

The United States Mint's  
**2011 Sustainability Report**





## From the Acting Director

I am proud to present the United States Mint's fiscal year (FY) 2011 Sustainability Report. This is the first time we have published a sustainability report, which updates our stakeholders on our performance in achieving the sustainability goals outlined in Executive Order 13514, Federal Leadership in Environmental, Energy and Economic Performance.

This report provides a clear picture of our sustainability program. Over the past few years, we have made significant progress towards achieving our goals, including reducing our direct greenhouse gas emissions and water consumption by 36 percent and 17 percent respectively, and increasing our solid waste diversion rate to 94 percent. This year, we had the following two major sustainability accomplishments:

- The United States Mint at Denver purchased all of its electricity from renewable (wind) sources and was recognized as the 10th largest federal purchaser of green power by the Environmental Protection Agency.
- The United States Mint at West Point was accepted into the Northeast Demonstration of Superior Energy Performance, an initial step to becoming one of the first manufacturing facilities in the nation to obtain LEED certification.

We look forward to making further progress towards achieving our sustainability goals in the coming years. Our priority for FY 2012 has been to further reduce our energy use. We are doing this by implementing the energy conservation measures identified by an energy assessment in Denver and installing a sleep mode on our circulating coin presses. In Philadelphia, we are finishing the preliminary assessment for an energy savings performance contract. In West Point, we are conducting energy assessment.

We have made great progress, but our journey is just beginning. We will continue to make significant progress on our environmental, energy, and sustainability initiatives.

Sincerely,

A handwritten signature in black ink that reads "Richard A. Peterson". The signature is written in a cursive, professional style.

Richard A. Peterson  
United States Mint Acting Director

## UNITED STATES MINT FY 2011 SUSTAINABILITY PERFORMANCE OVERVIEW

Focus	Objective	Baseline		FY 2011	Progress	Status
		Year	Amount			
GHG Emissions	Reduce scope 1 & 2 GHG emissions 33% by FY 20 (MTCO <sub>2</sub> e)	FY 08	41,154	26,437	36%	●
	Reduce scope 3 GHG emissions 11% by FY 20 (MTCO <sub>2</sub> e) <sup>1</sup>	FY 08	3,179	2,477	22%	●
Energy	Reduce facility energy intensity 30% by FY 15 (BTU/GSF)	FY 03	274,465	260,998	5%	●
	Increase renewable electricity use to 7.5% by FY 13	N/A	N/A	24%	320%	●
Water	Reduce facility water intensity 26% by FY 20 (GAL/GSF)	FY 07	56	46	17%	●
Waste	Divert 50% of solid waste from landfills by FY 15	N/A	N/A	94%	188%	●
Green Buildings	15% of existing buildings meet Guiding Principles by FY 15	N/A	N/A	0	N/A	●
Safety	Total recordable case rate < 3.34	N/A	N/A	2.87	N/A	●

● Achieved    ● On-Track    ● Off-Track

<sup>1</sup> Does not include greenhouse gas emissions from federal employee commuting. Additional information in the Greenhouse Gas emissions section of the Performance Review.

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# ORGANIZATIONAL PROFILE

**OUR MISSION:** To manufacture and distribute circulating coins, precious metal and collectible coins, and national medals to meet the needs of the United States.

**OUR VISION:** To become recognized as the finest mint organization in the world through excellence in our people, products, customer service, and workplace.

Established in 1792, the United States Mint is the world’s largest coin manufacturer. As America’s sole manufacturer of legal tender coinage, the efficient and effective production and distribution of coinage is the United States Mint’s highest priority. The United States Mint’s other responsibilities are as follows:

- Manufacturing and selling platinum, gold, and silver bullion coins.
- Producing proof, uncirculated, and commemorative coins, and medals for sale to the general public.
- Maintaining physical custody and protection of the nation’s gold, silver and platinum assets.

The United States Mint has established the following strategic goals to fulfill its mission and uphold its vision:

- Meet the Nation’s need for circulating coins.
- Meet public demand for United States bullion coins.
- Responsibly expand the numismatic program.
- Foster a safe, engaged and innovative workforce.

The United States Mint is a bureau of the United States Department of the Treasury (Treasury Department). The Mint operates six facilities across the United States. Each facility performs unique functions critical to our overall operations. In Philadelphia, sculptors and engravers design coins and medals, and Philadelphia and Denver produce dies for striking coins and coins for circulation San Francisco and West Point mint numismatic and bullion products. All four production facilities produce commemorative coins, as authorized by federal laws. The United States Bullion Depository at Fort Knox stores and safeguards United States gold bullion reserves. Administrative and oversight functions are performed at our Headquarters in Washington. Internally, the Mint is organized into seven departments: Director’s Office, Financial, Information Technology, Manufacturing, Protection, Sales and Marketing, and Workforce Solutions.<sup>2</sup> Our sustainability program is managed by the Environment, Safety, Health and Energy (ESHE) Division of the Manufacturing Department.

Since FY 1996, the Mint has operated as a Public Enterprise Fund (PEF). As authorized by Public Law 104-52 (codified at 31 U.S.C. § 5136), the PEF enables the Mint to operate without an appropriation. The Mint generates revenue through the sale of circulating coins to the Federal Reserve Banks, numismatic products to the public, and bullion coins to authorized purchasers. Money in excess of amounts required by the PEF is transferred to the United States Treasury General Fund.

