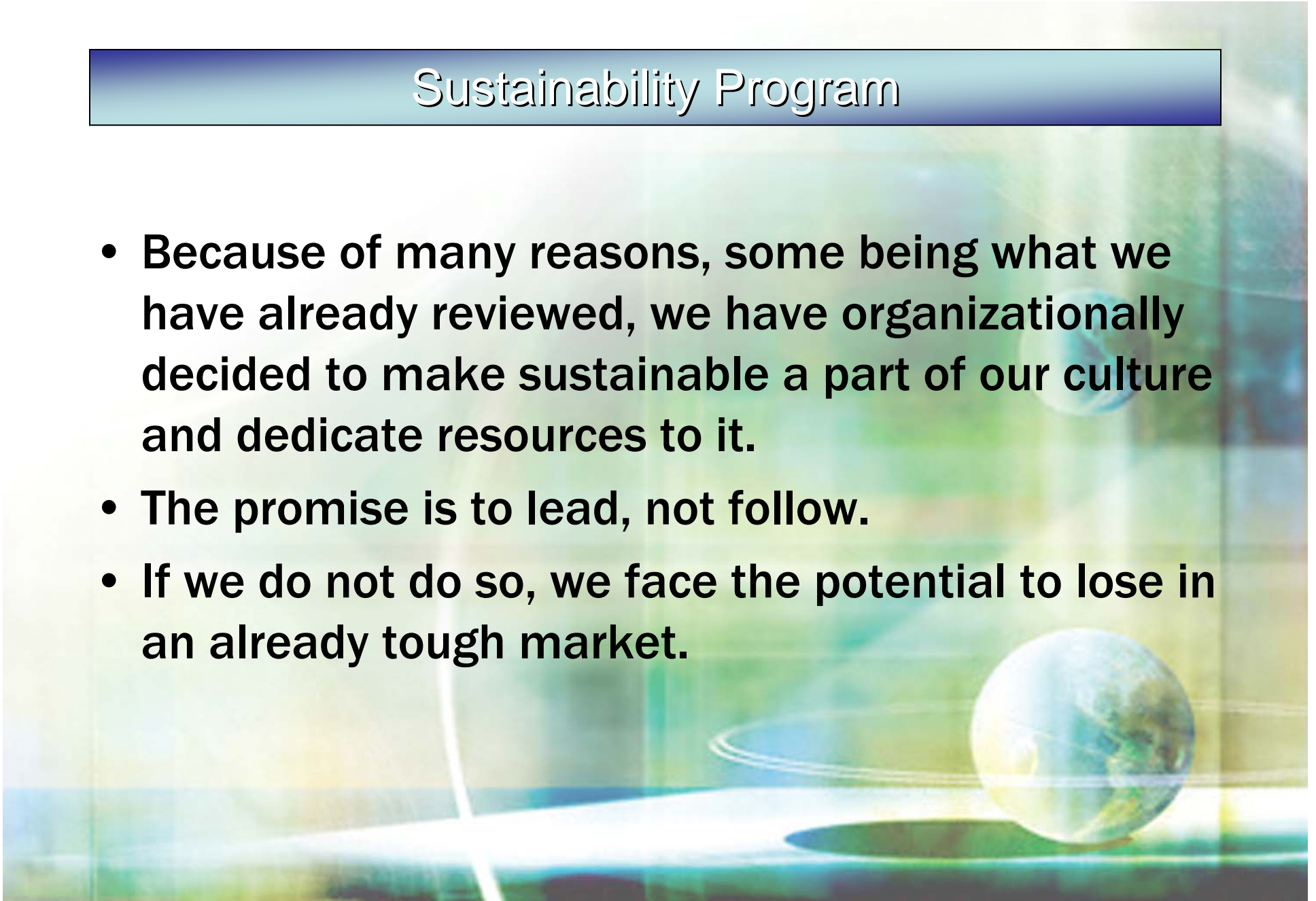


The background features a vibrant, ethereal scene with a green and blue color palette. A glowing globe is positioned in the lower right, and a ringed planet is visible in the upper right. The overall atmosphere is futuristic and clean.

# **Part V: Sustainability at Tremco- Today and Tomorrow**

## Sustainability Program

- **Because of many reasons, some being what we have already reviewed, we have organizationally decided to make sustainable a part of our culture and dedicate resources to it.**
- **The promise is to lead, not follow.**
- **If we do not do so, we face the potential to lose in an already tough market.**



## Influential Factors

- **Climate Change**
- **Air Quality/VOCs**
- **Land and Water Quality (Landfills, Clean Water)**
- **Regulation, Legislation and Politics**
- **Energy & Material Costs/Supply**
  - Oil and Water
- **Design Trends and Concerns**
  - LEED Related
  - ASHRAE, EnergyStar, etc.

