

Table of Contents

Acceptance letter

Commitment outline

Application

Attachment 2

**Green Tier Commitment Outline for
Phillips-Medisize – Global Innovation and Design Development Hudson
1201 Hanley Rd, Hudson WI**

Approval Date – October 10, 2013

Commitment Outline Updated: 02/07/2020

The updates since participation started are:

- Functionally Equivalent EMS established 2016
- Transition to ISO 14001 in 2017
- Change of project coordinator
- Change of company name
- Change of SPOC
- Updated general content, format and links

I. Environmental Management Systems (EMS) & Audit Requirements

Your EMS must either be ISO-certified, or you must demonstrate that it is functionally equivalent. For information on how to demonstrate the functional equivalency of your EMS, please see: <https://dnr.wi.gov/files/PDF/pubs/co/CO503.pdf>

You have agreed to implement your EMS on or before **October 10, 2014**. Within 30 days please email your EMS implementation date to: GreenTier@Wisconsin.gov, and your Single Point of Contact (SPOC), Gina.Keenan@Wisconsin.gov.

To maintain good standing with Green Tier EMS requirements:

- A. On or before, **October 10, 2014** and every year after that, perform an environmental management system audit. The department recommends that your first audit be completed by a DNR-approved outside EMS auditor. The list of approved auditors can be found at: <https://dnr.wi.gov/topic/GreenTier/Auditors.html>
- B. On or before, **October 10, 2016** and every third year, this audit **must** be completed by a DNR-approved outside EMS auditor.

II. Provide an Annual Report

- A. **Annual Report Due Date** - We have mutually agreed that the deadline for your Green Tier annual report is **March 31¹** and annually thereafter. (Please feel free to discuss alternative reporting dates with your Project Coordinator, JenniferA.Birkholz@Wisconsin.gov should your needs change.)
- B. **Reporting on Environmental Performance Commitments:** Your first report should follow the annual report instructions provided below and should provide data on your progress toward meeting your environmental performance commitments laid out in your Green Tier application or your previous year's Green Tier annual report.
- C. **Annually**, you will need to report progress on the commitments that you have made. For more details about annual reports and metrics, see the annual report instructions provided on the website; <https://dnr.wi.gov/topic/GreenTier/ReportInstructions.html>

¹ Phillips-Medisize submits one report for all of its' facilities. For convenience sake, the annual report due date is considered to be March 31st.

- D. Please provide annual Green Tier Reports to both of these email addresses: GreenTier@Wisconsin.gov and to your Single Point of Contact, Gina.Keenan@Wisconsin.gov.

III. Work toward Superior Environmental Performance

Implement environmental improvements that aim to achieve Superior Environmental Performance as defined in Green Tier law. This means environmental performance that results in measurable or discernible improvement in the quality of the air, water, land, or natural resources, or in the protection of the environment, beyond that which is achieved under environmental requirements. More information on Superior Environmental Performance can be found here:

<https://dnr.wi.gov/topic/GreenTier/SuperiorEnvironmentalPerformance.html>

IV. Green Tier - Tier 1 – DNR Commitments

- A. **Single Point of Contact (SPOC):** Your single point of contact or SPOC is your liaison to the department, answering your questions or making connections within DNR or with other experts. Your SPOC is: Gina Keenan, Phone 715-836-6574, Gina.Keenan@Wisconsin.gov
- B. **Green Tier Logo:** Green Tier participants may use the Green Tier logo on stationery, promotional and educational materials related to your facility. Logo files as well as the Green Tier Style Guide with additional guidelines and information are available online at: <https://wi-dnr.widencollective.com/portals/nkc57xuv/GreenTierBranding>. Your Project Coordinator can provide you with the current access code.
- C. **Recognition:** Along with the certificate of recognition, the department will host a [participant web page](#) for easy reference. Participants should provide information and pictures on their environmental efforts to populate the webpage. We will also promote your successes throughout your tenure in Green Tier using a variety of DNR communication channels.
- D. **Project Coordinators:** You should also feel free to contact your Project Coordinator for Green Tier specific information. Project Coordinators provide support to SPOCs and participants providing reminders on Green Tier requirement dates and by promoting a participant's successes. Your project coordinator is: Jenni Birkholz, Phone 608-266-8226, Cell 608-514-2182, JenniferA.Birkholz@Wisconsin.gov
- E. **Minimum Inspection Frequency:** Because you have implemented an EMS, you are entitled to inspections at the lowest frequency permitted by the programs under law. The department will work with you to determine how this will work for you.
- F. **Deferred Civil Action:** You are entitled to Deferred Civil Enforcement as described in statutes (299.83(6m)(d)). If you discover a violation of an existing environmental requirement, you are entitled to protection from any civil penalties that the department might otherwise impose if you:
1. Notify the department
 2. Provide a corrective action plan and documentation of your Environmental Management System (EMS) adjustments that ensure the violation will not happen again, and
 3. Correct the violations within 90 days

