

Environmental Policy

ATTACHMENT III

PHILLIPS PLASTICS CORPORATION®

Phillips Plastics Corporation is a world-class injection molder with state-of-the-art secondary decorative capabilities.

We are committed to continued excellence, leadership and stewardship in protecting the environment. Our objective, as a Corporation, is to achieve minimal adverse impact on the environment through excellence in environmental control using a continual improvement approach in waste reduction and pollution prevention.

Environmental protection is a top management commitment as well as the responsibility of every person within the organization.

Environmental management system practices are designed to ensure compliance with relevant environmental legislation and regulations, as well as other standards to which the corporation subscribes that also relate to our environmental aspects.

A multifunctional task team identifies environmental aspects and impacts. These aspects and impacts are considered in setting measurable environmental targets and objectives that are periodically reviewed by the appropriate level of management.

We are committed to communicate our policy to all Phillips Plastics people as well as other interested parties.



Bob Cervenka,
Founder, Chairman of the Board,
and Chief Executive Office,
Phillips Plastics Corporation

Phillips
PHILLIPS PLASTICS CORPORATION

**MAGNESIUM MOLDING ENVIRONMENTAL MANAGEMENT SYSTEM
OBJECTIVES AND TARGETS 2008/2009**

TOPIC	OBJECTIVE
Waste Reduction (Landfill, Hazardous, Regulated)	Minimize pollution impact through proper waste disposal/recycling
Energy Reduction	Reduce energy consumption via energy reduction projects
Involvement	Increase overall awareness of recycling efforts and energy reduction to solicit new ideas
Wisconsin Green Tier	Evaluate and attempt to achieve Green Tier status
Metals	Seek methods to reduce magnesium rejects through CDPE efforts

All EMS Objectives have activities to meet our targets. The following pages our examples of activities we have done and our currently working on.

Waste Reduction

Waste Reduction Project / Activity	Results
2 nd and 3 rd tank of Ultra Sonic cleaning process needs testing to evaluate disposal methods	Testing was preformed for hazardous waste characteristics and was determined that the 2 nd and 3 rd tanks did not meet the hazardous waste criteria. Hence, material was allowed to be drained to sanitary sewer. Label tanks for disposal.
Establish testing frequency for ultra sonic solutions.	A Titration kit was purchased. This will allow us to properly manage our hazardous waste to dispose of the solution when it is truly needed.
Additional signage for our recyclable products in the break room.	Additional Signage was added to the break room recycling containers so our employees are properly recycling instead of land filling our waste
Recycle Plastic Wrap	Plastic Wrap can now be recycled Waste Management.
Filtering out the Magnesium Fines from CNC coolant	Added a filter Mechanism to our CNC machine to filter our Magnesium chips/fines. This will reduce the amount of coolant disposed of.
Training on proper recycling	Training was conducted on proper recycling. Examples of recycled materials are (cardboard, all magnesium scrap, paper, scrap steel, oil, CNC coolant, light bulbs.)

Energy Reduction

Energy Reduction Projects/ Activities	Results
WI Focus on Energy Perform a full facility wide energy audit	Dean Laube from Wisconsin Focus on Energy conducted a facility wide energy audit to establish energy reduction ideas.
Installed energy star soda vending machines.	Vending company was contacted and machines are in place.
Brainstorm energy reduction activities	Posted a form in the break room to get ideas from our people.
Install pleats on ends of conveyor dryers to retain heat	Completed.
Replace T-12 Fixtures facility wide	Lights replaced.
Replace all bulb style EXIT signs with LEDs	Exit light replaced.
Work on repairing compressed air leaks identified in compressed air survey conducted 08/08.	Maintenance has finished all leaks. Annual savings of approximately \$20,000
Utilizing CEJN air nozzles	Nozzles are in place and get changed out when needed.
Replace LCD Monitor in Tool Room	Replace LCD monitor in the tool room with energy efficient monitor
Email reminder people to turn off computers at night.	Email reminders are occasional sent out to remind people to turn off computers when not in use.
Replace old chiller system with new turbocor chiller	Waiting on approval from Capital.
Install Timer controls for general roof building fan controls to avoid	Waiting on approval from Capital.
Install motion sensors for a multitude of areas. Mag Storage, Ops Center, Conference rooms.	Waiting on approval from Capital.
Seal Loading Dock Levelers.	Waiting on approval from Capital.
Upgrade Johnson building controls	Waiting on approval from capital.
Ensure that all large presses are using new style of ceramic insulation over heater bands.	Waiting on approval from Capital.
Electricity Monitor for all shifts.	Our Team leaders have been elected electricity monitors. Turning off equipment that is not in use.

