Executive Summary

Plastic Ingenuity, Inc. was formally accepted into the Wisconsin Department of Natural Resources Green Tier Program October 30, 2007. Plastic Ingenuity is enrolled in Tier I of the program.

Plastic Ingenuity has two facilities in Wisconsin that are covered by the Green Tier program. A facility located in Cross Plains, WI is home to Plastic Ingenuity’s headquarters. The primary function of this facility is to manufacture thermoformed plastic packaging for the food, retail, and medical markets. A second facility is located in Mazomanie, WI. This facility extrudes plastic sheet and manufactures thermoformed plastic packaging. The two facilities in Wisconsin employ approximately 400 team members. Plastic Ingenuity has long been mindful of its impact on the natural environment and is fully committed to reducing its environmental footprint by participating and excelling at its Green Tier-related activities.

In 2017, Plastic Ingenuity's Wisconsin facilities were focused primarily on three environmental initiatives in addition to the continuing work involving the four large rain gardens on/near the Plastic Ingenuity, Inc. property. Details of the construction and performance of these rain gardens can be found in previous annual reports submitted by Plastic Ingenuity.

By implementing resource use reduction, active and innovative recycling efforts, working to positively influence the health of the nearby Black Earth Creek, and implementing an Environmental Management System, Plastic Ingenuity continues to work on reducing its environmental footprint. Plastic Ingenuity has been dedicated to recycling for over 30 years by reusing rather than land-filling, scrap plastic. Recycling or reusing millions of pounds of plastics annually and reducing our impact on Black Earth Creek are but two ways this environmental burden is being reduced.
Resource Use Reduction (Ongoing Initiative)

In 2007, a photovoltaic (solar) power generation system was installed at the Cross Plains facility. A goal for Plastic Ingenuity Inc. is to eventually derive at least 10% of its power from renewable sources. This will be a continual effort as new technologies emerge and become feasible options. The installation of the photovoltaic system is a first step in that direction. The kWh shown below is expected to be steady from year to year. In the 10 years since the system has been in place, there has been an average of 13,175 kWh generated each year.

<table>
<thead>
<tr>
<th>kWh generated by photovoltaic system in 2017</th>
<th>Pounds CO2 prevented from being released in 2017</th>
<th>Total lbs. CO2 prevented from being released since installation of system</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,402</td>
<td>19,850 lbs.</td>
<td>218,383 lbs.</td>
</tr>
</tbody>
</table>

Cross Plains Heat Reclamation (Ongoing Initiative)

In 2008, a compressor heat recovery system was installed in the Cross Plains facility. During the design and implementation stages, the goal was to heat the warehouse in the Cross Plains facility with excess heat from our compressors. In the past, this heat was not reclaimed and subsequently lost. The system went fully on-line in November, 2008.

<table>
<thead>
<tr>
<th>Months of operation in 2017</th>
<th>Therms recovered in 2017</th>
<th>lbs. CO2 prevented from being released in 2017 due to this project</th>
<th>Lbs. CO2 prevented from being released since project inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>7,421</td>
<td>86,744 lbs.</td>
<td>746,027 lbs.</td>
</tr>
</tbody>
</table>

Mazomanie Heat Reclamation (Ongoing Initiative)

Since 2006, waste compressor heat has assisted in heating the Mazomanie facility. As was the case in the Cross Plains facility, prior to 2006, this heat was not reclaimed and subsequently lost.

