PLENCO MEANS TRUST

PLENCO
PLASTICS ENGINEERING COMPANY
CORPORATE SOCIAL RESPONSIBILITY INITIATIVE
It takes many good deeds to build a good reputation, and only one bad one to lose it.

BENJAMIN FRANKLIN
Plenco's International Manufacturing and Global Headquarters Campus, located in Sheboygan, Wisconsin, on Lake Michigan.
Plenco Means Trust

Since its founding in 1934, Plenco consistently has built a high level of trust between and among the company and its employees, customers, suppliers/contractors and communities in which it operates.

We are in this enterprise together. It is not a zero-sum game. It is a win-win.

This CSR Initiative Manual describes how trust is built and sustained, and how it leads inevitably to mutual respect, confidence and positive relationships.

The manual is organic. It is a living document in the sense that it is not static and is constantly adjusting to new situations that may require new or modified policy descriptions to remain current, all within Plenco’s framework of corporate and personal principles.

As a statement of how Plenco manages the company, this manual serves as an open book available to anyone who wishes to learn more about the principles, policies and practices that guide every day of our operation.

**Employees** will find it a useful online reference database that can be accessed any time for information, details and guidance on employee policies and benefits.

**Customers** will see it as an explanation of ethical relationships between us that are built on honesty, integrity and fairness.

**Suppliers and contractors** will learn about our Code of Ethics that applies to all of us and requires the highest levels of integrity in our work together.

**Communities** in which Plenco facilities are located will be reassured that Plenco has the best interests of our friends and neighbors at heart, particularly with respect to the environment in which we live together.

We welcome you to scan the pages of our Corporate Social Responsibility Initiative Manual and the various policy categories contained herein. It’s all here. Please contact us with any questions, comments and suggestions.

**Michael R. Brotz**
President and CEO
Plastics Engineering Company
“Ethical behavior is doing the right thing when no one else is watching— even when doing the wrong thing is legal.”

- Aldo Leopold
Guide

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Since 1934, Plenco Builds On Four Pillars Of Corporate Strength

On April 25, 1934, Frank G. Brotz and his five sons formed American Molded Products Company in Chicago. It was the midst of the Great Depression as war clouds were forming on the horizon.

Five months later, the company was moved to Sheboygan, Wisconsin, where the Brotz family lived and Frank G. Brotz served as a senior executive at Kohler Co., the international plumbing products company.

His sons renamed the enterprise Plastics Engineering Company, now recognized by its trade name Plenco. Plenco’s early history was a classic case of tough challenges, family teamwork, indomitable optimism, and the exuberance of youth despite the vagaries of a worldwide economic depression and a world war that followed.

With Plenco now poised to enter its third generation of family corporate leadership, the Brotz family continues to own, manage and direct the company, based on a solid foundation of leadership that views the composite of employees, customers, suppliers and communities through a synergistic lens in which “the whole is greater than the sum of its parts.”

From the founding of the company, the goal has been to build and sustain an enterprise of quality that serves its many stakeholders with respect and dignity. Each generation has been driven by a desire to be stewards of a legacy that preceded them. “Our forefathers did not set out to be the biggest; their goal was to be among the best,” current President and CEO Mike Brotz has said.

The intention and reality have resulted in exceptional seniority with low turnover, creating a high level of manufacturing experience and technical knowledge. It is our commitment to establish an operational relationship based on effective employee involvement concepts. By promoting self-expression and by recognizing the value of individual contributions, we enable our people to keep this company on the leading edge of our industry.
Plenco’s Four Pillars Of Management Principles

Pillar I
INNOVATION
We have committed considerable resources to technical adaptations, changes and new resins and molding compound products that meet current industrial needs. The core of Plenco’s research and development facilities are two complete synthesis laboratories for the production of prototype resins and thermoset molding products, respectively. Resins and molding products are designed for specific applications, process improvements are scrutinized, and additives and curing agents are blended to produce finished products. This versatility facilitates the testing of specific ideas, but more importantly, it enables the use of experimental design and optimization techniques. We have on the Plenco team some of the brightest, most creative chemists and engineers in the industry. Over the years, they have helped us respond through innovation to changing market demands and new product developments. Innovation is good business, and incredibly important to our customers.