Size and Scope of Operations as of 9/30/11	FY 11
Revenue (millions)	\$4,970.0
Gross Cost (millions)	\$4,442.2
Seigniorage and Net Income (millions) <sup>3</sup>	\$527.8
Circulating Coin Shipments (millions)	7,396
Bullion Coin Sales (millions)	45.2
Numismatic Coin Sales (millions)	7.3
Employees	1,845

<sup>2</sup> For additional information on the United States Mint’s organizational structure and products please see our **2011 Annual Report**.

<sup>3</sup> Seigniorage is the difference between the face value and the cost of minting and issuing circulating coins. Net income is the difference between net sales revenues and the costs of minting and issuing bullion and numismatic coins. The consolidated seigniorage and net income presented on this page are net of protection costs not specifically attributed to circulating, bullion, or numismatic coin sales. Seigniorage is used to finance the national debt. Numismatic and bullion revenue may be used as current operating revenue. Circulating revenue may not be used to offset numismatic losses. Numismatic revenue may not be used to augment seigniorage. Consolidated financial reporting should be used for year-to-year comparison only.

## ABOUT THIS REPORT

This Global Reporting Initiative (GRI) Sustainability Report covers our sustainability program for Fiscal Year 2011 (October 1, 2010, to September 30, 2011). It follows the **FY 2011 Strategic Sustainability Performance Plan**, and is the next step towards fulfilling President Obama's request for transparency in implementing Executive Order 13514. Using the GRI Sustainability Reporting Framework, which is the global standard for sustainability reporting, gives us the flexibility we need to clearly communicate our sustainability performance in a manner that reflects our unique status as a public manufacturing organization.

This report meets the criteria of a Level C GRI Sustainability Report. It covers:

- Greenhouse gas emissions
- Energy
- Water
- Waste
- Green buildings
- Safety goals

This report covers the sustainability performance of all our facilities; however, because it is leased, the United States Mint Headquarters building is not included in our reporting regarding the following federal sustainability goals:

- Greenhouse gas emissions reduction
- Energy intensity reduction
- Renewable electricity use
- Water consumption intensity reduction
- Solid waste diversion rate
- Green buildings

# UNITED STATES MINT SUSTAINABILITY

## RATIONALE

On October 5, 2009, President Barack Obama signed **Executive Order 13514** (EO 13514), *Federal Leadership in Environmental, Energy and Economic Performance*. EO 13514 established “an integrated strategy towards sustainability in the Federal Government” by requiring all federal agencies to achieve a series of sustainability goals “to create a clean energy economy that will increase our nation’s prosperity, promote energy security, protect the interests of taxpayers, and safeguard the health of our environment.” EO 13514 adds to and extends the sustainability requirements of the Energy Policy Act of 2005 (EPA 05), Executive Order 13423 (EO 13423), and the Energy Independence and Security Act of 2007 (EISA). Treasury Directives **75-04**, *Energy Management Program*, and **75-09**, *Environmental Management and Sustainability Program*, require all Treasury bureaus to achieve the federal sustainability goals internally.<sup>4</sup>

EO 13514 requires all federal agencies to achieve the following sustainability goals:

- Reduce greenhouse gas emissions from direct and indirect activities
- Measure and report greenhouse gas emissions from direct and indirect activities
- Improve water use efficiency and management
- Promote pollution prevention and waste elimination
- Advance regional and local planning
- Implement high performance sustainable federal building design, construction, operation and management, maintenance, and deconstruction
- Advance sustainable acquisition
- Promote electronics stewardship
- Sustain environmental management

Accomplishing our mission and achieving the federal sustainability goals go together because the production of coins requires a significant amount of natural resources, such as energy, water, and materials. Sustainability projects that reduce our natural resource use during coin production will cut costs and improve operational efficiency as well as have the added benefits of reducing air pollution, water pollution, solid waste disposal, and greenhouse gas emissions.

Our sustainability program will also reduce the risks we face from climate change, which could prevent us from achieving our mission in future years because of the following impacts:<sup>5</sup>

- **Insufficient water supplies:** Our manufacturing facilities use potable water for quenching, burnishing, and rinsing coins. Higher temperatures and reduced precipitation may lead to insufficient water supplies in areas where we operate. Insufficient water supplies could lower the quality of circulating coins and numismatic coins.

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<sup>4</sup> More information on the Treasury Department’s Sustainability Program and performance can be found in the department’s FY 2010 and 2011 Strategic Sustainability Performance Plans which are available at <http://sustainability.performance.gov/>.

<sup>5</sup> All climate change impacts in this analysis are found in Appendix F of the **Federal Agency Climate Change Adaptation Planning Support Document**.

- Disruption of energy transmission and transportation because of warmer temperatures and extreme weather events: Warmer temperatures and changes in intensity, timing, and location of extreme weather events could disrupt the energy supply, causing a shutdown in coin production. A long-term loss of energy could lead to supply disruptions.
- Failure of transportation infrastructure: Warmer temperatures and more intense local precipitation could cause vital transportation infrastructure to become stressed or even fail. This could prevent us from delivering coinage to Federal Reserve Banks and collectors, and disrupt bullion shipments.

Additionally, climate change could increase our operating costs. Various climate change impacts could cause municipalities, states, or the Federal Government to strengthen environmental regulations in response to an overall decay of ecosystem services.

## PROGRAM STRUCTURE

Under EO 13514, the head of each federal agency must designate a Senior Sustainability Officer from among the agency's senior management officials who is accountable for the agency's conformance with EO 13514. Ultimately, the SEO ensures an agency achieves its sustainability goals. The United States Mint Deputy Director appointed the Associate Director for Manufacturing as the bureau's Senior Environmental Officer (SEO).

