

# 20 Sustainability22 REPORT



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## Sellen's Purpose

Sellen's purpose is to improve the lives of those around us – as builders, partners, and neighbors.

## Our Sustainability Commitment

# Sellen is committed to the long-term health of our community and the global ecosystem.

As a leader in sustainable construction practices, we work diligently to minimize our impact on the environment and build spaces that preserve and regenerate our region's natural resources for future generations.



# Message from Angi Rivera

Director of Sustainability

At first glance, construction sites today might not look all that different than they did 20 years ago. The work we do as builders remains inherently messy. After all, you can't excavate 15,000 cubic yards of soil without kicking up a little dust along the way. But those optics belie a rapid sustainability transformation taking place throughout our industry.

The effects of climate change are already acutely felt around the world, and the built environment is responsible for nearly half of all annual carbon emissions. In the Pacific Northwest, regional population growth — including an additional 2 million Washington residents projected by 2050 — will require continued development. To stave off the most dire impacts of climate change, we must be thoughtful and intentional about the spaces we build and how we build them. Builders must play a critical role in this work.

Sellen has been recognized as a leader in sustainable construction practices for more than 20 years, during which we have completed more than 70 LEED certified projects. Over the last decade, we have focused increasingly on reducing the amount of carbon required to build our projects. These efforts include choosing lower carbon materials, identifying creative salvage and reuse opportunities, and tracking job site emissions. We also partnered with several of our peers to form the Puget Sound Sustainable Construction Leaders chapter, where we share best practices and collaborate to further our collective influence.

Sellen's inaugural Sustainability Report features the work we have done to date and the progress we hope to achieve in the coming years. Even with these achievements, significant work remains. We are fortunate to live and work in a region rich with owners, architects, engineers, subcontractors, and suppliers who share our commitment to building a more sustainable future. Together, we can challenge the status quo and show our peers around the world what is possible when ambitious sustainability visions are met by capable, dedicated builders.

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Angi Rivera Director of Sustainability

# Sustainability at Sellen

## Sustainable at Our Core

As a leading general contractor in the Pacific Northwest for nearly 80 years, Sellen is committed to building our community sustainably, minimizing impacts to future generations, and contributing to a positive legacy in the built environment. We have pushed industry boundaries and advocated for sustainable practices for more than 25 years.



We were among the first general contractors to join the U.S. Green Building Council in 1997, and we played a key role in shaping the development of the LEED rating system. Sellen was one of the first construction firms to successfully complete a project under the LEED Commercial Interiors rating system in 2003. In the years since, we have completed more than 70 LEED certified projects.



#### 1999, LEED V1

Sellen's Main Office Sellen's headquarters incorporated strategies from the earliest LEED guidelines, which were published during the design phase of the project. The building was re-certified in 2015.





#### Bill & Melinda Gates Foundation Campus

This campus was Sellen's first LEED Platinum project and featured innovative systems capable of recycling 2.5 million gallons of rainwater annually.



#### 2012, LEED Platinum

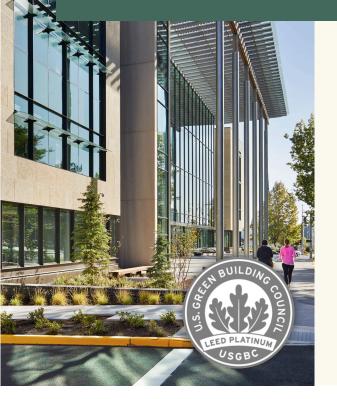
#### MOHAI

This project was one of only a handful of LEED Platinum museums in the country upon its completion. More than 1,538 tons of material were salvaged during the renovation process.

### 70+ LEED Certified Projects Since 2003

#### LEADING BY EXAMPLE: TARGETING EMBODIED CARBON

Over the past decade, we have seen a significant increase in requests from our clients to measure and reduce embodied carbon in the spaces we build. Owners want to accurately quantify how much carbon was required to build their new space, which involves calculating the embodied carbon of the materials that were used and the emissions associated with the construction process.



#### Helen Sommers Building | 2017, LEED Platinum

Sellen first targeted embodied carbon on the design-build Helen Sommers Building in Olympia. The team advocated for the creation of Environmental Product Declarations (EPDs) for all concrete mixes used during construction. EPDs provide a life-cycle assessment for materials used in the course of a project, and they are an essential tool for measuring embodied carbon. Equipped with EPDs, the team documented a 31% reduction in embodied carbon for the project's concrete mixes compared to national averages.

