

PROGRESS SOFTWARE 2011 SUSTAINABILITY REPORT

At Progress Software we are committed to Corporate Sustainability as defined by the Dow Jones Sustainability Index: “A business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from social (people), environmental (planet) and economic (profit) developments.”

Our Vision: To be an industry leader in implementing sustainable business practices that minimize harm and maximize benefit to the environment; to develop a comprehensive approach to environmental sustainability.

At Progress, we understand the impact our company has on the environment and we strive to minimize our environmental footprint in every way feasible. As part of our commitment we have certified our headquarters buildings at 14-16 and 12 Oak Park Drive under LEED EB O&M. 14-16 Oak achieved LEED Gold and 12 Oak achieved LEED Certification.

Energy Conservation and Climate Protection:

Progress is committed to reducing the environmental impact of all of our owned and leased facilities around the world. We are proud to have our headquarters buildings certified under LEED EB O&M and are continuously exploring new ways to conserve energy, limit emissions, create new operational efficiencies, and reduce costs.

- **Energy Conservation:**

Energy Star: Progress has implemented several initiatives to reduce electrical and natural gas consumptions in our corporate headquarters, including improving management of heating and cooling systems, adopting power saving technology, and consolidating printer use. We achieved Energy Star certification of three buildings on the world headquarters campus and track our energy savings through Energy Star Portfolio Manager. Progress is continually researching and implementing new methods for energy conservation, including retrofitting with energy-efficient equipment and installing monitors that meter power usage at many of our global sites.

Data Centers: Progress recognizes that data centers and their cooling systems are significant contributors to the consumption of electricity. In 2010-2011 Progress consolidated their data centers. The newly designed data centers feature an energy-saving Hot Aisle/Cold Aisle design. The design uses air conditioners, fans, and raised floors as a cooling infrastructure and focuses on separation of the inlet cold air and the exhaust hot air for greater energy efficiency.

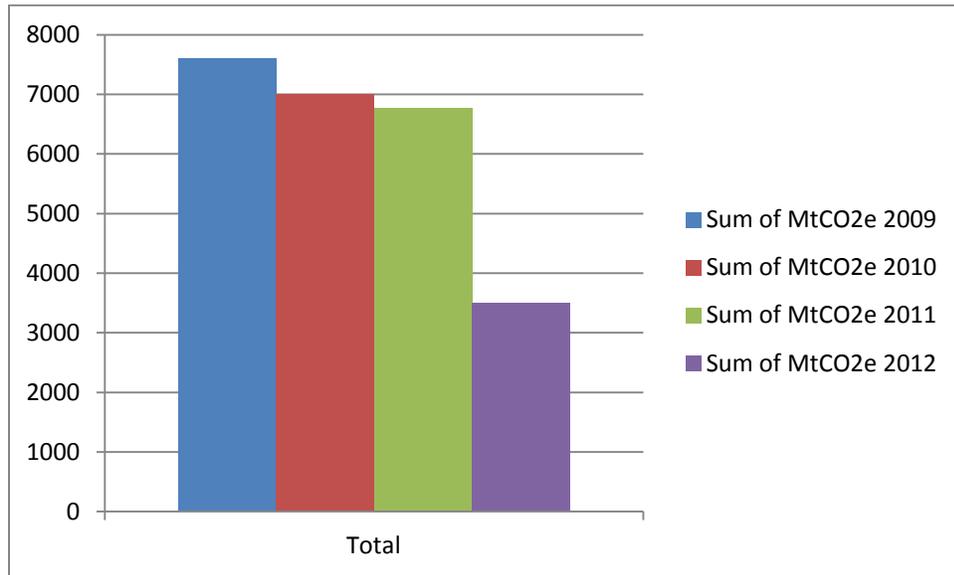
Additional energy conservation methods include:

- Retrofitting light fixtures with energy efficient LED fixtures
- Utilizing BMS software to track and record energy use
- Engaging independent review of all HVAC systems to verify equipment efficiency
- Purchasing Energy Star rated appliances and equipment
- Providing each office with occupancy sensor and dual light level controls

- Maximizing use of natural daylight to reduce reliance on artificial lighting

- **Reducing Carbon Footprint**

Greenhouse Gas Emissions: Progress is committed to the reduction of its contribution to global warming and greenhouse gas emissions. To that commitment Progress has implemented measures to reduce or offset direct and indirect emissions. In 2010 we established our baseline footprint for tracking and evaluation purposes. Utilizing that footprint from 2009 to 2011 we reduced our footprint by 11%. From 2011 to 2012 we anticipate reducing our footprint by 48%.



