

# Biomet ESTIMATED CUMULATIVE RESULTS (2008-2013)

<u>Biomet</u> designs and manufactures orthopedic medical devices and other products used primarily by surgeons and medical specialists, with distribution in over 70 countries and a product portfolio that encompasses orthopedic joint replacement products, dental reconstructive implants, fixation devices, spinal products and other applications.

\$3.1M
IN AVOIDED ENERGY COSTS

 $4,\!000$  metric tons of GHG emissions avoided

# Key Environmental Performance Area: GREENHOUSE GAS EMISSIONS (FACILITIES)

# **RESULTS**

In 2009, as part of the Green Portfolio Program, Biomet began actively measuring and managing energy consumption in its manufacturing facilities and established a 2007 performance baseline. In absolute terms, GHG emissions from manufacturing facilities have increased approximately 26% since 2007, while efficiency has improved approximately at 10% (GHGs/\$1000 revenue) over the same time period. A portion of the increase in GHG emissions is due to the expansion of facilities, particularly in regions with relatively high-carbon energy mixes. Since 2007, efforts to improve energy efficiency have helped Biomet to avoid more than \$3.1 million in costs and 4,000 metric tons of GHG emissions.

Biomet: Manufacturing Plants Efficiency (2007 Baseline)<sup>1</sup>

Estimated Results	2008	2009	2010	2011	2012	2013	Total
Avoided GHGs (metric tons)	3,000	-3,700	-380	-530	-100	5,800	4,000
Avoided costs	\$559,000	-\$214,000	\$406,000	\$389,000	\$222,000	\$1,759,000	\$3,121,000
Change in productivity (GHGs/revenue)	-7%	16%	-7%	0%	-1%	-11%	-10%
Change in absolute GHGs	6%	19%	-1%	2%	6%	-5%	26%

#### 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, Biomet implemented the following initiatives:

- Completed the second Social Responsibility Report showing examples of how Biomet is participating in local programs involving the communities in the many areas at all of Biomet's locations
- Added two locations to its portfolio. One site in Broomfield, Colorado and a training facility in Miami, Florida capable of providing "hands-on" training
- Began utilizing new lighting technologies, which incorporate the latest LED technology at most locations. The lighting decreases kWh, which serves two benefits: lowering the overall electrical consumption and thereby lowering GHG levels
- Installed curtains around the furnaces to capture the heat in winter, and contain and shed the heat out of the building in summer to help lower HVAC needs
- Replaced single pane windows in the manufacturing area at the Fair Lawn, New Jersey location with more energy efficient multi-pane windows

### **FUTURE PLANS**

Through 2014 and for 2015, Biomet is increasing its focus on energy efficiency at its facilities and is evaluating or actively implementing additional improvements, including:

- Continuing the reduction of materials going to landfill at its Warsaw, Indiana site. In 2013, the company reduced material going to landfill by 80 to 85% at three of the Warsaw buildings by screening materials. Final rollout to the rest of the Warsaw site will be completed in 2014 with the program's roll-out to Biomet's additional locations expected in 2015
- Increasing its GHG reduction goal, raising it from 2.5 to 3.5% annually from 2014 through 2020
- Obtaining a backup power generator for the Fair Lawn, New Jersey site. After the last hurricane event in New Jersey, Biomet experiences a power outage for several weeks, which affected business operations and energy availability. This project is slated for 2015 completion

In addition to its energy efficiency efforts, Biomet has focused on reducing waste from its operations. Through 2014 and for 2015, Biomet plans to increase cardboard, metal, and paper recycling at all of its sites, thereby reducing landfill usage.

Biomet enrolled in the Green Portfolio Program in 2009 and is reporting results for the fifth time. For more on Biomet's efforts, visit the company's website.

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<sup>1</sup> Energy use and greenhouse gas emissions data provided in 2013 included adjustments to historic data to account for more comprehensive facility-level data as well as adjustments to GHG calculations 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 new facility-level data and the EPA 2014 ratios and thus many not be comparable to previously reported results.