

## ATTACHMENT II



## INTRODUCTION

Phillips Plastics Corporation offers facilities for design development, pilot-phase clinical builds, plastics manufacturing, metal manufacturing, assembly, and training. With continual investment in state-of-the art technology, we help minimize time to market, reduce costs, improve quality, and achieve a seamless flow through. At our multiple facilities, we have the expertise and the technology — materials, mechanics, automation, electronics, plastics processing, bioengineering and metallurgy — to enhance the most complex manufacturing processes, to examine new product and process opportunities, and to evaluate, design and build automation systems

The facility that is applying for Tier I status in this application is the OPS/MS-LSR building located at 3449 Sky Park Blvd in Eau Claire, WI. This facility is considered the information technology (IT) hub with ancillary facility support services such as People Services (HR), Finance, Safety, Purchasing, and other leadership functions for the company. Since this facility supports others, it is critical that we engage people in safety, health, and environment discussions to ensure continuity to all operating facilities. This building has become the home of a new technology called Multi-Shot Liquid Silicone Rubber (LSR) injection molding. This is the first facility in the state to hold this type of technology and the Operations Center building is the focal point for this new manufacturing business opportunity.

Current and past events have successfully established our commitment and sustained certification to ISO 14001 since 2001. Our efforts begin by educating all employees. Using the acronym "FACE"; helped align the ideas of a corporation to support the efforts of employees by, Following laws, Avoiding pollution, Continuous improvement, and having respect for our Environment. We refresh our peoples basic understanding of ISO 14001 requirements on an annual basis. In 2012, this facility became certified to ISO 14001.

Our efforts have also reduced non-renewable resources of solid waste through measurable processes of recycling. We continue to reduce the generation of waste streams at OPS/MS-LSR and we remain actively involved in the reduction of our dependence on energy required to operate this facility.

## EMS OBJECTIVES & TARGETS

The facility currently has ISO 14001 certification under a corporate certification. Our current corporate objectives center on the following primary topics: (1) Waste Reduction, (2) Energy Reduction, (3) Involvement, (4) WI Green Tier Participation. These topics are addressed with the following facility objectives & targets for 2011-2012:

Category/Topic	Objective	Target	Responsible Party
Plastic Waste Reduction	Seek methods to minimize environmental impact through proper waste disposal/recycling  Identify & track plastic waste	Track current scrap/waste output until the end of CY 2012 to develop trends. Establish waste goals for CY 2013 by 12/31/12	SHE Specialist & Materials Manager/ Manufacturing Engineers
Energy Reduction (Electricity)	Seek methods to reduce energy consumption via energy reduction projects  Identify & track natural gas & electricity	Review & implement 2 energy reduction projects based upon energy reduction ideas by the end of the fiscal year	SHE Specialist & Management Team
Involvement	Increase overall awareness of recycling efforts & energy reduction to solicit new ideas	Develop, communicate, & post EMS, energy & recycling awareness topics every other month throughout the year	SHE Specialist & Corporate Safety Environmental, & Energy Director
Green Tier	Apply for Green Tier (Tier I) Status	Provide a Green Tier (Tier I) application packet to the DNR by 07/01/12	SHE Specialist & Management Team

In addition to these objectives and targets, we perform many different regulatory activities to comply with all applicable WI DNR, EPA, and city regulations.

## RESULTS

### Waste Reduction

At MS-LSR we continuously strive to minimize the waste going to landfill by putting a good deal of effort into collecting, sorting, and recycling of our wastes. As part of our commitment to environmental stewardship and continuous improvement, we ensure recycling of electronic wastes (computers and related equipment), use recycled copy machine paper, and recycle printer cartridges and batteries. The building acts as the focal point for many universal waste recycling streams such as: mercury, lamps, PCB ballasts, e- waste, batteries, and other waste streams. In 2011 and 2012, we have had our plastics waste recycler visit the plant to evaluate various wastes for recycling purposes. A mixed plastics waste stream has been established.

### 2011 Recycling & Waste Reduction Results:

Landfill Waste	Lunchroom Recycling (plastic/glass/tin/aluminum)	Plastics Recycling	Corrugated Cardboard Recycling	Metal Recycling	Oil	Fluorescent Lamps
36,330 pounds	6,140 pounds	440 pounds	10,404 pounds	NA	NA	NA

## Energy Reduction

In cooperation with Wisconsin Focus on Energy Program, the facility has implemented or is in the process of implementing a number of energy reduction projects. Energy saving projects have included the installation of LED exit lights and the replacement of metal halide and T-12 lights with energy efficient T-8 fluorescent fixtures with low watt bulbs/ballasts; these new fixtures provide us much more illumination with substantially less energy consumption. In 2011, the exterior lighting was changed to energy efficient florescent lighting in combination with ceramic metal halide bulbs. Many of the outreach efforts concerning energy also are generated via this facility such as our energy information centers, home energy audits, various postings/publications, CFL projects, etc.