# Information

- **We have already mentioned a lot of things that we do to provide information.**
  - LEED Letters
  - Graphic and Table
  - VOC Table
  - Spec Language
  - Web site with information and educational information links
- **We also have some internal processes to make getting information and planning done easier:**
  - LEED Letter Process
  - VOC and regulatory updates

## The Future

- **However, there are a lot of other activities that will influence what we do in the near future and how we are perceived as an organization.**
- **These may not effect you today, but knowing what is going on can help better prepare for tomorrow.**
- **These are both internal as well as external, and will impact all areas of the business.**

## Sustainability & Our Products

- **We have many other presentations on this but in short...**
  - We help control air movement which increases HVAC efficiency.
  - We have reflective coatings that reduce roof heat.
  - We have drainage to collect and reuse water.
  - We have many low and zero-VOC products
  - We have some products with renewable materials
  - We have products with recycled raw materials
  - We have packaging with recycled content.
- **Okay, that's nice, but what are we really doing???**
- **After education, credibility is the second biggest concern of suppliers when it comes to sustainability. We are real, and we can tell you why...**

# Education

- **The number one need is education when it comes to sustainable design per USGBC surveys**
  - **Training our technical service, marketing, R&D and sales staff on sustainable design.**
  - **Providing web based presentations (over 300 slides) on sustainable topics.**
  - **Training in-house experts to continue to be leaders in the organization and the field.**
  - **Educating all staff on various “green” topics that impact their lives within our industry and in society.**
  - **Provide links to additional resources, research and general sustainability information.**
  - **Case studies making green building a reality to serve as real-life examples.**
  - **Having two AIA approved presentations on sustainable design for “boxed-lunches”.**
    - **First company in Division 7 to have these.**

## In the Community

- **Involved along with RPM sister-companies in the rebuilding of Greensburg, KS**
  - **Town destroyed by tornado in May 2007 that has vowed to rebuild green**
    - Donations or discounted material
    - Donations of funds to community foundations
    - Educating contractors and architects on sustainable building practices, specifying and design
    - Helping bring other resources to town
    - Setting up distributor with *pro bono* and discounted material to help get the town and one of its local businesses going.
  - While we won't know for some time, we expect this to be a \$100,000+ effort on our part.

# Association Involvement

- “The future is shaped today.”
- By being involved, we can shape the future in a sustainable way that is beneficial to our business, our customers and the environment.
- **Associations:**
  - **ASHRAE**
    - Reviewer of 90.1 and new 189.1
  - **ASTM (E60)**
    - Sit on and active in standards writing for sustainable building
    - One of only two sealant manufacturers involved at this level.
  - **USGBC**
    - Active in seeking clarification of ambiguities in future versions of LEED
    - Active in International harmonization group
  - **CSI/EPA**
    - Working with these cosponsors to found new green building products alliance to move forward sustainable products.
  - **HPBCCC**
    - Working with several organizations above through this to educate lawmakers on how buildings should be built, using our products as intended.
  - **ICC**
    - On review committee for new green code

# Zero-Landfill

- **Five year project**
- **“One man’s trash is another man’s treasure.”**
- **We will reuse our by-products in other materials or processes, sell or give them to those who can use them or, worst case, burn them for energy (fuel blending).**
  - **In first year have reduced ratio of landfill waste to material shipped by 40% on average.**
  - **Toronto facility no longer has any non-hazardous waste going to landfill, overall 90%+ way to goal.**
  - **Two of our four facilities are making money on selling their waste in FY 2010.**
  - **Has resulted in partnership with South Dakota Department of the Environment and Natural Resources (DENR).**
    - **DENR is so supportive of the concept they are helping us with our Spearfish, SD plant (Paraseal manufacturing facility).**
  - **As landfill costs rise, we need to manage or avoid them.**
    - **If we manage costs, we can minimize the need to increase prices.**

# Operations

- **We have on-going teams looking at energy saving and process time reductions in our facilities**
  - **Example- reduction of TP250GC time by about 40%**
    - Improves capacity and reduces energy per unit expended.
- **We have initiatives in place to assess the ecological impact of the manufacturing of our products**
  - **Example- We are currently installing new capture and separation equipment in our Cleveland plant.**
    - Will result in being able to make the first zero-VOC, zero-emissions from manufacturing urethane sealant.
    - Will also allow “infinite” use of process solvents.
  - **Example: Water saving program in our Canadian facility saving 19 million gallons/year in cooling water.**
- **In 2010 will begin embodied energy calculations on a per ton basis for our products.**
- **But also...**
  - **Preparing for ISO-14001 certification to insure we have an environmental management system with required and documented improvements in place.**

# Responsible Chemistry

- We have integrated into our core strategy that we will evaluate and provide preference to “green” chemistry solutions.
  - So long as the product performs, we will make the switches.
- Have a management team in place to prioritize, develop a strategy and assign specific projects/actions to target chemistries of concern.
- Targeted chemistries of concern:
  - Phthalates
  - Chlorinated Paraffins
  - Organometallic catalysts
  - Minimize formaldehyde and trace cyclosiloxanes.
  - Other chemistries as they are identified.
- Also an extension of our switch to renewable based and recycled content raw materials.