Only five concrete EPDs were available in Washington when Sellen's team initiated this work a decade ago. By the time the project was complete, 95 EPDs were published. Today, there are more than 1,000 EPDs for concrete mixes.



#### 2012, LEED Platinum

#### Federal Center South This innovative design-

build project for the U.S. General Services Administration ranked among the top 1% of energy-efficient office buildings in the country at the time of completion.



#### 2013, LEED Gold

#### Seattle Children's Hospital Friends of Costco Building

Upon its completion, this addition to the Seattle Children's Hospital campus was projected to use 47% less energy than similar healthcare facilities.



#### 2013, LEED Platinum

#### King Street Station

The restoration of this 117-year-old historic landmark included integrating several modern sustainability features, including geothermal wells and photovoltaic panels.



#### 2022, LEED Platinum

#### Cascadian

This new life science facility was one of Sellen's first projects to receive LEED v4 certification. At the time of completion, it was the only LEED Platinum life science building in Seattle.

## A More Sustainable Future

The job site is where the rubber meets the road and design meets implementation. The spaces we build today are more complex than ever, and our clients and design partners often pursue progressive sustainability goals. Our role is to bring their visions to life and chart a course for the future of sustainability in construction.

#### The Challenge

The built environment generates nearly 50% of global CO2 emissions. Building materials and construction are responsible for 20% of those total emissions.

#### A New Frontier

For decades, the construction industry was focused on creating energy-efficient buildings that reduced operational emissions. Today, we are increasingly focused on reducing the carbon intensity of the materials and methods used during construction. Sellen is committed to doing our part by implementing operational reduction strategies.



#### → Leadership in Sustainable Construction Practices

Sellen is a member of the Seattle 2030 District, a founding member of the Bellevue 2030 District, and we co-founded the Puget Sound Sustainable Contractors Leadership Chapter. We are also a sponsor of the Carbon Leadership Forum and a member of the USGBC and International Living Future Institute.

#### The Next Generation of Sustainability Data

Sellen worked with Sustaira to develop a new tool that helps builders track metrics for the Contractor's Commitment, a framework for measuring and reporting sustainability performance in the construction industry. Users can easily access and share data detailing companywide or project-specific performance in the five categories of the Contractor's Commitment, which include carbon, waste, wellness, water, and materials. **Read more about the new tool here.** 

## **Our Expertise & Current Highlights**

Sellen's in-house sustainability team provides comprehensive sustainability consulting services for our clients. By leveraging our sustainability expertise from the earliest stages of a project, we offer enhanced integration throughout all project phases and facilitate additional oversight and coordination that is not possible with external consultants.

A decade after our groundbreaking work to reduce embodied carbon at the Helen Sommers Building, several of Sellen's in-progress projects are pursuing ambitious carbon reduction achievements, including the International Living Future Institute's (ILFI) Zero Carbon certification. Using advanced carbon tracking tools to estimate and track our performance throughout design and construction, we help our clients realize significant embodied carbon reductions compared to industry averages.



→ 35 Stone, evolution Projects

As Sellen's first **Living Building Challenge Petal Certification** project, 35 Stone will be one of the most sustainable buildings in our 79-year history. The mass timber structure will offer significant embodied carbon reductions compared to similar-sized steel and concrete buildings.



Woodland Park Zoo Forest Trailhead Exhibit This new project at Woodland Park Zoo will include a variety of sustainable features and inspire visitors to explore the connection between climate change and the well-being of animals around the world. Learn more and donate to the fundraising campaign here.



Seattle Children's Hospital, Building Care This expansion at Seattle Children's Hospital received the 2023 Leadership Vision Award from Seattle 2030 District and is currently pending LEED Gold certification.



Net Zero Carbon Certification Sellen is working on two large office projects for clients pursuing Net Zero Carbon certification, which recognizes projects that reduce embodied and operational carbon and purchase offsets to reduce environmental impacts.



## **Regulatory Updates**

Governments around the world are taking action to address sustainability in the built environment. Sellen's team monitors these trends and actively advocates for legislative changes.

#### Advocating for Buy Clean and Build Clean Legislation

PICTURED ABOVE: The photovoltaic array on top of the Helen Sommers Building in Olympia.

Sellen is continuing our decade-long advocacy for low-carbon concrete and materials by supporting proposed legislation at local and state levels. It's our hope that these changes will spur progress and creativity for building material transparency, documentation, and performance evaluation.