The Environment, Safety, Health and Energy (ESHE) Division, located within the Manufacturing Department, is responsible for developing, executing, and coordinating the implementation of the Strategic Sustainability Performance Plan (Sustainability Plan).

At the facility level, the plant manager or officer in charge manages and administers the sustainability program. Energy and environmental program managers provide program support. Environmental management systems (EMS) ensure manufacturing facilities achieve environmental goals. The Mint facilities at Denver, Philadelphia, and West Point have EMSs that are ISO 14001 certified, while San Francisco has a working EMS that is audited annually. In FY 2013, sustainability goals will be incorporated into facility EMSs through the FY 2012 issuance of a United States Mint Sustainability Directive.

## COMMUNICATION

Each quarter, the SEO submits a current sustainability review report to the Director's leadership team (the team consists of the Deputy Director; Chief Administrative Officer; Chief Financial Officer; Chief Information Officer; Associate Director for Sales and Marketing; Associate Director for Manufacturing; Associate Director for Workforce Solutions; the Chief Counsel; Chief, United States Mint Police; Director of Public Affairs; and Director of Legislative Affairs). The leadership team integrates the sustainability processes into our strategic planning and budget development processes.

The SEO also submits a Greenhouse Gas Inventory in December and a Strategic Sustainability Performance Plan in May to the Department of Treasury's EHSD division. Semiannually, the SEO submits an overview of the sustainability achievements and upcoming plans for incorporation into the Treasury Department's Sustainability Scorecard. The Mint's ESHE Division staff, which provides this information to the SEO, is also a member of Treasury's Energy and Environmental Councils, which assist senior management in the development and coordination of the department's Sustainability Program.

The SEO ensures Mint employees are aware of our progress through a variety of media: InfoMINT, our monthly internal newsletter; Mint TV, our electronic bulletin board; and an intranet page, which provides information on our sustainability requirements and performance, the annual strategic sustainability performance plan, and the quarterly sustainability review reports. Employees can provide feedback on our sustainability program by submitting questions or comments to Talkin' Change, our monthly employee question and answer publication, or by asking a question at one of the periodic town hall meetings with the Deputy Director.

We communicate frequently with our suppliers about ways to reduce energy consumption. EO 13514 requires federal agencies to reduce greenhouse emissions from their supply chain by "pursuing opportunities with vendors and contractors." In April 2010, the General Services Administration (GSA) published **Recommendations for Vendor and Contractor Emissions**, in which GSA concluded it is feasible for the Federal Government to track and reduce greenhouse emissions from its supply chain through coordination with suppliers, but that agencies should adopt a "phased approach" to minimize the burden on industry. In FY 2011, we started collaborating with our major strip metal, blanks, and bullion suppliers on measuring and reducing greenhouse gas emissions. First, we surveyed suppliers to determine what actions they had already taken to measure and reduce their greenhouse gas emissions. Then, we asked our suppliers of circulating coin production materials to submit their greenhouse gas inventories for 2010, which we used as a baseline for improvements.

We communicate with our customers through our public affairs office by issuing press releases, keeping trade publications up to date on our accomplishments, and publishing information through social media outlets. The general public can send us comments about our sustainability efforts via [inquiries@usmint.treas.gov](mailto:inquiries@usmint.treas.gov).

## PERFORMANCE REVIEW

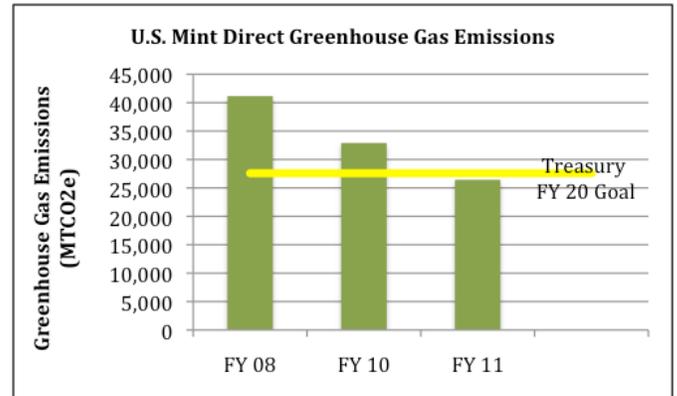
EO 13514 and its predecessors set many different sustainability goals for federal agencies. The goals most applicable to our operations are greenhouse gas emissions, energy, water, waste, green buildings, and workplace safety.

### GREENHOUSE GAS EMISSIONS

**GOAL:** Reduce scope 1 and 2 greenhouse gas emissions 33 percent by FY 2020

**STATUS:** 36 percent reduction

EO 13514 requires federal agencies to set a goal for reducing scope 1 and 2 greenhouse gas (GHG) emissions. Scope 1 GHG emissions are direct GHG emissions from sources that are owned or controlled by the organization, such as on-site combustion of natural gas. Scope 2 GHG emissions are direct GHG emissions resulting from the generation of electricity, heat, or steam purchased by an organization. Together, scope 1 and 2 GHG emissions are considered direct GHG emissions. The Treasury Department’s goal is to reduce direct GHG emissions 33 percent by FY 2020, which exceeds President Obama’s overall direct GHG emissions reduction goal of 28 percent for the Federal Government.



We calculated a FY 2008 baseline for our direct GHG emissions of 41,154 metric tons of carbon dioxide equivalent. A metric ton of carbon dioxide equivalent (MTCO<sub>2e</sub>) is a unit of measurement used to compare the emissions from various greenhouse gases based upon their global warming potential. Through FY 2011, we have reduced our direct GHG emissions by 36 percent to 26,437 MTCO<sub>2e</sub>, equivalent to removing 2,886 passenger vehicles from the road<sup>6</sup> and exceeding Treasury’s goal.