Pillar II
RELATIONSHIPS
Part of our philosophy is to build lasting and enduring individual relationships, based on mutual trust, confidence and intelligent business decisions. We are committed to building these relationships with our employees, our customers, our vendors, and our communities. We always have been as honest as humanly possible in building these relationships, which we consider absolutely essential to maintaining the strong foundation of the business.

Strong relationships translate into team work. They make innovation possible. They encourage long-range thinking. And they draw on input from all of us. Strong relationships mean we all are pulling together in the same direction.

Pillar III
FINANCIAL RESPONSIBILITY
Plastics Engineering Company is a fiscally and socially responsible, family-run business that focuses on long-term sustainability, rather than short-term profits. We intentionally have avoided the debt pitfall that today plagues so many businesses and industries. Recent economic crises largely have been caused by too much debt. Other U.S. corporations now facing serious financial problems have relied on borrowed money to finance their expansions and in some cases their operations. Our objective never was to be the biggest. Our goal was to be the best. Consequently, we refuse to gamble employees’ jobs and the future of this company on the need to drive quarterly earnings at all costs or the uncertainties of the credit markets.

Pillar IV
LONG-RANGE VIEW
One of the advantages of a company such as Plenco is that it maintains a keen interest in the future. It can look over the horizon, down the road, to anticipate, we hope, the twists and turns of the economic, political and social landscape. We are not obsessively concerned about quarterly profits for some anonymous shareholders who have little interest in the future of the company and its partners, other than a short-term return on investment. Rather, we take the longer-range view of corporate management, allowing greater possibilities for innovation and creativity. A longer-range perspective allows consideration of new products and new ways of doing things. It brings out the “best practices” in everything from technology to global markets to employee benefits.
THE WAY WE DO BUSINESS

Philosophy and Principles
Actions and Results
Plenco Environment, Health and Safety

The Environment in which We Live and Work

The environment in which we live and work is of utmost importance to Plenco. The principle and process are clear. Ever since our founding, Plenco has been a good employer, supplier and neighbor when it comes to the environment.

We have implemented sustainable processes that are good business as well. The design and location of our buildings, plant processes and contingency planning have guided our actions.

At all levels, our plant operations utilize management practices and the best available technology to maximize product quality and minimize environmental impact. These carefully planned efforts have reduced production waste to levels approaching zero.

The United States Environmental Protection Agency has awarded Plenco a Letter of Commendation in recognition of our “voluntary initiative to reduce toxic emissions and foster pollution prevention as the preferred approach to environmental improvement.”

At our facilities, dust collectors help clean the air while recovering materials that can be reused. Our phenol recovery plant recovers phenol from production condensate for reuse, minimizing waste while reducing overall demand for virgin phenol. These “green” practices and processes support our customers’ requirements to meet their environmental objectives as products move downstream through the supply chain.

In May 2016, Plenco reorganized and expanded its initiatives covering environment, health and safety (EHS) by placing EHS oversight directly under the Vice President of Manufacturing, Adam Brotz.

Such reorganization further assures strict compliance with all EHS laws and regulations.

Roof-top Dust Collectors, Phenol Recovery Plant Demonstrate Plenco’s Commitment to Environmental Protection, Sustainability

Plenco dust collectors help clean the air while recovering materials that can be recycled. Our phenol recovery plant recovers phenol from production condensate for reuse, minimizing waste while reducing overall demand for virgin phenol.
There can be no business success without the success of our employees and their families. The health and wellness of the Plenco family is critical to providing our customers with the highest quality plastic resins and molding compounds.

On a daily basis, we work to ensure that our employees come to a safe, healthy work place and leave unimpeded to pursue the other fulfilling aspects of their lives.

In the longer term, we seek to develop a workforce that is educated and committed in the ways of healthy habits to the benefit of themselves, their families and our immediate community.

As part of our commitment to the well-being of our employees and their families, Plenco offers an **Employee Assistance Program (EAP)** provided by LifeMatters, a provider of confidential professional assistance with life, work, family and wellbeing.

