

Accellent

ESTIMATED CUMULATIVE RESULTS (2010-2013)

Accellent is the largest provider of fully integrated outsourced manufacturing and engineering services to the medical device industry.

Accellent is focusing on improving energy efficiency and reducing greenhouse gas emissions from manufacturing facilities, which represent the company's largest source of energy use.

In 2014, Accellent merged with Lake Region Medical and moving forward will be known by that name. KKR will work with Lake Region Medical to evaluate their GPP action plan and reporting metrics.

\$590K

IN AVOIDED ENERGY COSTS

11,200

METRIC TONS OF GHG EMISSIONS AVOIDED

10%

GHG EFFICIENCY IMPROVEMENT

Key Environmental Performance Area: GREENHOUSE GAS EMISSIONS (FACILITIES)

RESULTS

In 2013, the company continued actively measuring and managing energy consumption in five of its manufacturing facilities against a 2009 baseline.

In absolute terms, GHG emissions from facilities decreased by approximately 2% in 2013, compared to 2009, while efficiency improved by approximately 10% (GHGs/\$ revenue) over the same time period. The year-over-year decline in efficiency in 2013 is generally attributed to lower yield energy conservation initiatives and marginal increases in output within four of the five participating facilities. The efficiency improvement since the baseline year has helped Accellent to avoid approximately \$590,000 in electricity costs and approximately 11,200 metric tons of GHG emissions compared to 2009.

Accellent: U.S. Manufacturing Plants GHG Efficiency (2009 Baseline)¹

Estimated Results	2010	2011	2012	2013	Total
Avoided GHGs (metric tons)	1,700	4,400	2,900	2,300	11,200
Avoided costs	\$146,000	\$328,000	\$119,000	-\$3,000	\$590,000
Change in productivity (GHGs/\$1000 revenue)	-7%	-11%	6%	3%	-10%
Change in absolute GHGs	2%	-7%	-1%	4%	-2%

Notes:

- See [methodology section](#) for description of avoided and efficiency calculations.
- The total % change is aggregate change between the baseline year and the most recent year of data. All other % changes are expressed as year-over-year.
- Reported numbers are rounded and may not produce the same results when used to analyze percent changes or total impact.

ACTIONS

In 2013, Accellent worked to maintain its efficiency performance through the following actions:

- Replaced four HVAC units with higher efficiency systems at two locations
- Replaced production air compressor systems with variable speed drive models at two facilities
- Re-lamped machine and outdoor lighting to LED sources in two locations and re-lamped production floor with higher efficiency fluorescent lighting in one facility

FUTURE PLANS

Through 2014 and for 2015, Accellent is continuing to focus on energy efficiency at its facilities and is considering or actively implementing initiatives such as:

- Developing a long-range HVAC replacement strategy for all units currently using R-22 refrigerant
- Assessing production floor lighting options to establish organizational re-lamping guidelines
- Reviewing existing energy assessments to determine opportunities for higher yield energy conservation initiatives

In addition, Accellent is in the process of evaluating national waste management vendors that offer Zero-Landfill services for production and consumer level wastes. Three Accellent facilities participating in the Green Portfolio Program have already initiated a Zero Landfill program. Accellent is considering the addition of Waste Minimization as a Key Environmental Performance Area in 2015.

Accellent enrolled in the Green Portfolio Program in 2009 and is reporting results for the fifth time.

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¹ In 2013, GHG calculations were updated in order to align with the Environmental Protection Agency eGRID 2014 v1 year 2010 emissions factors released in February 2014. The results for prior years were recalculated using the EPA 2014 ratios and thus may not be comparable to previously reported results.