Category	FY 08 GHG Emissions (MTCO <sub>2e</sub> )	FY 11 GHG Emissions (MTCO <sub>2e</sub> )
Stationary Combustion (Natural Gas and Diesel)	4,113	3,159
Mobile Combustion	209	126
Fugitive Emissions (Leaked Refrigerants)	0	74
Purchased Electricity	29,360	26,537
Purchased Steam	7,472	7,745
Reductions from Renewable Energy Use	0	-11,203
<b>Total Scope 1 &amp; 2</b>	<b>41,154</b>	<b>26,437</b>

Approximately 75 percent of our total reduction in direct GHG emissions is due to using more renewable energy. In August 2010, we concluded a power purchasing agreement to supply the Mint at Denver with wind energy for 100 percent of its electricity use. FY 2011 was this project’s first full operational year. A further 10 percent reduction occurred as a result of energy conservation measures we implemented at the Mint at Philadelphia that were identified in the facility’s FY 2010 energy audit and retro-commissioning. The remaining 15 percent reduction was a result of a decline in coin production between FY 2008 and FY 2011. (Circulating coin production fell from 9.782 billion coins in FY 2008 to 7.704 billion coins in FY 2011.)

We have initiated a series of actions in FY 2012 and beyond to further reduce our direct GHG emissions. A description of these projects can be found in the energy section of the performance review.

<sup>6</sup> <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

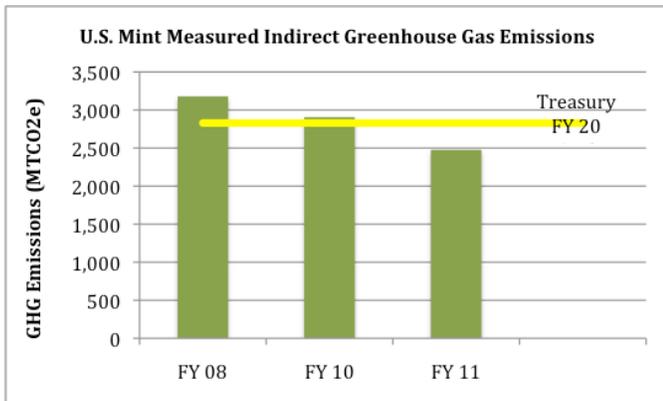
GOAL: Reduce scope 3 greenhouse gas emissions 11 percent by FY 2020

STATUS: 22 percent reduction from measured sources

EO 13514 requires federal agencies to reduce their GHG emissions from scope 3, or indirect sources, which are not owned or directly controlled by an organization but are related to the organization’s activities. Currently, federal agencies are required to reduce indirect GHG emissions from the following sources:

- Electricity transmission and distribution (T&D) losses
- Federal employee business air and ground travel
- Federal employee commuting
- Contracted wastewater treatment
- Contracted municipal solid waste disposal

The Treasury Department set a goal of reducing its indirect GHG emissions 11 percent by FY 2020 from a FY 2008 baseline.



We calculated a FY 2008 baseline for our indirect GHG emissions from electricity T&D losses, employee business air and ground travel, contracted wastewater treatment and contracted municipal solid waste disposal of 3,179 MTCO<sub>2</sub>e. Through FY 2011, we have reduced our indirect GHG emissions from these categories by 22 percent to 2,477 MTCO<sub>2</sub>e, equivalent to removing 138 passenger vehicles from the road.<sup>7</sup>

Our indirect GHG emissions from all measured categories except contracted wastewater treatment have declined. In FY 2011, lower production vs. the FY 2008 baseline resulted in decreased energy use. Combined with overall energy efficiency, this reduced emissions from electricity T&D losses. Lower production also resulted in reduced emissions from contracted municipal solid waste disposal. Finally, because of tighter budgets, our employees took fewer business trips during FY 2011, reducing emissions attributed to travel.

Category	FY 08 GHG Emissions (MTCO <sub>2</sub> e)	FY 11 GHG Emissions (MTCO <sub>2</sub> e)
Transmission and Distribution (T&D) Losses	1,934	1,748
Federal Employee Business Air Travel	620	405
Federal Employee Business Ground Travel	113	63
Contracted Wastewater Treatment	7	9
Contracted Municipal Solid Waste Disposal	505	252
<b>Total Measured Scope 3</b>	<b>3,179</b>	<b>2,477</b>

Instead of including emissions from employee commuting in our estimate of our scope 3 emissions, we calculated an independent estimate of 3,089 MTCO<sub>2</sub>e for our indirect GHG emissions. Keeping these emissions separate from scope 3 emissions will make it easier to track, particularly since commuting emissions are the largest source of indirect GHG emissions. Currently, the Treasury Department calculates employee commuting emissions at the department level using a separate survey which combines emissions for all Treasury bureaus. If Treasury decides to make this a priority, the Mint will already have an accurate baseline and can begin reductions immediately. Already, we have a robust telework program available for eligible employees, which not only reduces commuting emissions and expenses, but improves the quality of life for employees.