In 2012 Progress purchased 100% green power for its headquarters and anticipates eliminating 4,600 metric tons of emissions annually. This is equivalent to removing over 900 passenger cars from the highways per year or emissions from consuming over 500,000 gallons of gasoline. Investing in alternative and renewable energy enables Progress to support innovation in the energy field.

Between 2009 and 2011 Progress consolidated or closed underutilized facilities eliminating an additional 300 metric tons of emissions.

Travel Emissions: To reduce travel emissions, conference and training facilities have been upgraded with high definition technology to facilitate video conferencing and distance learning. Savings are also realized through the concept of **Flexible Workplace** that supports 14% of Progress work from home (WFH) employees. This concept maximizes office space, supports collaborative work environments and provides tools for employees to connect with colleagues worldwide using a unified communications platform including Instant Messaging, Audio, Video, Web Conferencing and Virtual Presence.

- **Water Conservation:**

In 2011 the bathrooms were fitted with water saving toilets, waterless urinals and low flow fixtures. Total water savings was 200,000 gallons.

Waste Reduction and Resource Conservation:

Progress is committed to reducing waste through our purchasing policies, recycling practices, and disposal techniques.

- **Electronics Waste Management**

Progress realizes that **electronic waste** (servers, PCs, laptops, monitors, telephones, etc.) is a serious issue worldwide. Billions of pounds of e-waste are discarded annually. In the U.S. alone only 11-14% is recycled with the remainder being dumped or burned. An estimated 70-80% of e-waste that is sent to recyclers is exported to less developed countries where open air burning or riverside acid baths are used to extract materials releasing toxins into the air and water. (Source: e-Stewards.com).

Progress maximizes the use of its electronic equipment by finding sources for refurbishment, reuse of obsolete equipment and finally recycling of end-of-life. Progress partners with only EPA Responsible Recycling-certified vendors recycling 41 tons of e-waste in 2011.

- **Recycling and Waste Reduction**

Progress actively promotes **recycling and reduction of waste**. At its owned facilities, Progress partners with E. L. Harvey for co-mingled recycling of paper, cardboard, glass, plastic and aluminum. In 2011 60 tons of waste was recycled in Bedford alone. All other facilities participate in landlord-provided recycling programs.

In addition to standard recycling practices in many of our offices we recycle toner cartridges, rechargeable batteries and mercury-containing light bulbs; replace paper cups with ceramic mugs; replace plastic spoons and forks, Styrofoam and plastic plates with compostable sustainable alternatives; and implement duplex printing.

95% of all Progress product distribution is done electronically.

In 2011 Progress repurposed (donated/sold) or recycled 80 tons of surplus office furniture.

In Bedford, the grounds crew uses mulching mowers to cycle grass clippings back into the lawn where they decompose and provide nutrients. The "grasscycling" saves time, reduces waste and produces greener, healthier lawns. A combination of drip irrigation and sprinkler system for bedding plants only use controllers that monitor weather satellites to determine if watering is required.

During major renovations construction waste and demolition is recycled including cement, wallboard, metal, and wood.

- **Procurement and Waste Reduction**

Our **procurement procedures** support resource conservation by building a smarter supply chain. We encourage partnerships with suppliers who have strong sustainability policies and can provide sustainable products. We use only SFI (Sustainable Forestry Initiative) certified copy paper with 30% recycled content. We purchase equipment that is Energy Star rated.

Our furniture is Greenguard[®] certified with recycled and recyclable content and of high quality for a long life expectancy.

We integrate products in the built environment that contain recycled content and can be recycled, is locally sourced and obtained from sustainable sources.

- **Site Protection**

At its owned facilities, Progress actively **manages its grounds** and parking lots to protect the adjacent river and wetlands. Storm water runoff is diverted to retention ponds to eliminate erosion and silting. Low-sodium de-icers on walks and parking lots and organic fertilizers on lawns decrease the pollutants and oxygen-depleting algae. The on-site automobile detailing provider uses only biodegradable, phosphate-free cleaning products.

Indoor Environmental Quality and Toxin Reduction:

Progress is committed to providing our employees with a safe and healthy work environment.

All maintenance and renovation projects use low VOC paint, sealants, solvents and adhesives. All janitorial products meet Green Seal Cleaning Products Standards for eco-friendly cleaning. No toxic chemicals are used in pest control.

Office spaces are designed to maximize access to natural daylight and to provide views to the outside. All offices are smoke-free environments.

Employee-led Initiatives:

Progress has an employee-led **Green Team** that organizes environmental initiatives and volunteer projects for fellow-employees. Their efforts have been instrumental in establishing many of the current sustainability policies and initiatives. They are currently organizing the 2012 Earth Day events.