- → The City of Seattle reviewed proposed building code revisions to incorporate embodied carbon limits and disclosures for steel and concrete in new buildings. Although those specific revisions were not included in this cycle, we anticipate they will be reintroduced for consideration again in mid to late 2024.
- → In the Washington State Legislature, House Bill 1342 and Senate Bill 5391 are currently under discussion. If passed, the legislation would require life-cycle analysis and embodied carbon disclosures for large construction contracts awarded by state agencies and higher education institutions.
- → The federal government is requiring carbon emission disclosures for contractors with federal construction contracts.

#### **European Union Council Zero-Emission Buildings by 2050**

- → The European Union (EU) Council agreed on a proposal that revised the Energy Performance of Building Directives. These revisions will require all new buildings to be zero-emissions by 2030 and all existing buildings to be transformed into zero-emissions buildings by 2050.
- → EU guidelines are typically a few years ahead of the United States, and we anticipate federal and local regulations here will follow suit. This happened in the past with energy performance requirements, and we expect the trend to continue.



For more information about approved, pending, and upcoming legislation, visit the <u>Carbon Leadership Forum's interactive map.</u>

# The Contractor's Commitment

### Introduction + 2022 Scorecard

As a member of the BuildingGreen Sustainable Construction Leaders peer network, Sellen was one of the initial signatories to the Contractor's Commitment pilot year in 2021. The goal of the Contractor's Commitment is to reinforce our role as sustainable builders and construction managers. The formal framework and transparent reporting requirements of the Contractor's Commitment help us partner with our peers to elevate sustainable construction throughout the country.

The Contractor's Commitment is structured across five categories – carbon, water, waste, materials, and wellness – which are graded on a good/better/best scale. Sellen disclosed our data and evaluated our practices against the Contractor's Commitment criteria. In the program's pilot year, **Sellen was one of only nine companies to share results and one of the only contractors in the country to achieve a rating in each of the five categories.** We continued our efforts in 2022 and actively participated on the steering committee to help develop the next version of the program.





In 2021, we calculated Sellen's corporate greenhouse gas emissions for the first time and tracked jobsite emissions from more than 30% of our revenue. We increased our tracking efforts in 2022 to include employee commuting and Scope 1 emissions (those originating from sources owned or controlled by Sellen) for 80% of our revenue. With this data, we can benchmark future performance, set targets, implement operational improvements, and track progress. Key takeaways from our carbon accounting include:

- → Jobsite efficiencies hold the greatest reduction potential. As featured in the chart on the next page, we tracked emissions for Sellen's corporate office, warehouse, and jobsites. Using this methodology, we found that our jobsites accounted for nearly 80% of Sellen's emissions. The annual emissions from one large project alone were more than double the volume of Sellen's annual corporate emissions.
- → Reductions will require external partnerships. Realizing tangible reductions will require partnerships and advocacy up and down the supply chain to promote the development of new solutions, including electrification and more efficient alternatives to current industry standards. We are reviewing the data and targeting reduction opportunities in the coming years.

#### **DEFINING SCOPE 1, 2 & 3 EMISSIONS**



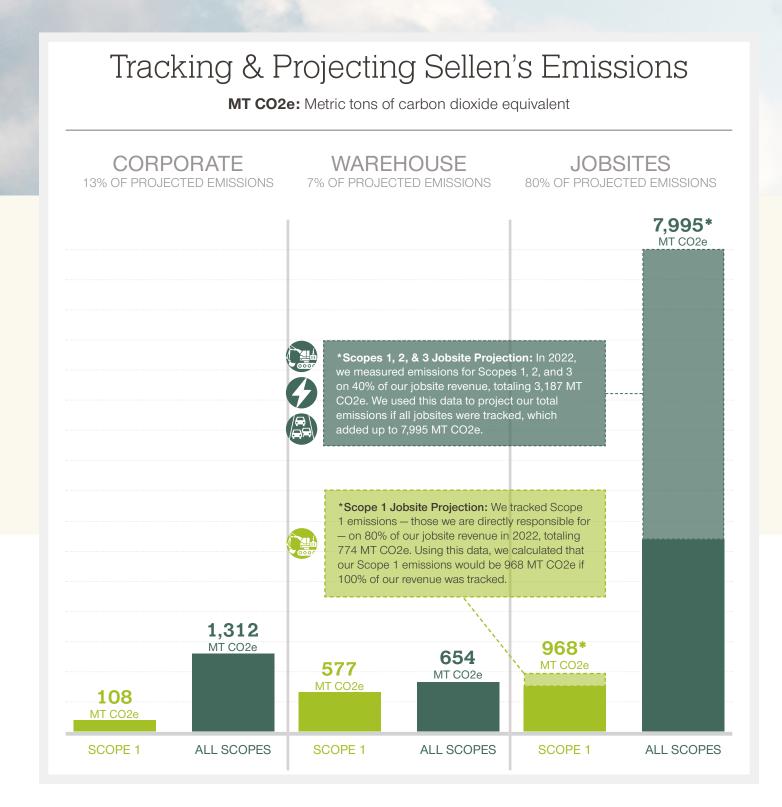
**SCOPE 1: Direct emissions from sources directly owned or controlled by an organization**, including stationary combustion, mobile combustion, and industrial gas releasing (i.e. refrigerants) activities and/or equipment. This includes fuel used by Sellen's owned or leased equipment on jobsites. We tracked Scope 1 emissions for 80% of our 2022 revenue.