<sup>7</sup> <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

## OPTIONAL DISCLOSURES

In our annual GHG Inventory submittal to the Treasury Department, we reported the GHG emissions from purchased electricity from the United States Mint Headquarters building in Washington as indirect GHG emissions. This leased building is excluded from the Treasury Department's direct GHG emissions reduction goal. However, from 2008 to 2011, this facility has reduced its direct GHG emissions 15 percent from the FY 2008 baseline, from 2,906 MTCO<sub>2e</sub> to 2,459 MTCO<sub>2e</sub>, equivalent to removing 88 passenger vehicles from the road.<sup>8</sup> United States Mint Headquarters earned ENERGY STAR certification from the Environmental Protection Agency in 2010 and in 2011, finished 13th out of the 103 office buildings in the Environmental Protection Agency's 2011 National Building Competition: Battle of the Buildings. Over the course of the competition, we reduced our energy use intensity<sup>9</sup> by 15.7 percent, from 255.7 to 215.6, which reduced GHG emissions by 394.5 MTCO<sub>2e</sub> and resulted in cost savings of \$64,860. In FY 2012, the facility will pursue LEED certification for Existing Buildings: Operations and Maintenance.

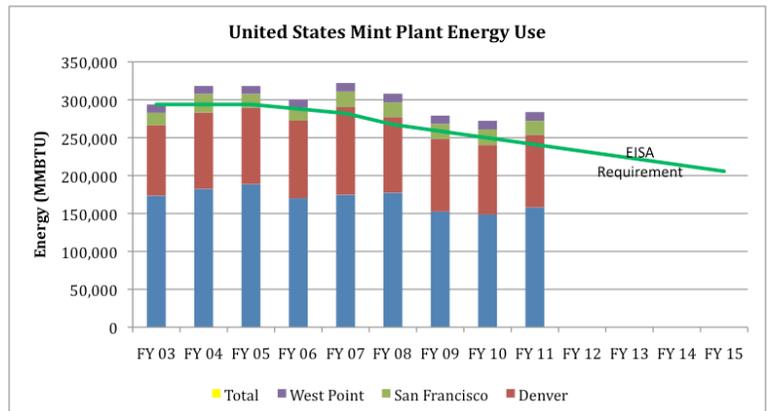
While we will make every effort to reduce our indirect GHG emissions, our largest source of indirect GHG emissions is from our supply chain – specifically from metal, which is mined and refined, which are extremely energy intensive processes. In FY 2011, we acquired the 2010 GHG inventories of our suppliers of circulating coin production feedstock. We learned that these suppliers had GHG emissions of 16,111 MTCO<sub>2e</sub> that were attributable to our operations, larger than all of our other measured sources of indirect GHG emissions combined. In the future, we will follow the strategy developed by the GSA to begin reducing GHG emissions from our supply chain.

## ENERGY

GOAL: Reduce facility energy intensity 30 percent by FY 2015

STATUS: 5 percent reduction

The Energy Independence and Security Act of 2007 (EISA) requires federal agencies to reduce their energy intensity 30 percent by FY 2015 from the FY 2003 baseline. Energy intensity is defined by EISA as energy consumed in British thermal units per square foot of building (BTU/GSF). Through FY 2011, we have reduced our energy use by 5 percent from 274,796 BTU/GSF in FY 2003 to 260,998 BTU/GSF in FY 2011.<sup>10</sup>



Our reduction in energy use is a result of two things: lower volumes of coins produced in response to less consumer demand, and energy conservation measures (ECMs) that have been implemented. EISA requires federal agencies to conduct a comprehensive energy audit and commissioning of each designated facility every four years.<sup>11</sup> Because our facilities in Denver, San Francisco, West Point, and Fort Knox are considered “heritage assets,” or historic structures, they must be retro-commissioned in order to meet current environmental standards. Retro-commissioning is identifying ways to change processes and procedures to improve performance in an already existing building. We have initiated several processes that will further reduce our energy use in the near-term:

<sup>8</sup> <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

<sup>9</sup> The ENERGY STAR program defines energy use intensity as kBtu per total floor space of the building

<sup>10</sup> The United States Mint has not added square footage to any of its facilities over the performance period; therefore, the energy intensity reduction requirement is a de facto energy reduction requirement.

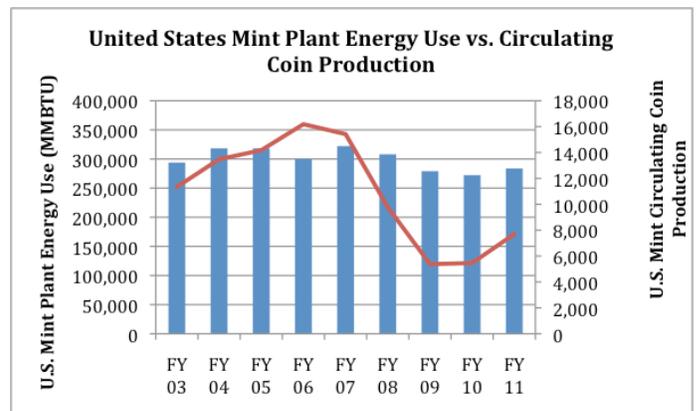
<sup>11</sup> The United States Mint's designated facilities are the Denver and Philadelphia facilities.

- In FY 2010, the Philadelphia facility completed its required energy evaluation and retro-commissioning. This assessment identified ECMs that are expected to reduce the facility's energy costs by approximately 17 percent from FY 2008, the year before the assessment was conducted.
- In FY 2011, the Denver facility completed its required energy audit and retro-commissioning. This assessment showed optimizing the building automation system, installing occupancy sensors for facility lighting, and upgrading to premium efficient motors, variable speed drives and high efficiency lighting would reduce energy use by 8.4 percent. We expect all ECMs to be implemented by the end of FY 2013.
- The United States Mint will install a sleep-mode on circulating coin presses at the Denver and Philadelphia facilities in FY 2012 to reduce our energy use by 1.9 percent.