Notice: Collection of this information is authorized under s. 299.83 Wis. Stat. Participation in Green Tier and completion of this form are voluntary. Personal information collected on this form, including such data as your name, address, phone number, etc., will be used in the implementation of Green Tier and will be made broadly available under the Green Tier program. Information will also be made accessible to requesters under Wisconsin's Public Records Law (ss. 19.32 – 19.39, Wis. Stats.). If you need to request confidential treatment of any information in order to protect a trade secret, please contact a DNR representative *prior* to submitting this form. Applications must be considered complete by the DNR in order to be processed. For complete application instructions, see "Green Tier Application Instructions," publication number CO-501.

This application is for... (check one): Tier 1 Tier 2 (attach Letter of Intent to this form)

I. Applicant Information

Contact Name	Title		
Jill Ellestad	Safety, Health, & Environmental Specialist		
Street Address	City	State	ZIP Code
1201 Hanley Road	Hudson	WI	54016
Telephone Number	Fax Number	E-mail Address	
715-246-8738	715-246-7080	jill.ellestad@phillipsmedisize.com	

II. Facility Information

Facility Name	County		
Design & Development Center	St Croix		
Street Address	City	State	ZIP Code
1201 Hanley Road	Hudson	WI	54016
Mailing Address	City	State	ZIP Code
1201 Hanley Road	Hudson	WI	54016

Please provide all DNR Facility Identification numbers (FID #) that apply to the covered facility or activity.

III. Scope of Green Tier Participation (check one)

- This application covers all activities at the facility listed in Section II.
- This application covers all activities at more than one facility. For each facility to be covered under this application provide the information from Section II on a separate page labeled **Attachment 1**.
- This application **does not** cover all activities at every covered facility. Please describe the exact scope of activities and facilities to be covered in the program on a separate page labeled **Attachment 1**.

IV. Environmental Performance

Please provide the following information on a separate page labeled **Attachment 2**. Refer to the *Application Instructions* for definitions of environmental performance and superior environmental performance.

Tier 1 Applicants:

- Describe your past and current environmental performance with respect to each covered facility or activity included in this application. Within this attachment establish a baseline date against which future progress can be measured.
- Describe your future plans for enhancing the environment with respect to the same facilities/activities.

Tier 2 Applicants:

- Provide information demonstrating your record of superior environmental performance. Within this attachment establish a baseline date against which future progress can be measured.
- Describe the measures you propose to take to maintain and improve your superior environmental performance.

V. Environmental Management System (EMS)

- a. Have you implemented an EMS that is certified to the ISO 14001 standard? Yes No (circle one)
- b. Have you implemented an EMS that is functionally equivalent to ISO 14001? Yes No (circle one)

If you circled "No" for both questions, you are not eligible for Tier 2. Please proceed to Section VI only if you are applying for Tier 1.

If you circled "Yes" for either question, please provide a copy of the following documents labeled as **Attachment 3**:

- Proof of ISO 14001 certification OR functional equivalence (refer to *Application Instructions* for details)
- Environmental policy statement and scope statement
- Documented objectives and targets for the covered facilities/activities

VI. Public Notice/Stakeholder Identification

Please provide in a separate document labeled **Attachment 4** a list of stakeholders whom you know or expect will have a strong interest in your Green Tier application, as well as contact information for those stakeholders. This information will help DNR expedite the processing of your application. Tier 2 applicants must provide additional information about stakeholder involvement in a Letter of Intent. Refer to *Application Instructions* for details.

VII. Enforcement Record

Please review the Enforcement Record requirements described in the *Application Instructions* very carefully, and then check the appropriate box:

- All enforcement record requirements relevant to this application are satisfied.
- All enforcement record requirements relevant to this application are **not** currently satisfied. A waiver of the enforcement record requirements is requested.

If a waiver is requested, please provide information describing any requirements not met and a justification for the waiver request on a separate page labeled **Attachment 5**. Note that waivers will be granted only in exceptional circumstances.