**SCOPE 2: Indirect emissions from purchased utilities**, including electricity, steam, heat, and cooling. These are typically tracked with utility statements. We analyzed Scope 2 emissions for 40% of our revenue in 2022 and used that data to project emissions for 100% of annual revenue. This is a key area of focus as we expand our tracking efforts in 2023.



SCOPE 3: Indirect emissions generated through upstream or downstream activities associated with operations that are not controlled by the organization, including employee commuting, business travel, and subcontractor emissions. In 2022, we tracked business travel and employee commuting at Sellen's corporate office. We also tracked Scope 3 emissions on one large jobsite, which included material transport to and from the site and emissions from our subcontractors.







We minimize waste creation and maximize construction, demolition, and operational waste diversion.

#### 2022 RATING: BEST



# Sellen's partnerships with ReNu, EcoPan, and local demolition firms has enabled our teams to divert more waste from landfill. In 2021, we achieved a waste diversion rate of 88% and set our sights on a 90% diversion goal for 2022, with an increased focus on demolition waste management practices. This intentional, dedicated effort led to a waste diversion rate of 93% in 2022. We are targeting 90% diversion rate once again in 2023, and we will continue to identify salvage and reuse opportunities that support a more circular economy for materials.

#### **PROJECT HIGHLIGHTS**

In addition to diverting materials from landfill, a waste reduction mindset presents opportunities to serve others in the community.

- → At an office tenant improvement project in Bellevue, Sellen identified salvageable material in the existing space and saved seven dumpsters of material from going to landfill. We partnered with Ballard Reuse, a used building materials store, to give many of those materials a second life.
- → On the recently completed Hines' Norton Building TI, the team achieved a 65% embodied carbon reduction through the planning, tracking, and innovative reuse of existing building materials. The design team, led by LMN Architects, played a pivotal role in identifying reuse opportunities and calculating embodied carbon.





Wellness



We prioritize the health, safety and well-being of our personnel.

#### 2022 RATING: BETTER



Sustainability in the built environment includes more than the places we build and the materials we use to build them — it also includes prioritizing the well-being of builders and the people we work with on-site each day. In 2022, in alignment with the Contractor's Commitments Wellness guidelines, Sellen took steps to understand the most significant wellness challenges facing our workforce. Equipped with this data, we piloted several new strategies that we are now working to make standard across all Sellen projects. We remain deeply committed to the well-being of everyone who sets foot on our jobsites, implementing best practices throughout our company, and collaborating with our peers to build a better construction industry.

#### WELLNESS & LEADERSHIP AT SELLEN

Sellen's commitment to the well-being of everyone on or near our jobsites extends far beyond the parameters set forth in the Contractor's Commitment. **Our purpose is to improve the lives of those around us – as builders, partners, and neighbors.** To truly live that purpose each day, we provide our employees with the training, tools, and support they need to thrive at work, at home, and in their community.

In the last year, for example, Sellen developed and deployed a sevenpart leadership training curriculum for every foreman in the company. The series included courses on facilitating a healthy work environment and looking out for the well-being of everyone on the job site.





Materials



We specify, install and advocate for the use of healthy and sustainable materials.

2022 RATING: BEST



The materials we use to build our projects have a direct impact on the environment and the well-being of the people who will occupy the finished space. Sellen provides internal training and subcontractor onboarding on the importance of sustainable materials compliance and tracking. We often present to industry groups – both locally and nationally – on the environmental impacts of materials and best practices for how to mitigate them. In 2022, Sellen presented at several national conferences to share our knowledge of materials and the implementation process with our peers.