Implementing all of these projects should reduce our energy use by an additional 10 percent by the end of FY 2013, leaving us approximately 15 percent below our FY 2003 baseline. This means we must reduce our energy use by an additional 15 percent by FY 2015. This should be attainable, since we are implementing several business practices to improve our efficiency in the long-term:

- In FY 2012, the Philadelphia Mint will enter into an energy savings performance contract (ESPC), which is a partnership between a federal agency and an energy service company (ESCO). The ESCO will conduct a comprehensive energy audit, identify energy improvements, design a program that meets the Mint's needs, and arrange the necessary funding. Using an ESPC will allow us to access an alternative source of capital to finance the project.
- In FY 2012, the West Point facility will undergo a comprehensive energy audit and retro-commissioning.
- In FY 2012 we will perform an energy audit and retro-commission the San Francisco facility.

We expect these projects will identify ECMs that will allow us to achieve the EISA energy intensity reduction requirement. However, because our energy use is directly related to production, success may hinge on the amount of coins we produce, which is determined by Congress and the Federal Reserve.



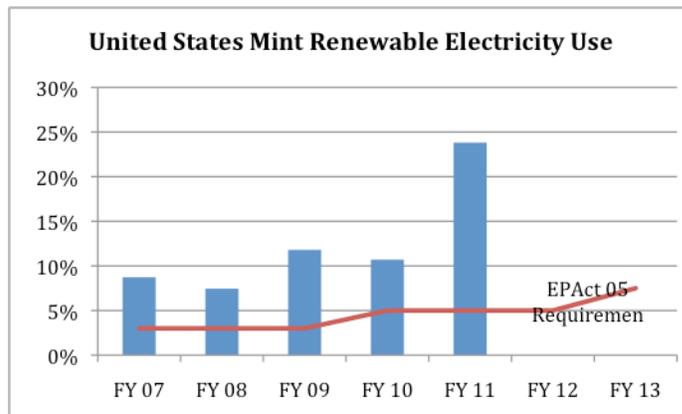
We can apply to the Department of Energy for waivers from the EISA energy intensity reduction goal if our energy assessments do not identify sufficient ways to save energy.

GOAL: Increase renewable electricity use to 7.5 percent by FY 2013

STATUS: 24 percent renewable electricity use

The Energy Policy Act of 2005 requires federal agencies to obtain 7.5 percent of their electricity from renewable sources by FY 2013. Executive Order 13423 requires that federal agencies obtain at least 50 percent of this renewable energy from sources placed into operation after 1999. In FY 2011, we obtained 24 percent of our electricity from new, renewable sources.

On August 1, 2010, the Denver facility signed a power purchasing agreement with Xcel Energy, the local utility, to purchase 100 percent renewable electricity through Xcel Energy’s voluntary green power program, Windsource. Windsource energy is provided above and beyond Xcel Energy’s renewable portfolio standard, so the purchase directly increases renewable energy production in Colorado. The Denver facility premium is expected to be about \$250,000 annually, and will help finance the 252.2 megawatt Cedar Point Wind project, the first wind project in Colorado to use turbines manufactured in Colorado. Cedar Point Wind provides manufacturing jobs, construction jobs, property taxes, and lease payments to local farmers.



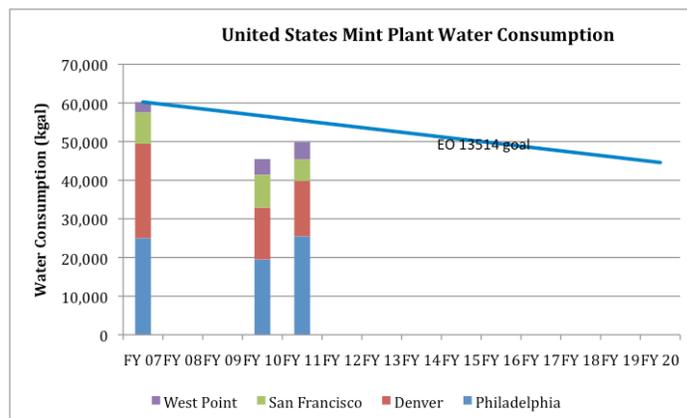
In FY 2011, the Denver facility obtained 14,604 megawatt hours (MWH) from wind energy. The Environmental Protection Agency’s Green Power Partnership recognized the Denver facility as the 10th largest purchaser of green energy in the Federal Government.<sup>12</sup> Additionally, the Philadelphia facility purchased 1,142 MWH – 5 percent of its energy – from renewable sources.

## WATER

GOAL: Reduce water consumption intensity 26 percent

STATUS: 17 percent reduction

EO 13514 requires federal agencies to reduce their potable water consumption intensity 26 percent by FY 2020 from a FY 2007 baseline. Water consumption intensity is defined as the water consumption in gallons per square foot of building space (GAL/ GSF). We have not added square footage to any of our facilities over the performance period; therefore, this is a de facto water reduction requirement. Compared to other federal agencies, our production facilities use a lot of water – in addition to sanitary purposes we use water for numerous industrial processes. Our water usage, like our energy usage, is directly tied to the number of coins we produce. We have reduced our water use by 17 percent from 60,252 kilogallons in FY 2007 to 49,890 kilogallons in FY 2011, mostly because our production levels fell during this period. In FY 2007 we produced 15.423 billion circulating coins – almost twice as much as the 7.704 billion circulating coins we produced in FY 2011. The slight increase from FY 2010 to



FY 2011 reflects the installation of a new cooling tower at the Philadelphia facility and an increase in circulating coin production (from 5.461 billion coins in FY 2010 to 7.704 billion coins in FY 2011).