Furthermore, to reduce our energy use, we exchanged all of our vending machines and copy machines to Energy Star devices. This project resulted in a payback of \$605 on an annual basis. This may seem like a small value, but it shows our commitment to literally doing anything to reduce our impact on the environment and help the bottom line.

### 2012 Energy Reduction Projects:

Energy Reduction Projects	Assigned To	Expected Finish Date	Finished Date	Status
Air Compressor Replacement	Dan Crass Neal Waldhart Dan Andersen	07/01/2012		Pending approval
Compressed Air Leak Study	Dan Crass	6/1/2012		Complete
Flow Control Device added to the Compressor	Dan Crass Dan Andersen	7/1/2012		Pending Approval
Verify Arburg Press pumps shut off after 30 mins	Dan Crass	3/1/2012	4/1/2012	Complete

### Recycling Projects & Results:

Recycling Projects/ Activities/Awareness	Assigned To	Expected Finish Date	Finished Date	Status
Brennan from Maine Plastics will evaluate plastic recycling	Neal Waldhart Brennan	1/4/2012	1/4/2012	Complete
Add Plastic wrap container to production floor and label	Neal Waldhart	1/4/2012	1/4/2012	Complete
Recycling Packing peanuts	Warehouse	6/1/2011	6/1/2011	Complete

## INVOLVEMENT

We encourage our employees to participate in Operations/MS-LSR environmental improvement efforts through a multiple of initiatives. We also educate our employees on how to be environmentally friendly not only at work but also in their personal homes. Examples of such efforts include offering free home energy audits to our employees and distributing "60 Simple Ways to Save Money On Your Energy Bill" pamphlets to help the cost savings at each employee's home. Also, in cooperation with WI Focus on Energy, we set up an Energy Information Stand that provides information for all of our employees on ways to reduce their home energy bills.

We also have involvement in Adopt-a-Highway, Payroll Going Green, Green Masters, and Eau Claire's "Green Business". We have and will continue to post information to our people regarding energy reduction ideas, environmental stewardship projects, waste reduction, and general environmental awareness topics.

Other efforts to expand the emphasis on environmental stewardship of our employees include our annual tree/shrub giveaway in recognition of the Earth Day.

### Facility Specific PPC Tree/Shrub Program Summary

Location	2006	2007	2008	2009	Grand Total
Operation Center/MS-LSR	62	80	52	42	236

### 2011 Audit Results

An annual evaluation of our EMS was performed by an external corporate auditing firm (BSI) in January of 2012. This audit was considered a sampling audit under our existing certificate and as a result of this expanded scope, the building became certified to ISO 14001. There were a total of six (6) EMS non-conformities identified during the audits at Phillips and Eau Claire. Corrective actions were submitted for each respective facility. The corrective actions plans were reviewed and approved by BSI.

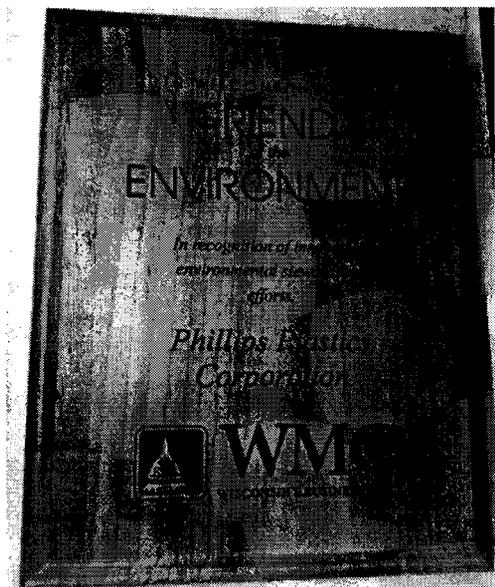
In addition to the external audits performed by BSI, the various facility Safety, Health & Environmental Specialists and the Corporate Safety, Environment & Energy Director perform annual internal Environmental compliance audits at each PPC facility. Our internal systems require that for every minor or major finding identified we enter in a corrective action for resolution of the issue identified. As of this time, all minor findings and observations have been corrected from the 2011 audits

Location	Audit Date	Major	Minor	Observations
OPS/MS-LSR	12/22/11	0	2	7

The 2012 Internal audits have been scheduled for all Phillips Plastics locations and are currently in progress.

## ACCOMPLISHMENTS

Year	Award	Recipient/Location
2009	WI Business Friend of The Environment	Entire Corporation
2010-Present	Eau Claire – Green Business	Three (3) Eau Claire locations
2010-Present	Green Masters	Entire Corporation
2011	Xcel Energy – Environmental Excellence Award	Entire Corporation
2011	Wisconsin Corporate Safety Award	Operations Center/MS-LRS
2012	WI Business Friend of the Environment	OPS/Fredonia



## CONCLUSION

Going forward, we will continue to achieve superior performance through continuous improvement processes that will focus our efforts of reduction of waste generation, reductions of energy use, continued exploration of new recycling options and implementing best practices for the environment, our employees, community, and customers.