The EAP program is prepaid by Plenco and available to employees and members of their households. This program helps to resolve personal problems that may adversely affect an employee’s life and performance, and offers a wide array of services.

Some of the many areas that the EAP covers include substance abuse, stress, issues surrounding major life events, health concerns, financial or non-work related legal issues, relationships and concerns about aging parents.

**Coordinated Health Care**, another Plenco health program, is in place to ensure that employees and their families receive appropriate medical advice and treatment, sponsored by Plenco. The program facilitates questions about medical services and conditions.

Plenco conducts annual **Health Risk Assessments** that help our employees raise their own awareness of potential health issues and encourage early treatment, when it does the most good.

In January 2016, the **Right Choice Health and Wellness Center** became available to all Plenco employees, their families and early retirees covered by one of the company healthcare plans. The clinic is available for low-level triage care, physical exams, skin screens, flu shots, and adult immunization.

By ensuring a safe and healthy workplace, Plenco is committed to a smoke-, drug- and alcohol-free workplace and has clearly stated policies defining the measures taken if violations of these policies occur.
A Safe Workplace is Everyone’s Concern at Plenco

To assist in providing a safe and healthful work environment for employees, customers and visitors, Plenco has long maintained a workplace safety program, which is a top priority for Plenco. The Plenco Safety Representative program was launched December 8, 1968, by President Ralph T. Brotz and Vice President E. H. Beach, who explained to employees that each department and each shift would be represented by a fellow employee whose additional job responsibility included constant awareness of any potentially unsafe conditions or workplace improvements that would help the company achieve its core goal: a safe day of work.

Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisors, or with another supervisor or manager, or bring them to the attention of a Safety Representative. All reports and concerns can be made without fear of reprisal.

Twenty Safety Representatives (SR) share in the responsibility of implementing, administering, monitoring and evaluating the safety program. Each shift and department has an SR responsible for reporting safety issues, assisting in safety inspections and initiating action to correct unsafe equipment and practices.

Everyone at Plenco is expected to be involved and committed to safety as a team effort.

Plenco provides information to employees about workplace safety and health issues through new hire orientation, regular internal communication channels such as Employee-Supervisor meetings, bulletin board postings, e-newsletter PlastiScope21, memos, or other written communications.

The EHS Compliance Director is charged with ensuring compliance with all applicable environmental, health and safety laws and regulations by developing and implementing policies, programs and procedures that address all federal and state requirements.

This position lies at the core of the company and touches all aspects of daily processes. It gives a living, human face to the constant vigilance and commitment our company has to responsible environmental practices as well as to the health and safety of our employees.
Working Together to Reach Mutual Goals

TWO-WAY COMMUNICATIONS...

Every April, just as spring is returning to Wisconsin on the western shores of Lake Michigan, Plenco employees assemble for the annual employee meetings. This critical discussion has been going on for 49 years.

In effect, Plenco’s management presents a “state of the company” report, looking back on the previous year and forward to the year ahead.

Each generation of the company leadership has considered these talks to be an essential part of building and sustaining an ongoing relationship within the Plenco family.

The economic picture from the previous year is described honestly and fully. Challenges and accomplishments are noted. Pay increases are announced, and a full discussion about employee benefits occurs, with additions and modifications explained. New customers are described, new policies explained.

No holds are barred. The conversations are candid and clear, with each of the members of management leadership attending the meetings.
ENCOURAGING LIFELONG LEARNING...

Plenco subscribes to the precept that we are “always a teacher, always a student” throughout every day of our lives.

Working together, honestly and with goodwill, is the most effective labor relations environment a company can achieve. At Plenco it is an everyday commitment.

We recognize that employees are the backbone of our success. Our achievements are due to the spirit and cooperation of our people and their contributions. Our goal is to promote a work environment that encourages both teamwork and individual initiative.

Lakeshore Technical College Advances Plenco Employee Education...