<sup>12</sup> <http://www.epa.gov/greenpower/toplists/top10federal.htm>

In FY 2011, we completed water conservation assessments that identified cost-effective ways to reduce consumption by more than 5.6 million gallons per year (9 percent). Some examples include:

- The Philadelphia facility will recycle water rejected by the reverse osmosis process, and use it in the cooling tower. This will save the facility 914,000 gallons of water a year.
- The Denver facility will install meters to monitor cooling tower water use. Monitoring water usage, detects leaks, a major source of water waste. This will save 791,000 gallons of water a year.
- The San Francisco facility retro-commissioned the furnace cooling system, making it more energy efficient. This is expected to save the facility between 568,000 and 1.1 million gallons of water a year.
- The West Point facility will reduce the flow from the laboratory fume hood scrubber from 3.8 gallons per minute to 1.3, which will result in savings of 1.3 million gallons a year.

We expect all water conservation measures to be implemented by December 2012, and we expect them to be sufficient for us to meet our reduction goal.

## WASTE

GOAL: Divert 50 percent of solid waste by FY 2015

STATUS: 94 percent diversion rate

EO 13514 requires federal agencies to divert at least 50 percent of the agency’s non-hazardous solid waste by FY 2015. “Divert” is defined as “redirecting materials that might otherwise be placed in the waste stream to recycling or recovery.”

Facility	Waste (lbs)	Recycled (lbs)	Landfill (lbs)	Hazardous Waste (lbs)	Diversion Rate
Denver	5,686,215	5,410,752	275,463	39,538	95.1%
Philadelphia	5,409,395	5,110,515	298,880	5,890	94.5%
San Francisco	351,580	350,528	1,052	36,110	99.7%
West Point	245,269	129,987	115,282	2,456	52.5%
<b>United States Mint</b>	<b>11,692,459</b>	<b>11,001,782</b>	<b>690,677</b>	<b>83,994</b>	<b>94.1%</b>

In FY 11, we achieved a diversion rate of 94 percent.<sup>13</sup>

Eighty-five percent of our solid waste is coin scrap metal collected as part of our production process. Our coin scrap metal is recycled into production feedstock by the material vendor. Excluding coin scrap metal, we still achieved a diversion rate of 59 percent.

The San Francisco facility is leading our effort to reduce waste. The facility implemented an extensive recycling program. In FY 2011, the San Francisco facility achieved a diversion rate of more than 99 percent. Out of a total waste production of 351,850 pounds, only 1,052 pounds of industrial waste were sent to the landfill. The San Francisco facility recycles plastic, paper, cardboard, metal, electronics waste, and some hazardous waste. Other facilities recycle too, but the numerous recycling initiatives provided by the City and County of San Francisco have accelerated the process.

<sup>13</sup> The West Point facility began tracking solid waste disposal in April 2011. The solid waste data for the West Point facility for the second half of FY 2011 was extrapolated to cover the first half of FY 2011. The Bullion Depository at Fort Knox is not tracking solid waste disposal yet.

## GREEN BUILDINGS

GOAL: 15 percent of existing buildings meet Federal Guiding Principles by FY 2015

STATUS: 0 in FY 2011

EO 13514 requires federal agencies to ensure that at least 15 percent of the agency's existing buildings meet the **Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings** (Guiding Principles) by FY 2015. The Treasury Department selected the West Point facility to meet the Guiding Principles.

The Guiding Principles are typically met for office buildings by obtaining Leadership in Energy and Environmental Design (LEED) certification for Existing Buildings: Operations and Maintenance. A third party evaluation determined that the West Point facility cannot meet these criteria because it is an industrial occupancy.

The West Point facility will continue to pursue LEED certification for Existing Buildings by an alternate method. The West Point facility was accepted into the SEP Northeast Demonstration. Currently, it is the only federal facility pursuing SEP certification. We expect the West Point Mint to obtain SEP certification in FY 2013 leading to LEED certification shortly thereafter, thus achieving the Guiding Principles by the FY 2015 deadline

The United States Green Building Council, the organization that manages the LEED Green Building Rating System, is interested in allowing manufacturing facilities to earn LEED certification by first earning **Superior Energy Performance** (SEP) certification. SEP is a new certification program for energy efficient industrial facilities developed by the Department of Energy and the United States Council on Energy Efficient Manufacturing. Participating facilities earn SEP certification by implementing the new ISO 50001 energy management system standard and improving the energy performance of their facilities by at least five percent.

## SAFETY

GOAL: : Total recordable case rate of less than 3.34 at the end of FY 2011

STATUS: 2.87 in FY 2011

Worker safety, like sustainability, is considered a "best practice" among successful manufacturing facilities. The Mint takes safety seriously. Reducing occupational injuries and illnesses is even built into our strategic goal to foster a safe, engaged, and innovative workforce.

We measure safety performance using the total recordable case rate (TRCR), which is the number of injuries and illnesses meeting the Occupational Safety and Health Administration (OSHA) recording criteria per 100 full-time workers.

