

EXECUTIVE SUMMARY

Serigraph strives to use the fewest natural resources and to produce the least waste possible in safe, environmentally-friendly facilities. The company's <u>Environmental and Sustainability Policy</u> guides our operations, and our Environmental Health and Safety Manager leads our efforts, working to educate and train employees, and helping to implement improvements as new eco-friendly technologies and opportunities become available.

Pollution Prevention

Serigraph's Approach: We use biofiltration to scrub our emissions of volatile organic compounds (VOCs) and are converting to more environmentally-friendly latex and ultraviolet (UV) inks

Accomplishments: In 1996, Serigraph became the first company in the U.S. to install a biofiltration system. Since 2000, we have eliminated more than 180 tons of VOCs from emissions.

Waste Reduction

Serigraph's Approach: We are working to minimize the amount of overall waste and increase the percent of waste that is recycled instead of sent to landfill.

Accomplishments: 80% of Serigraph's waste is now recycled. We also have reduced the amount of hazardous waste sent out for disposable by 84% since 2007.

Energy Efficiency

Serigraph's Approach: We are converting to LED lighting and installing more energy-efficient systems and equipment.

Accomplishments: New dryer systems currently being installed are 92% efficient, compared to 23% for our previous equipment.

Certifications Serigraph has received in recognition of our sustainability efforts include:

- Tier 2 Status in Wisconsin DNR Green Tier Program
- Designated Green Professional by Wisconsin's Sustainable Business Counsel's Green Master's Program
- ISO 14001:2015 Certification

Serigraph is up for the challenge to help Wisconsin drastically cut carbon emissions. In 2020, we plan to lease land to WE Energies for the installation of solar panels to provide energy for our community. A number of additional energy efficiency initiatives are also underway.



SUSTAINABILITY

Serigraph understands that sustainability does not come without effort; we are dedicated to responsible corporate citizenship and to doing our part to reduce our energy use, landfill waste, and carbon footprint. As a manufacturer of plastic parts and temporary signage, we work to compensate for scrap and waste by-product by setting highly aggressive scrap tolerances and reducing waste in meaningful ways.

Having built a company culture on collaboration, customer needs, and continuous improvement, we strive to use the fewest natural resources and to produce the least waste possible in safe, environmentally-friendly facilities.

SERIGRAPH'S CORE VALUES

- · Respect
- Improve
- Deliver
- Lead
- Laugh

Through these efforts, Serigraph has become a sustainability leader both within our industry and among State of Wisconsin businesses. Some of our key accomplishments include:

BIOFILTRATION	RECYCLING	STATE OF WISCONSIN DEPT OF NATURAL RESOURCES TIER 2 STATUS
In 1996, Serigraph became the	Over 80% of Serigraph's waste is	Serigraph was the first company in
first company in the U.S. to install	now recycled (nearly 750 tons in	Wisconsin and remains 1 of only 5
a biofiltration system.	2018).	to reach the higher Tier 2 status in
		the Green Tier Program, a
Today we remain the only printing		designation for companies who
company to use biofiltration.		exceed environmental regulatory
		requirements, making continuous
		improvements in this area.





Continuous Improvement Approach

The Serigraph Environmental and Sustainability Policy guides our operations and business decisions. In addition, our employees are coached on our Six Sustainability Priorities and on what they can do in their role to help support achieving them.



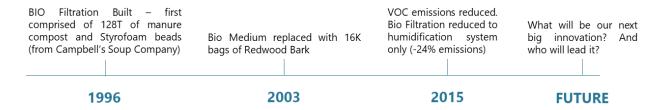
SERIGRAPH'S 6 SUSTAINABILITY PRIORITIES

- 1. Reduce energy and carbon footprint
- 2. Increase recycling and reuse
- 3. Reduce scrap as a percent of cost
- 4. Have supply chains that reflect company values and commitment to sustainability
- 5. Bring benefits to communities
- 6. Respect human rights in global operations

For over 30 years, we have had a dedicated **Environmental Health and Safety Manager** leading our efforts, reviewing our goals and impact, working to educate and train our employees, and helping to identify and implement further improvements.