VIII. Tier 1 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- Implement, within one year of the date of this application, an EMS for each covered facility or activity that is certified to the ISO 14001 standard or is functionally equivalent to ISO 14001 as determined by DNR.
- Conduct annual EMS audits, with every 3rd EMS audit performed by a DNR-approved outside environmental auditor.
- Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- Submit to DNR an annual report on progress towards meeting objectives related to improved environmental performance for aspects regulated under chs. 29 to 31, 160, or 280 to 299, Wis. Stats., unregulated environmental aspects, or voluntary actions to restore, enhance, or preserve natural resources.

Applicant Signature 	Date Signed 11-13-12
--	-------------------------

IX. Tier 2 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- Conduct annual EMS audits performed by a DNR-approved outside environmental auditor.
- Conduct or have another person conduct an annual audit of compliance with environmental requirements that are applicable to the facilities and activities covered under Green Tier.
- Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- Submit to DNR an annual report on each compliance audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.

Applicant Signature	Date Signed
---------------------	-------------

X. For Department Use Only

Date Received	Initials of Reviewer	Status	Date Returned to Applicant for Additional Information	Date Denied	Date Approved

INTRODUCTION

Phillips Medisize 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 to enhance the most complex manufacturing processes, to examine new product and process opportunities, and to evaluate, design and build automation systems.

Located in Hudson, the Design and Development Center is a provider of product development services, with an emphasis on product usability and design for manufacturing. This facility is considered the Corporate Headquarters and is capable of design, development and manufacturing processes. Because this facility most commonly serves as the starting point for our customers, it is imperative that environmental efforts are incorporated early on in the process to ensure continuity to the other Phillips facilities in which it serves.

Although the Design and Development Center is currently not certified to ISO 14001, it continues to keep environmental factors in the forefront of business practices. The Hudson facility adopts the same environmental values and aligns efforts with corporate objectives and targets. By driving environmental efforts, DDC has successfully implemented several projects aimed at reducing our impact on the environment.

Our efforts begin by educating all employees. By utilizing the acronym "FACE", the company sets out expectations of each employee to **F**ollow laws, **A**void pollution, **C**ontinuously improve, and have **E**nvironmental respect. Throughout the year we refresh employees on basic ISO 14001 requirements through various forms of communication and training.

EMS OBJECTIVES & TARGETS

DDC subscribes to the corporate objectives which center on the following topics: Waste Reduction, Energy Reduction, Involvement, and WI Green Tier Participation. These topics are addressed with the following facility objectives & targets for 2012 and further expanded upon in subsequent pages:

Topic	Objective	Target
Waste Reduction	Minimize pollution impact through proper waste disposal/recycling	Track current scrap/waste output until the end of CY 2012 to develop trends. Establish waste goals for CY 2013 by 12/31/12
Energy Reduction	Reduce energy consumption via energy reduction projects	Review & implement 2 energy reduction projects based upon energy reduction ideas by the end of the fiscal year
Involvement	Increase overall awareness of recycling efforts and energy reduction to solicit new ideas	Develop, communicate, & post EMS, energy & recycling awareness topics throughout the year through the involvement of the sustainability/recycling committee
Wisconsin Green Tier	Evaluate and attempt to achieve Green Tier status	Provide a Green Tier (Tier I) application packet to the DNR by 12/31/12

RESULTS

Waste Reduction

Minimization of waste going to landfill is a top priority not only at DDC but throughout the company. With the ultimate goal of zero waste to landfill, we continuously seek options to reduce and recycle. Additionally, we focus on ensuring proper disposal of universal wastes such as computers and electronic waste, batteries, printer cartridges, mercury, lamps, and other waste streams. As part of our commitment to environmental stewardship and continuous improvement, we have developed a recycling committee to focus on current practices and identify ways to improve recycling at the facility. This has included communication and new/additional recycling containers throughout the building for paper, lunchroom recyclables and all production plastic scrap. This past summer we requested that our local waste disposal services company visit our site to evaluate our current practices and work towards better solutions for our waste streams. We are in progress of developing an option for composting our lunchroom wastes.

Additional waste reduction projects include:

- Elimination of mercury containing devices with parts that do not contain mercury.
- Use of recycled office furniture from other facilities in recent office renovations.
- Recycle program for coolant used in tool room machinery (instead of replacing coolant, we utilize a service that will separate out oil and heat up coolant to clean out the system)

Energy Reduction

Another emphasis for DDC is reduction of electrical and natural gas consumption. Through monthly tracking, we are able to compare energy usage year over year to establish rates and trends. We are on track for this calendar year to have a reduction in consumption of both natural gas and electricity from last year and will continue to minimize energy consumption as business is added each year.

