

Perlick Corporation  
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## Green Tier Annual Report for 2013 submitted Jan 2014

Perlick joined Green Tier in late 2009. Our first complete year was 2010. In 2011 we enjoyed many successes in reaching our Green Tier Goals. In 2012 the goals became more difficult to achieve still 2013 has allowed us to continue on our goal path and look for continued innovation. Never the less we had the following goals:

1. Facility Beautification We did accomplish one goal of redoing our east parking lot. This included reseeding and creating a regeneration area for stormwater run off. It also added to the attractiveness of that area. All fences have been repaired and the areas seeded. Our goal of moving all foam activities to a building may still be a goal but at this time cost restraints are forcing us to delay that goal. We continue to evaluate our foam options and may be able to move all of this inside at some later date.
2. Energy consumption continued to be a major concern in 2013. We have not yet purchased high efficiency furnaces but our increased insulation provides for even temperatures while reducing energy consumption. We tried two shifts in some areas and found that by keeping it at one shift and maximizing production times we reduced the need for heating and lighting the plating area on second shift. Energy reduction per square foot of space still remains a goal for 2014.
3. Perlick achieved Small Quantity Generator status production has increased and the amount of hazardous waste remains low relative to the amount of equipment manufactured. We still maintain our SQG status. Perlick continues to maintain low levels of toxic materials through a lab pack clean out of the facility once per year. Our F006 waste has been evaluated for hazardous components and although it continues to be sent out as hazardous waste it is re-classified by Badger and disposed of as non-hazardous waste. Our rags and speedy dry are amenable to secondary fuel recovery.
4. Annual clean sweep programs continue to eliminate unused or excess chemical storage and possible hazardous waste generation in future years. Perlick believes that active housecleaning yearly reduces both toxic chemical accumulation and saves money by allowing reuse of chemicals whenever possible. It allows us to evaluate expiration dates on chemicals before they become waste problems.
5. Zero to landfill became our motto and goal in 2012. A full audit of our Green Tier program provided further assistance in this accomplishment. Continued business growth makes us look at every minute detail of waste that leaves the facility. Each waste stream is evaluated for the criteria of recycle ability and reduction.
6. Sawdust was mixed with plastic which made it unusable for animal bedding. In 2013 we developed a system to separate plastic contaminated sawdust and clean sawdust to allow for the use of the clean in animal bedding. The mixed sawdust is now being sent out for secondary use as a fuel stock. This accomplished a major goal for 2013.

7 Perlick continued to try to engage employees in participation in Green Tier goals through check stuffers. These stuffers allowed Perlick's employee to be involved in new ideas and ways to achieve Green Tier goals.

Perlick looks forward to 2014 and the changes again under consideration at the facility, and believes that we will get more ideas for Green Tier improvement from employees. Since Green Tiers inception, Perlick has benefited from goal achievement. Future goals will be more difficult to achieve and will make lesser impact than the first few years because all the easy goals have been achieved. Perlick realizes that sweeping goal achievement may not happen. Perlick is currently looking into ISO certification and the new ideas quality achievement may deliver.

Perlick adopted policy statements in mid 2010 to guide future policies at the facility. These are included with this document along with our self audit of the facility with the assistance of our environmental consultant. We meet in January again in the summer and at the end of the year to evaluate and determine goals and progress. Through these efforts Perlick maintains its focus on our goals. Perlick participated in an outside audit of its Green Tier equivalency in September 2012 and will again look into outside auditing in 2015.

Perlick has identified several 2014 goals which will provide continued achievement in energy reduction.

1. Zero to Landfill (ZTL) continues to be our motto on waste reduction and elimination goals. This focuses on scrutinizing every waste stream for the most effective reuse or recycle capabilities. We continue to go outside to our contractors to have them strive toward finding more capable uses for our recycle streams to utilize more and more of our recycle material.
2. Energy use. We continue to progress towards a fully robotic third shift to reduce employee overtime, and allow the shift to run without lights, and with reduced heat and energy needs. At this time we have increased shift times to cover most of the operating time. Progress toward fully implementing robotic third shift is slow.
3. Water use Business development has increased Perlick's market share and increased manufacturing at a substantial rate. This has increased water usage and now that usage has become a goal to reduce and save costs. We are investigating ways to reduce water usage. Recirculation of cooling water may be possible.
4. Appearance of Grounds will always be an outward goal here at Perlick. How our facility is viewed reflects on the corporate culture and Perlick's attempt for sustainability and environmental compliance. It also reflects on neighborhood acceptance.
5. Promote Green Tier Ideas Continue to gather more ideas from employees
6. Energy use through smart meters and ON/OFF control when not in operation whenever possible. Get IT involvement.
7. Get more involvement from management. Carry message outside Perlick to vendors, customers and suppliers.
8. Complete review of employee training program. Modernize the entire system to best train employees on safety, OSHA compliance, Green Tier goals and employee protection.
9. Overhaul of MSDS system to assure compliance with the new GHS.

Overall Perlick believes that Green Tier has benefited the company by allowing us to focus on parameters and make changes that immediately impact Perlick's bottom line. Those easier targets have been accomplished. New goals and objectives possibly without short term benefits but with longer paybacks are hard to achieve. We see the system set up to better assist us in identifying key aspects that can make large differences. It also has allowed us to focus on gathering more ideas from more people by getting employees involved. Perlick believes that the major benefit of Green Tier has been its stress on compliance records and organization of compliance deadlines and activities.