Sustainability, as a discipline, is constantly evolving as new eco-friendly technologies/ products are introduced and additional recycling opportunities become available. Continuous improvement is a core value at Serigraph, and as such, governs our approach to sustainability as well. This leadership role is matrixed throughout the organization, focused entirely on improving our performance, exceeding regulatory requirements, and repeating that mandate.

In fact, the industry-leading Bio-Filtration solutions to remove VOCs from the atmosphere for the well-being of our community and of the environment was an example of continuous improvement. Even as inks become less toxic and our printing processes and mix evolved, the innovative solutions our team applied kept pace. Serigraph's Environmental Manager is working on the technology and partnerships that will sustain our leadership across industries.





Sustainability Initiatives

Serigraph's sustainability efforts are primarily focused on the following areas:



 Pollution Prevention – using biofiltration to scrub our emissions of volatile organic compounds (VOCs) and converting to more environmentally-friendly latex and ultraviolet (UV) inks



• Waste Reduction – minimizing the amount of overall waste and increasing the percent of waste that is recycled instead of sent to landfill



• **Energy Efficiency** – converting to LED lighting and installing more energy-efficient systems and equipment

Serigraph also prioritizes conservation, keeping 75 acres of our 100-acre main campus in a **natural prairie state**, which is both beautiful and low-maintenance. Native plants provide broad-reaching benefits to:

- our employees in the form of a scenic, mile-long walking trail that is accessible year-round
- reduced noise and carbon pollution from groundskeeping equipment
- effective storage of greenhouse gasses
- conservation of water (and time and expense) for upkeep
- hospitable habitat for wildlife and pollinators.

Since 2000, Serigraph's biofiltration system has eliminated more than 180 tons of VOCs from emissions, reducing our VOCs by ~65%.

As further consideration for our local environment,

Serigraph maintains a sediment pond to filter salt and pollutants so that they don't reach the Milwaukee River. Future sustainability plans include better tracking and reduction of water consumption in our four manufacturing plants.

Pollution Prevention

Serigraph approaches pollution proactively through prevention, rather than detection. In 1996, Serigraph was the first company in the U.S to install a biofiltration system to scrub VOCs from our exhaust before release into the environment. Based on our research, we remain the only printing company in the U.S. that uses biofiltration in some form.

Serigraph also converted equipment to run more eco-conscious latex and UV inks instead of solvent inks. Two recent installations include:

- NOVEMBER 2019: HP Latex R1000 Plus Digital Press
- NOVEMBER 2019: M&R Conquest 6-Color Carousel Screen-Printing Press [UV inks]



Waste Reduction

Managing our waste products in a responsible manner isn't just good ecological policy, it's good fiscal policy. Over the past few decades, Serigraph has significantly increased our recycling efforts, paying off in reduce costs as well as industry leadership.

Recycling by the numbers:

- 80% of Serigraph's waste is recycled
- 100% landfill diversion for all scrap waste from operations
- 92% of scrap waste recycled (and growing)
- 8% is sent out for waste-to-energy¹

As stated previously, Serigraph's approach to all business endeavors is Continuous Improvement - New recycling opportunities included. As an example, it was just in June 2019, we finally sourced a new vendor to recycle corrugated plastic, a ubiquitous substrate in our Point-of-Purchase division. In less than six months, 45 tons of corrugated plastic has been recycled.

Landfill waste reduction isn't the only focus of Serigraph's efforts.

Hazardous waste is an unfortunate byproduct of our industry.

Serigraph has reduced the amount sent out for disposal by 84% since 2007.

Energy Efficiency

Serigraph is also committed to improving its energy performance. As a committed member of our community, we've opted into interruptible power from WE Energies during an outage, to ensure our neighbors have sufficient power.

The benefits from the purchase of energy-efficient products and services often offset the cost of conversion.

For example, LED lighting is currently installed in parking lots and the biofiltration room at our main location. Future efficiency plans include conversion to more LED lighting and to more energy-efficient equipment. Serigraph installed our first energy-efficient dryer system in November 2019, which is considered 92% efficient (i.e., it reuses 92% of its natural gas). Serigraph expects to install a new dryer system every three months until they all are converted.



In 2018, Serigraph recycled 748 of 913 total tons of waste produced in the United States.





The new dryer systems being installed at Serigraph are 92% efficient, compared to

equipment.

23% for the previous



¹ Waste-to-energy involves burning unrecyclable plastic waste in cement or glass kilns to release gases that can be used for energy/heating.