	FY 2008	FY 2009	FY 2010	FY 2011
<b>Total Recordable Injury/Illness</b>	71	44	35	46
<b>Total Recordable Case Rate</b>	4.10	2.74	2.21	2.87

For FY 2011, our TRCR goal was 3.34 (a 3 percent reduction) compounded from the FY 2008 goal. This is well below the 7.8 TRCR of the metal stamping industry in calendar year 2009, the most recent reporting year for industry data. It was an increase from our FY 2010 TRCR of 2.21. This decline in performance occurred after three years of improved progress in lowering injuries and illnesses. The following table summarizes our health and safety performance from FY 2008 – FY 2011:

To improve our safety performance in FY 2012, we will start tracking and managing leading measures, which are safety activities, behaviors and processes that reduce the risk of injury in the workplace. FY 2012 leading measures include:

- The closing out of corrective measures for identified hazards in a timely manner
- Documenting that all employees have completed required safety training
- Eliminating manual material handling hazards

These measures will be used in combination with injury and illness rates to measure safety and health performance.

We are also pursuing OSHA Voluntary Protection Program (VPP) Star status for each of our facilities. VPP recognizes organizations that have implemented effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective industries. Currently, the Philadelphia facility is an OSHA VPP Star facility.

## BALANCE SHEET

<b>Metric</b>	<b>FY 2011</b>
<b>Metal Purchased (metric tons)</b>	31,373.5
Copper	15,523.2
Zinc	11,739.5
Nickel	2,350.0
Magnesium	139.1
Gold	44.2
Silver	1,577.6
<b>Direct Energy Consumption (gigajoules)</b>	63,823.2
Natural Gas	63,473.5
Diesel	277.4
Liquefied Petroleum Gas	72.3
<b>Indirect Energy Consumption (gigajoules)</b>	630,639.4
Electricity	543,944.2
Steam	86,695.2
<b>Total Water Withdrawal (cubic meters)</b>	210,548.5
<b>Direct Greenhouse Gas Emissions (MTCO<sub>2</sub>e)</b>	26,437.2
<b>Indirect Greenhouse Gas Emissions (MTCO<sub>2</sub>e)</b>	2,477.1
<b>Emissions of Ozone-Depleting Substances (kg)</b>	40.8
<b>Waste (metric tons)</b>	4,573.5
Recycled Solid Waste	4,173.4
Recycled Hazardous Waste	31.2
Landfilled Solid Waste	368.9
<b>Injury Rate</b>	3.34
<b>Occupational Diseases Rate</b>	HOLD
<b>Lost Day Rate</b>	1.06
<b>Absentee Rate</b>	HOLD
<b>Fatalities</b>	0

## GRI INDEX

Indicator	Description	Location Reported or Explanation
1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy	Deputy Director's Letter
2.1	Name of the organization	Cover Page
2.2	Primary brands, products and/or services	Organizational Profile
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures	Organizational Profile
2.4	Location of organization's headquarters	Organizational Profile
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Organizational Profile
2.6	Nature of ownership and legal form	Organizational Profile
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Organizational Profile
2.8	Scale of the organization including: number of employees; net revenues; quantity of products or services provided	Organizational Profile
2.9	Significant changes during the reporting period regarding size, structure or ownership	No significant changes
2.10	Awards received in the reporting period	None
3.1	Reporting period for information provided	About this Report
3.2	Date of most recent previous report (if any)	About this Report
3.3	Reporting cycle (annual, biennial, etc.)	This report is our pilot of the GRI Sustainability Reporting Guidelines. We expect that our stakeholders will find this information valuable. If the report is well received by our stakeholders we would consider making it an annual publication.
3.4	Contact point for questions regarding the report or its content	<a href="mailto:inquiries@usmint.treas.gov">inquiries@usmint.treas.gov</a>
3.5	Process for defining report content, including determining materiality, prioritizing topics within the report, and identifying stakeholders the organization expects to use the report	About this Report
3.6	Boundary of the report	About this Report
3.7	State any specific limitations on the scope or boundary of the report	About this Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations	About this Report

<b>Indicator</b>	<b>Description</b>	<b>Location Reported or Explanation</b>
<b>3.10</b>	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	No re-statements
<b>3.11</b>	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	No significant changes
<b>4.1</b>	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	Mint Sustainability - Program Overview
<b>4.2</b>	Indicate whether the Chair of the highest governance body is also an executive officer	Not applicable
<b>4.3</b>	For organizations that have a unitary board structure, state the number of members of the highest governance body who are independent and/or non-executive members	Not applicable
<b>4.4</b>	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Mint Sustainability - Communication
<b>4.14</b>	List of stakeholder groups engaged by the organization	Mint Sustainability - Communication
<b>4.15</b>	Basis for identification and selection of stakeholders with whom to engage	Mint Sustainability - Communication
<b>EC2</b>	Financial implications and other risks and opportunities for the organization's activities due to climate change	Mint Sustainability - Rationale
<b>EN1</b>	Materials used by weight or volume	Mint Sustainability - Balance Sheet
<b>EN3</b>	Direct energy consumption by primary energy source	Mint Sustainability - Balance Sheet
<b>EN4</b>	Indirect energy consumption by primary energy source	Mint Sustainability - Balance Sheet
<b>EN8</b>	Total water withdrawal by source	Mint Sustainability - Balance Sheet
<b>EN16</b>	Total direct and indirect greenhouse gas emissions by weight	Mint Sustainability - Balance Sheet
<b>EN17</b>	Other relevant indirect greenhouse gas emissions by weight	Mint Sustainability - Balance Sheet
<b>EN19</b>	Emissions of ozone-depleting substances by weight	Mint Sustainability - Balance Sheet
<b>EN22</b>	Total weight of waste by type and disposal method	Mint Sustainability - Balance Sheet
<b>LA7</b>	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	Mint Sustainability - Balance Sheet