#### **HEALTHY MATERIALS**

Using low toxicity and low carbon materials is important in every space we build, but it's particularly critical in healthcare and education spaces. We can ensure better air quality with healthy materials, which contributes to faster healing, and improved cognitive function. Sellen is working with our industry peers to reduce the use of products that include toxic chemicals and materials that degrade the interior environmental quality or result in excessive pollution during production and extraction.

→ Sellen is currently working on the early stages of the 35 Stone project with evolution Projects and Weber Thompson. The fivestory building is part of the City of Seattle's Living Building Challenge pilot program, which requires the project team to pursue three of the program's six categories, referred to as "petals."

The project is pursuing the Materials petal, which requires the team to select, procure, and install healthy materials while avoiding items on the "Red List," which identifies toxic ingredients that pose immediate or long-term health risks. The ingredient composition must be disclosed for at least 90% of the project's materials.







We use water responsibly and protect the biodiversity and resilience of our waterways.

2022 RATING: GOOD



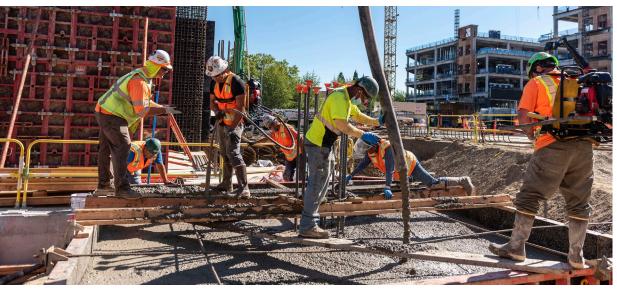
Because most of our projects are located in close proximity to the Puget Sound, we have water-conscious practices in place company-wide. This commitment is reflected by the Salmon Safe Certification achieved by many of our projects, which requires builders to implement practices that prevent runoff from entering local waterways. As part of our continuous improvement plan, we plan to develop a Project Water Plan template for site teams to use to identify project-specific water use risks, opportunities, and targeted reduction strategies.





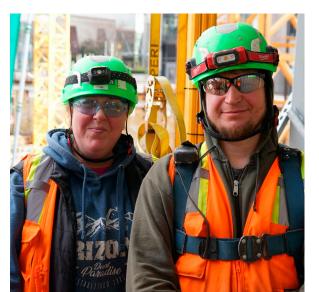
## Around the Industry: Sustainability Updates

- Increased Investment in Sustainability: According to a recent survey by Gartner, an overwhelming majority of business leaders (87%) anticipate their organization's financial investment in sustainability initiatives will increase over the next two years. We expect this shift driven in part by consumers will continue to have a marked impact on how leaders choose to incorporate sustainability initiatives in upcoming projects, including new builds and retrofits of existing spaces.
- Decarbonizing Supply Chains: Fortune 500 companies are leading the way when it comes to supply chain disclosures and impact reductions. For example, as part of <u>Microsoft's commitment to be carbon</u> <u>negative by 2030</u>, the company updated its Supplier Code of Conduct in 2022 to require independent, third-party assurance of emissions data throughout its capital goods supply chain.











## What's Next at Sellen

- → Prioritizing Advances in Sustainable Practices: The built environment has a profound impact on our climate, and our actions today will have ripple effects on generations to come. A recent internal survey showed that 87% of Sellen employees agreed that we must continue to invest in sustainable building practices. We continue to define our sustainability path by prioritizing jobsite optimization, championing innovation, and emphasizing low-carbon, low-impact building practices that help our clients achieve their sustainability goals and accelerate industry-wide acceptance of scalable solutions.
- → Tracking Performance: We successfully calculated our corporate carbon footprint and continue to refine and improve our techniques to provide more granular and in-depth corporate and jobsite emissions data. In 2023, we aim to expand our jobsite tracking to include Scope 2 emissions and water consumption for more than 70% of our revenue.
- Establishing Annual Reduction Goals: Setting targets and documenting measurable reductions requires a baseline from which to quantify progress. Equipped with our 2022 corporate emissions data, we will leverage this data to inform implementation decisions, define reduction strategies, and establish annual reduction targets.
- Reducing Construction Emissions: Sellen is investigating ways to reduce emissions associated with on-site construction processes and the delivery of building materials. We have recognized this as a significant need and collected data from an in-progress project in Redmond. This data, along with the on-site emissions data collected by other builders working on the project, was published in a report by Microsoft about reducing embodied carbon in construction.

The full report is available here.







# Building With Purpose Since 1944

#### **CONTACT US:**

Feel free to contact us if you're interested in partnering with us to help further our impact.

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