# Product Development

- **We have integrated check points into our stage-gate process for product development and improvement**
  - **These insure we are making not only high performance products, but such products are designed with ecology in mind.**
  - **Makes the following requirements of all new products and significant reformulations:**
    - **Consideration of renewable and/or recycled raw materials**
    - **Consideration of Recyclability**
    - **VOC compliant now and in the future (5 year window)**
    - **Emphasis on green chemistry solutions**
      - **Non-phthalate plasticizers**
      - **No chlorinated paraffins**
      - **Avoiding Prop 65, marine pollutant, etc. listed chemicals**
      - **Water catalysis of urethanes if possible.**
    - **Reducing cycle times (less energy required per unit of material)**
    - **Evaluate “Process harvesting”**
      - **Taking energy or by-products from one manufacturing process and using for another**

# Government Involvement

- **Again... “The future is shaped today.”**
- **By being involved, we can shape the future in a sustainable way that is beneficial to our business, our customers and the environment.**
- **California- Where it all begins:**
  - **SCAQMD/BAAQMD/CARB**
    - Proposing new VOC levels, green coatings category
    - Looking to reduce VOC limit on architectural sealants
  - **Calif. EPA**
    - Working to get a greenhouse gas reduction rule that will help increase the need for sealants, air barriers etc.
      - Pushing for air barrier code in conjunction with below...
    - Working to set realistic goals on green chemistry laws
      - Push forward where it is feasible today, pull back where it is not
  - **Calif. Energy Commission**
    - Pushing for adoption of sealants installation in best practice and codification of tested air barrier and wall assembly systems.

# Government Involvement

- **DC- A Hot Bed Today:**
  - **Climate Bills:**
    - Involved in lobbying for adoption of our technologies in code and best practice installation of them.
    - Believe we can firm-up a \$1billion/year market opportunity for primarily air barriers, transitions and sealants.
    - Supporting programs to kick start this and to enforce the codes
    - Support programs to reduce building energy consumption over period of time.
  - **Eco-Labeling:**
    - Involved in drafting a bill that will define properties and how to identify them... help eliminate marketplace confusion.
  - **EPA:**
    - Working to expand and understand WaterSense and EnergyStar programs.
    - Working to understand and execute upon strategies for TSCA reform.
  - **And we can still go to Ottawa, Tokyo...**

# Government Involvement

- **How about Canada?:**

- **VOC:**

- Working to understand the new rules and where future ones will go.
    - May propose some reductions.

- **Climate Change and Energy Codes:**

- Working at provincial and federal level to understand rules, influence to be favorable for product types and proper usage/installation.

- **Green Chemistry:**

- Looking for indications on bans and what we can do to be prepared and if needed, negotiate longer times in some areas, give up time in others.

## Culture Change

- In order for something to have meaning and become part of our lives, we need to integrate it into our culture...
  - Key component of the Tremco Cornerstone, our ethical and moral code.
    - Of six “Cornerstone Awards” to date as of Feb. 2010, five have had to do with sustainability related projects.
  - Integrated into our corporate vision and mission.
  - Eco-committee of employees from all facets thinking of ideas to make the office “greener” and then taking project ownership.
  - Programs such as mug contests and environmentally preferred vehicle/carpool parking to reward employees for making ecologically smart choices.

## Stay Strong to Guiding Statements

- **Our Vision is to become the leading provider of sustainable building design solutions which achieve economic, social and environmental balance.**
- **Our Mission is to expand Tremco's position as a leading supplier of sustainable design solutions while creating value for our customers and our parent organization.**
- **Our Goal is to fulfill our mission by providing superior solutions that will allow a building to sustain itself over time and incorporate technology and practices that will help sustain the Earth.**
- **Our Competitive Advantage in helping achieve sustainable design goals has been forged in our 80+ years of experience in providing product & system solutions that allow construction professionals to maximize the performance of the entire building envelope.**

## Holding to Our Principles

- **Provide honest answers and solutions based in fact and best practice guidelines for the sustainable design concerns of our internal and external customers.**
- **Identify opportunities throughout our organization related to sustainability and define plans to maintain or improve as required to insure we are constantly becoming more sustainable.**
- **Integrate sustainable philosophies/practice into everyday business and foster Tremco expertise throughout our market segments and operations.**
- **Create a culture that makes this initiative eventually self-sustaining.**
- **Do all of this bearing in mind the three main points of sustainability.**

## Closing

- **Sustainability is not going away, it is becoming the norm for building design.**
  - It is the whole building, not just HVAC, not just water or the envelope proper or not just one piece... everything.
- **Through our corporate decision to make this part of what we do, we will be better prepared to answer the future as well as the questions of the present.**
- **We S.E.E. what is going on and will be the resource moving forward.**