<table>
<thead>
<tr>
<th>Months of operation in 2017</th>
<th>Therms recovered in 2017</th>
<th>lbs. CO2 prevented from being released in 2017 due to this project</th>
<th>Lbs. CO2 prevented from being released since 2009.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>15,124</td>
<td>176,744 lbs.</td>
<td>611,518 lbs.</td>
</tr>
</tbody>
</table>
Protecting the Black Earth Creek (Ongoing Initiative)

As has been our history, Plastic Ingenuity is fully committed to reducing our impact on the nearby Black Earth Creek. There are several ways in which we demonstrate this commitment:

1. In order to reduce the amount of salt, sand, and other debris being deposited into the Black Earth Creek during winter thaws or other melting events, Plastic Ingenuity has continued the use of a high efficiency street sweeper. This street sweeper vacuums salt, sand, and other debris into a central collection system as it sweeps the main employee parking lots. The goal of this sweeping, which occurs twice per year, is to reduce the amount of debris that could be swept into the Black Earth Creek during rain, snow, or melt events.

2. A secondary benefit to the high efficiency sweeping of the parking lots is the reduced load on our Gabion basket system, the 1st true filtration system of storm waters flowing from Plastic Ingenuity’s main parking lot.

3. Additionally, storm drains in the employee parking lots are equipped with filters to catch any heavy deposits (sand and other floatables) before flowing into the storm sewer system.

4. Finally, and most importantly, Plastic Ingenuity has installed an extensive rain garden system at our Cross Plains facility. The vast majority of rain water that touches our property eventually ends up in a rain garden to be filtered and cooled prior to being introduced into the Black Earth Creek. The largest rain garden on the property receives all storm water that runs off our large employee parking lot. The water is diverted into the large rain garden where any automotive fluids, floatables, debris, etc. is filtered out by the engineered soil. As the water flows through the engineered soil, its temperature is reduced and is eventually returned to the Black Earth Creek at a temperature closer to the temperature of the creek. All rain gardens are highlighted in yellow below. These rain gardens are continuously maintained throughout the year to ensure peak performance and to remove invasive weeds and other undesirable plantlife.
Waste Prevention Projects - Ongoing

Plastic Ingenuity’s Mazomanie facility is a member of Operation Clean Sweep. Operation Clean Sweep is an international program meant to prevent plastic resin pellet from polluting marine environments. The stated goal of Operation Clean Sweep is to help each plastic resin handling operation implement sound resin handling procedures with the ultimate goal to prevent all plastic resin pellets from leaving the property and polluting marine environments. In an effort to reach this goal, Plastic Ingenuity has instituted the recommended good housekeeping policies and procedures designed to prevent pellet loss during unloading of rail cars. Plastic Ingenuity employs a closed-loop system at our unloading areas which significantly reduces the likelihood of a release to the environment. Additionally, at all piping connections at an unloading point, enclosures/catchment devices are used to collect any minor spills of plastic pellet when disconnecting conveyance equipment.

Plastic Ingenuity also employs a significant effort to recycle as many materials as possible to help reduce our impact on the environment. It is estimated that over 99% of our plastic scrap is reused in our process. Plastic Ingenuity also annually recycles tens of thousands of pounds of scrap metals, plastic banding, stretchwrap, cardboard (boxes and roll cores), paper, and wood pallets. At Plastic Ingenuity, we are continually researching additional ways to increase our current recycling efforts or to find unique ways to recycle/re-use other materials that we have yet to find suitable options for.
Energy Reduction Projects - 2017

In 2017, Plastic Ingenuity’s Wisconsin facilities focused mainly on installing more energy efficient equipment. In an ongoing effort at both facilities, outdoor lighting is being converted to LED lighting. This will allow for better lighting of our facility exteriors while saving energy. Throughout 2017 and into 2018, lighting will be converted.

We continue to install variable frequency drives where possible when replacing units such as vacuum pumps. These VFD’s allow a significant energy savings as they alter the motor speed so as to maintain a steady, consistent vacuum point. The VFD controller adjusts pump motor speed up/down according to the load demanded. Over the lifetime of the motor, by using VFD’s, it’s expected there will be a major energy savings realized.

Lastly, a 130 ton ‘rooftop’ HVAC unit was installed in our Mazomanie facility during 2017. This replaced an older unit and will allow us to condition and heat our facility more efficiently.