2013

Progress Software Corporate Sustainability

Sustainability Policy

1/1/2013

Corporate Sustainability Policy

NASDAQ Listed (PRGS)

Our Business: Progress Software supplies application infrastructure software to simplify and accelerate the development, deployment, integration and management of business applications.

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.

Our Understanding: We believe these to be the major threats to our environment
- Global climate change
- Water pollution
- Depletion of natural resources
- Loss of species and habitat destruction
- Air pollution
- Toxins in the environment
- Waste generation

Our Strategies and Objectives:
- To measure and mitigate the environmental impact of our business operations by
  - applying rigorous operating and energy efficiency standards to our buildings
  - measuring and implementing strategies to reduce water usage
  - measuring and implementing strategies to reduce greenhouse gas emissions
  - applying responsible purchasing practices toward reducing waste and reducing use of virgin materials
  - applying responsible purchasing practices toward supporting the local/regional community
  - applying best practices standards to reduce air pollution and environmental toxins
  - applying best practices standards to protecting water and habitat
  - measuring and managing interior air quality
  - utilize electronic format for manufacturing and distribution of products at 98% or greater
  - encouraging our vendors and suppliers to become Green Partners
- Increase awareness of sustainable operations and achievements to our customers, our investors, our suppliers and our employees.

Our Principles of Action:
- Responsible Citizenship
- Protection of the earth
- Sustainable use of natural resources
- Reduction of waste
- Energy conservation
- Safe and healthy work environment
- Assessment and reporting

Corporate Sustainability Initiatives

Progress Software (PSC) incorporates many sustainability programs and initiatives:

Pollution Prevention
- Site Protection
    - Manage storm water runoff by diverting to retention ponds
    - Apply low-sodium de-icers on walks and parking lots
    - Minimize use of de-icers in parking lots to eliminate runoff into surrounding wetlands
    - Utilize organic fertilizers on lawn areas
    - Mulch grass clippings
- Air Quality and Toxin Reduction
    - Green Cleaning Programs to eliminate harmful products from the workplace
    - Indoor Air Quality Program includes use of low voc paint, sealants, solvents and adhesives
    - Integrated pest management techniques reduce use of toxic chemicals
    - Aggressive program to replace mercury-containing light bulbs with long-life, LED lamps
- Waste Management
    - Recycling programs for paper, cardboard, plastic, aluminum and glass
    - Distribution of our products is done 95% electronically
    - Recycling programs for electronic equipment and rechargeable batteries
    - Recycling program for mercury-containing light bulbs

Water and Materials Conservation
- Water Conservation and Quality
    - Conserve water through use of rain sensors and drip irrigation
    - Track water usage with separate metering
    - Utilize low water use fixtures
- Construction and Renovation
    - LEED (USGBC Leadership in Energy and Environmental Design) principles and concepts applied to construction and renovation projects globally
- Sustainable Purchasing
    - Purchase products with high recycled content
    - Purchase products that can be recycled
    - Integrate recycled/recyclable products into the built environment
    - Purchase products that have a long life expectancy
    - Encourage supply chain partners to have strong sustainability policies

Climate Protection and Energy Conservation
- Energy Conservation
    - Meet energy requirements for EnergyStar certification at all owned facilities
    - On-going commissioning of HVAC systems
    - Utilize BMS software to track and record energy use
    - Track energy savings through EnergyStar Portfolio Manager
    - Apply hot/cold aisle design to all server rooms maximizing resource efficiency
    - Engage independent review of all HVAC systems to verify equipment efficiency
    - Purchase EnergyStar rated appliances and equipment
    - Provide each office with occupancy sensor and dual light level controls
    - Maximize use of natural daylight to reduce reliance on artificial lighting

- o Leverage information technologies such as virtualization and newer energy efficient processors to minimize energy use
- Green House Gas Emissions
  - o Track and evaluate Greenhouse Gas emissions and reductions
  - o Actively source energy on the open market and focus on buying from sources that supply renewable energy as part of the total offering. 2012 purchase 100% renewable energy for the Bedford campus.