



Attachment II

KS KUS will be celebrating their 70th anniversary during the summer of 2014. Throughout this history, KS KUS has responded to increased awareness of environmental impacts throughout the automotive industry. This awareness resulted in KS KUS first receiving certification to the ISO14001 standard in 2002. The most recent recertification audit occurred in August of 2013. In October of 2006, KS KUS was accepted as a member into the EPA's National Performance Track. The national program, which was terminated in 2009, recognized members that consistently exceed environmental regulation requirements.

The commitment to regulatory compliance and reducing environmental impacts has been at the core of KS KUS' business planning. The Environmental Management System implemented in conformance with ISO 14001 has provided the organizational structure to further drive compliance and improvements.

Environmental improvements driven through the EMS since the inception include:

Coolant - Maximizing the life of coolant used during machining processes. Use of coolant in the machining process is critical to company production as well as an environmental significant aspect. Coolant reduction programs through the EMS have decreased coolant usage and assisted in maintaining sustainable levels. Implemented programs have included recycling, process engineering, and employee training.

Energy - Multiple energy conservation projects to reduce usage at the facility. Project examples include installation of compressor sequencers, air leak prevention and correction, equipment upgrades including induction furnaces, and participation with WPS and Focus on Energy programs.

Recycling - Multi-stream recycling initiatives have been successful. Recycling efforts include socks and pads, on-site chip recycling, steel and other various metals, paper and card board, and beneficial reuse project.

Wastewater - Reduction of wastewater generated and disposed.

Hazardous Materials - Maximizing or reducing use of hazardous materials used at the facility. Identifying avenues for beneficial reuse of spent chemicals.

Employee Awareness - Building employee awareness of environmental issues concerning. Recently, a program to collect and recycle employee household batteries was implemented under the EMS Objectives & Targets.

KS KUS has maintained a history of compliance with all major environmental regulations. Current permits are held under the Clean Air Act (State Operating Permit), WPDES, and local wastewater utility. The facility is also subject to the Oil Pollution Act (SPCC), EPCRA, TSCA, NESHAPs, Hazardous Materials Shipping and European Union requirements.

In 2014, KS KUS continues to maintain the successful EMS program and seek improvements to reduce the impact company activities have on the environment. Challenges continue for the significant aspects at the facility. Not only to find improvements, but to maintain the accomplishments already realized.

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