In cooperation with Wisconsin Focus on Energy Program, the facility has completed several energy saving projects and continues to seek additional projects to minimize consumption. With focus on the lighting in the building, we have installed LED exit lights. We have replaced all metal halide fixtures and are working to replace the remaining T-12 lights with energy efficient T-8 fluorescent fixtures with low watt bulbs/ballasts. A new air compressor with variable frequency drive compressed air storage and an updated supply system has significantly helped in cost savings and benefits with increased reliability for manufacturing processes. Additional completed projects included:

- Replacement of boilers with high efficiency boilers
- Purchase of electric and hybrid injection mold presses
- Shut down of hydraulic motors on certain presses when not in use

We have recently performed a comprehensive facility air leak survey and will continue to work towards fixing air leaks. We have plans for the future that include evaluation of a new energy efficient chiller system for the building. DDC will continue to brainstorm ideas and work with the

other Phillips facilities and companies in the area to help reduce the amount of energy consumed.

INVOLVEMENT / ENGAGEMENT

Employee participation in the environmental program is encouraged throughout all levels of the organization. Phillips Medisize believes training and awareness is what drives our continual path forward in achieving superior environmental performance. Education and training of the environmental system occurs throughout the year. We also educate our employees on how to be environmentally friendly not only at work but also in their personal lives. We have posted several topics including how to save on energy tips for home, information about recycling and proper disposal of hazardous household goods, green initiatives other businesses have put into place, and much more. 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.

Our continuously improving process allows employees to voice ideas and suggestions relating to environmental efforts. Involvement in safety and environmental efforts are included in on annual performance reviews to ensure people remain active. A few ideas generated this year includes formation of a sustainability committee, added focus on recycling lunchroom wastes, composting, and encouragement to utilize carpools or bicycles while commuting to and from work. From a corporate level, the decision for payroll to go green was implemented as well.

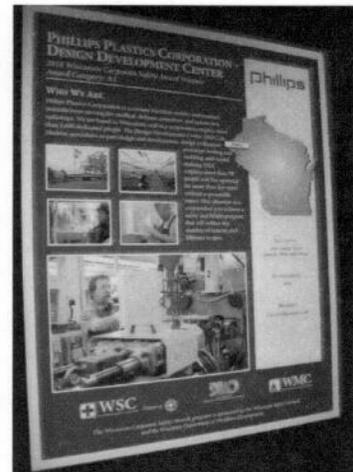
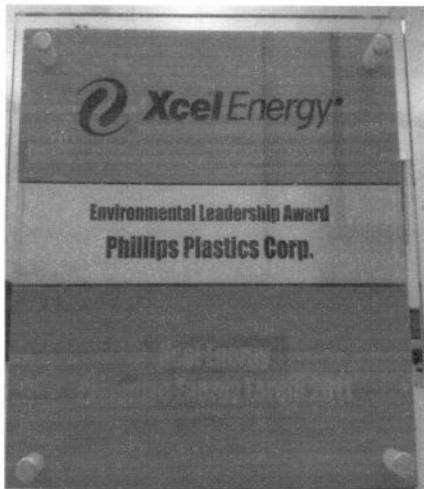
Other efforts to expand the emphasis on environmental stewardship of our employees include our annual tree/shrub giveaway in recognition of the Earth Day. Over the past few years we have given away almost 500 trees at the DDC location alone. More recently, we have donated funding to the city to plant trees in the community. Our donation last year was put towards a tree that was to be cut down due to its location however they were able to use our money to relocate the tree to an area park near a playground area.



Last year we encouraged energy savings through selling CFLs at a discounted price for employees to utilize at home. The proceeds used for this sale were donated to the local Red Cross and United Way organizations.

ACCOMPLISHMENTS

Year	Award	Recipient/Location
2009 & 2012	WI Business Friend of The Environment	Entire Corporation
2010-Present	Green Masters	Entire Corporation
2011	Xcel Energy – Environmental Excellence Award	Entire Corporation
2010	Wisconsin Corporate Safety Award	Design Development Center



CONCLUSION

DDC has built a strong foundation to help foster a successful environmental program. We are actively working to incorporate our current practices as well as the company's environmental vision to achieve ISO 14001 certification at this facility. 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. Promotion of environmental respect through personal and company values will ensure the success of our efforts.