Involvement

Involvement Projects / Activities	Results
Postings about recycling	Postings are provided around the facility to help educate our people to recycle
Educate the masses regarding EMS/ISO 14001	ISO 14001 training is provided to our people on an annual basis, so they truly understand what EMS is all about.
Energy Education Center at facility.	An Energy Education Center was provided for our people to educate them on how to reduce energy at there homes.
Hand out energy conservation pamphlets provided to PPC by Xcel energy to all employees	Energy conservation pamphlets were given o all employees to educate them on energy reduction ideas. .
Create/put up posting regarding the locations for free recycling of CFLs.	Postings are provided around the facility to help educate our people to recycle
Posting Put in the bathrooms on using recyclable bags.	Postings are provided around the facility to help educate our people to recycle
Face Cards	F.A.C.E is Phillips Plastics Corporation EMS slogan. Follow Laws Avoid Pollution Continuously Improve Environmental Respect
Face posters and our EMS policy were placed in the bathrooms.	Postings are provided around the facility to help educate our people to recycle
Adopted a highway in Eau Claire to demonstrate community involvement	Phillips Plastics Corporation Eau Claire divisions adopted a county highway
The amazing Eau Claire Clean up.	People from Phillips Plastics Corporation were involved in helping clean up Eau Claire Parks
Posting for Earth Day	Postings are provided around the facility to help educate our people to recycle
Tree give away.	All employees were given the option of a free tree to plant at there homes.

Wisconsin Green Tier

Green Tier Projects / Activities	Results
Complete Green Tier application	The Green Tier application with the supporting materials will be completed and submitted to WDNR.
Achieve Green Tier status	Achieving Green Tier status will result in a number of benefits (e.g. one point of contact with WDNR) and public recognition of Phillips Plastics Magnesium Injection Molding dedication to environmental protection.
Educated employees about Green Tier	Information posters will be put up throughout the facilities to educate our employees about the significance of achieving the Green Tier status and the benefits of the program.
Foster Green Tier partnerships with other Green Tier companies and community stakeholder involvement	Achievement of Green Tier status will allow the Phillips Plastics Magnesium Injection Molding to foster partnerships with those companies that share the Phillips Plastics commitment to exceptional environmental performance. It will also lead to community stakeholder involvement.
Conduct annual EMS audit of Magnesium Injection and provide audit reports to WDNR.	Every year an environmental management system audit will be conducted at the Magnesium Injection Molding facility. The results of the audit as well as the progress toward the achievement of the EMS objectives and targets will be provided to WDNR.

Metals/Scrap Reduction

Our Project engineers work closely with our production team to minimize magnesium scrap through scrap reduction projects. Phillips Plastics Corporation developed CDPE(Customer Driven Pursuit to Excellence) to lean out all waste to have a beneficial outcome for the facility. This drive has cut down several waste full activities but also has had a big impact on our EMS not only at Magnesium Injection Molding but throughout the corporation.

Internal Reject Projects / Activities	Results
CDPE efforts (LEAN Initiatives)	On going projects to meet the goal of 5.0% scrap reduction.
Rapid Improvement Events(RIE)	These events helped reduce our scrap from a start of 12% in 2008 to 7% in 2009.