SUSTAINABILITY CERTIFICATIONS

In recognition of our sustainability efforts, Serigraph has received a few different certifications:



 Tier 2 Status in the State of Wisconsin's Department of Natural Resources Green Tier Program



Designated Green
 Professional by Wisconsin's
 Sustainable Business
 Counsel's Green Masters
 Program



3. ISO 14001:2015 Certification



Green Tier Program Tier 2 Status

There are more than 60 Wisconsin businesses who participate in the Green Tier Program. Serigraph initially reached this status in 2011 - a sign of our commitment to exceeding regulatory requirements while collaborating to encourage

innovation. Serigraph was the first company in the state to reach the higher Tier 2 status in <u>Wisconsin's Green Tier Program</u> and today is one of only five companies to have earned this elite designation. We also are the only printing company on the list.

Green Tier II requirements include:

- A strong environmental record
- A willingness to exceed regulatory requirements
- An Environmental Management System (EMS) in place, helping the organization understand its
 environmental impacts and systematically operate more efficiently by reducing energy usage,
 minimizing waste and reducing pollution
- Ideas for improving performance that will benefit both the business and the environment

To keep our Tier 2 status, Serigraph undergoes an <u>annual audit</u> at the beginning of each year to ensure we are staying on track with our environmental goals and efforts.



Green Masters Program 'Green Professional'

Serigraph is also a designated Green Professional by Wisconsin's Sustainable Business Counsel's <u>Green Masters Program</u>. This program seeks to recognize sustainable actions by businesses across the state.

They evaluate sustainability across nine areas (energy, carbon and other emissions, water, waste and materials management, transportation, supply chain, community and educational outreach,



workforce, and governance), and all participants need to have taken at least one action in each area. The program is also designed for continuous improvement, requiring that members apply and complete their environmental survey at least once every two years.



ISO 14001:2015 Certification

In addition, Serigraph is also <u>ISO 14001:2015</u> certified, which is designed for businesses seeking to manage their environmental responsibilities in a systematic manner. This certification is given to businesses with an

established Environmental Management System (EMS) providing value for both the environment and the organization itself. The company must also be actively working toward achieving its environmental objectives, with measures tracked on a monthly basis.

Future Vision

In Wisconsin, where Serigraph is located, energy companies have historically relied heavily on coal and natural gas, with over 70% of electricity coming from these sources.² As the reserves of these resources become scarce, they are becoming more expensive. This coupled with the drawback of causing environmental harm to the already fragile climate, mandate change to the status quo.



Over the past decade, there have been substantial improvements in technology, making solar, wind and other alternative energy sources both viable and cost-effective, even in a seasonal state like Wisconsin. Regional utility companies are setting goals to cut carbon emissions drastically by developing programs to partner with businesses to develop and use more clean energy. In August 2019, the State of Wisconsin set an ambitious clean energy vision for the state - to be 100% carbon-free by 2050.³

Serigraph is up for the challenge. As part of WE Energies Solar Now program, Serigraph plans to lease land at our headquarters for the installation of solar panels that will provide energy to the City of West Bend. Installation is planned for 2020.

Additional initiatives may include:

- Solar-powered equipment specifically, solar panel boilers and chillers within the next two years
- Conversion to more energy-efficient equipment and technologies, e.g., air compressor system
- Full LED lighting at Serigraph facilities
- Bio-plastics for temporary signage products

² Renew Wisconsin, https://www.renewwisconsin.org/solarfarms/

³ Milwaukee Journal Sentinel, https://www.jsonline.com/story/news/politics/2019/08/16/tony-evers-plan-eliminates-carbon-based-fuel-wisconsin-2050/2030736001/



ABOUT SERIGRAPH

Serigraph is a leader in decorative graphics - translating brands to the physical world through print, and serving the appliance, automotive, consumer electronics, medical, industrial, power sports and point of purchase markets. By providing innovative, eye-catching print effects, Serigraph enables companies to differentiate their brands and stand out at the point of decision.

Our core business is printing [screen, offset and digital] with finishing, forming, injection molding, and fulfillment services in-house to maximize cost-savings and speed-to-market. Our pre-press, prototype/R&D, structural design, engineering, and web ordering offering provide our clients with a full-stack of support from start to finish.