Plenco has developed a close partnership with Lakeshore Technical College (LTC), located a few miles north of Plenco’s Sheboygan facility. LTC is a local provider of technical education through more than 100 career programs and customized training for business and industry professions. Through financial and cooperative support, Plenco enhances education opportunities in our community as well as for our own employees. Plenco has benefited directly from having employees trained in LTC’s Maintenance Mechanic/Millwright Apprenticeship program.

RECOGNIZING ACCOMPLISHMENT...

Roughly four months later, at the annual Plenco employee picnic held for 67 years, now on the company’s spacious campus, employees and their families along with retirees enjoy bratwurst and beer together, carnival rides and games, and old fashioned Gemütlichkeit, German for “a space or state of warmth, friendliness and good cheer.”

The result shared by Plenco families often is a sense of peace of mind, belonging, wellbeing and social acceptance in a festive atmosphere for the entire family.

About mid-way through the afternoon, the president of Plenco will bring the employees together for a brief ceremony that recognizes and honors the longevity of service with Plenco. The company takes pride in noting the high number of employees who each year reach 40 years, 35 years, 30 years and 25 years of seniority.

These events and management actions between them reflect a belief that where we spend a major portion of our lives working, the environment must be conducive to both professional and personal growth.
Our Pledge to Plenco Employees...

WE WILL DO OUR BEST TO:

• Provide a safe working environment;

• Select and promote people on the basis of skill, training, ability, merit, attitude and character, without prejudice or discrimination;

• Maintain competitive wages and benefits, appropriate with our philosophies;

• Welcome employee input, ideas and constructive criticism at all times;

• Develop competent people who understand and meet our objectives, and who accept with open minds the ideas, suggestions and constructive criticism of fellow workers;

• Dedicate ourselves to being the best and getting better;

• Respect individual rights, and treat all employees with courtesy and consideration;

• Maintain mutual respect in our working relationship; and,

• Do all these things in a spirit of friendliness and cooperation.
Our Pledge to Plenco Customers, Contractors, and Suppliers...

Integrity in all of Plenco's business dealings extends to all links in our win-win circle, including our customers, suppliers and outside contractors.

We subscribe to the Institute for Supply Management code that articulates principles and standards of Ethical Supply Management Conduct:

- Integrity in your Decisions and Actions
- Value for your Employer
- Loyalty to your Profession

1. **Impropriety.** Prevent the intent and appearance of unethical or compromising conduct in relationships, actions and communications.

2. **Conflict of Interest.** Ensure that any personal, business and other activities do not conflict with the lawful interests of your employer.

3. **Influence.** Avoid behaviors or actions that may negatively influence, or appear to influence, supply management decisions.

4. **Responsibilities to Your Employer.** Uphold fiduciary and other responsibilities using reasonable care and granted authority to deliver value to your employer.

5. **Supplier and Customer Relationships.** Promote positive supplier and customer relationships.

6. **Sustainability and Social Responsibility.** Champion social responsibility and sustainability practices in supply management.

7. **Confidential and Proprietary Information.** Protect confidential and proprietary information.

8. **Reciprocity.** Avoid improper reciprocal agreements.

9. **Applicable Laws, Regulations and Trade Agreements.** Know and obey the letter and spirit of laws, regulations and trade agreements applicable to supply management.

10. **Professional Competence.** Develop skills, expand knowledge and conduct business that demonstrates competence and promotes the supply management profession.

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**When a Supplier of Wood Flour Delivered Two Pallets More than Ordered**

Plenco Purchasing Manager **Tim Rahm** had been on the job for just a few months when his colleagues **Terry Sipiorski** in Accounts Payable and **Bob Rigoulot** in the Shipping Department discovered that a wood flour company had made a mistake on a Plenco delivery and given us two pallets more than we had ordered, but had not charged us. Tim immediately called the supplier and asked that they bill Plenco for the additional pallets. Weeks went by without receiving an invoice. He called again and an invoice was sent and paid. **Integrity** informed their decision-making from beginning to end.
Sustainable Practices, With a Constant Eye On Excellence

MANUFACTURING RELIABLE, QUALITY PRODUCTS

The first of Plenco's Four Pillars is Innovation. This is not accidental, but rather a purposeful recognition of innovation's central role in Plenco's mission and identity.

