EECA) Software, reviewing new features and service providers in light of evolving capabilities and needs. The briefing reviews leading software solutions based on their capabilities across key performance areas, including data collection, scenario planning, and third-party sustainability reporting. It also provides implementation guidance and best practices to guide executives in selecting and implementing the most effective solution.



The SBER-RLC Member Briefing *Tracking and Measurement for New Construction* details best practices in tracking sustainability performance in the construction process for new facilities, particularly with regard to mid-stream changes that can improve performance over the construction and operations phases. It includes a proof-sourced roadmap to implementation and in-depth case studies from two Member-Clients. Finally, at Member-Client request, the briefing reviews advanced tools and software solutions to support implementation, such as Lifecycle Cost Accounting (LCCA) tools.

SBER PREMIER THOUGHT LEADERS



Cassidy Turley, a leading commercial real estate

services provider, offers integrated services – from strategic planning to execution – that are creative, cost-effective and responsive to clients' specific real estate needs, while enhancing their business performance. Cassidy Turley is a leader in sustainable design, construction and operations and is actively involved with organizations like the USGBC and the ULI to keep firmly rooted in cutting-edge technologies and best practices throughout the industry. Cassidy Turley's LEED® Accredited Professionals® and ENERGY STAR® experts achieve measurable results for its clients across the triple bottom line – People, Planet and Profit.



Covanta Energy is an

internationally recognized owner and operator of Energy-from-Waste (EfW) and renewable energy projects that has provided reliable and sustainable municipal solid waste (MSW) management to communities since 1986. It operates over 40 state-of-the-art facilities that convert everyday trash into clean, renewable energy for communities around the world. Covanta provides sustainable solutions to energy and environmental problems and its corporate culture is increasingly focused on sustainability themes. Through its "Clean World Initiative", Covanta commits to achieving and maintaining an environmental, health and safety performance that ranks among the best in the energy-from-waste industry and to contributing to the communities in which it operates.



SR Inc is pleased to work with **Siemens Industry, Inc. (SII)**, Building

Technologies (BT) Division to create original co-branded SBER Executive Guidance. 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 over 100 locations.