We are aware that our value to our customers is only as good as our ability to adapt to their changing needs and the evolving needs of a wider marketplace.

Plenco is a place of research, striving and creativity. Our facilities include state-of-the-art laboratories for new product development and research related to the specific needs and requests of our customers.

The Polymer Science & Technology Laboratory and the Materials Engineering Laboratory provide our organic and analytical chemists, chemical engineers and mechanical engineers with the proper space and equipment for ensuring that our product offering never remains static.

We have committed considerable resources to technical adaptations, changes and new resins that meet current industrial needs.

The Polymer laboratory is staffed by Ph.D. organic and analytical chemists who, in collaboration with our customers, test specific ideas, optimize techniques and provide finished resins.

Our Materials Engineering Laboratory is staffed by chemical and mechanical engineers who conduct finite element analysis, design of experiments and new product development.

Plenco's Maintenance Department is one of the largest operational groups in the company and dates back to the 1960s, when process equipment was built, customized and installed largely by Plenco's in-house engineers and electricians.

The Plenco Maintenance Department, which includes extensively trained and experienced personnel, is essential to keeping Plenco's highly engineered complex of plants and specialized large-capacity production equipment operating smoothly and efficiently.

Well-developed preventive maintenance programs provide a safe working environment while helping to ensure consistent, on-time delivery to Plenco customers. The proper maintenance of our facilities and equipment is at the core of our safety and product quality posture.
Under CEO Mike Brotz’s leadership 30 years ago, as Vice President of Manufacturing at the time, Plenco instituted a framework for providing a collaborative forum for Plenco’s employees to be directly involved in planning, trouble-shooting and quality assurance discussions and decisions.

The **Plenco Action Board (PAB)** was organized and continues as a vital component of the company, housed within each of the major production departments of the company:

- Resins
- Materials
- Environment, Health and Safety (EHS)
- Bulk Molding Compound (BMC)

The PAB was an invaluable component of Plenco’s continuous improvement program and was essential in gaining International Organization for Standardization (ISO) 9001 certification, the world’s most widely recognized certification system. To this day, the PABs serve as forums for brainstorming, problem-solving and sharing perspectives from the cross-functional leaders within the company.

In striving to deliver the highest quality products to our customers, Plenco is well aware that its final products are only as good as the component parts that go into them. For this reason, **our relationships with our suppliers are highly valued and nurtured.**

Our operations are affected by the operations of our suppliers. The health of our business is contingent upon the health of our supplier’s business. To that end, we always have sought to develop and maintain mutually beneficial supplier relationships based on trust, respect and cooperation.

This requires a commitment to transparent and clear communication of our shared expectations and responsibilities to one another. Our relationships with our suppliers are longstanding and have an organic feel that flows from the openness and trust that has existed for many years.
A CLOSER LOOK:

Plenco Policies and Practices
I. Management Commitment

CORPORATE MISSION

Our mission is accomplished by an uncompromising adherence to customer requirements and safety in manufacturing, with consideration given to our environment and surrounding community. Our mission regards people as Plenco’s most valued resource. A proper sensitivity to the needs of our employees and their families has resulted in low turnover, creating a work force that has achieved a high level of manufacturing experience and technical knowledge. By promoting self-expression and by recognizing the value of individual contributions, we enable our people to keep this company on the leading edge of our industry.

FAMILY OWNED AND OPERATED BUSINESS

The policies and practices of this family-owned and operated business, founded in 1934 and now entering its third generation of family leadership, revolve around the basic tenet that Plenco Means Trust.

Plenco’s unique company culture and management strategy and practice ensure that, generation after generation, we remain conscious of our ethical commitments to our employees, customers, contractors and communities.

Plenco is committed to full compliance with United States federal and state laws and regulations. As a U.S. corporate citizen, we have a responsibility to communicate our views and concerns to elected and appointed officials of the government when the need arises.

‘America is a government of laws, not of men.’

John Adams (1735-1826), Second President of the United States

“It was a powerful idea because it conveyed a fundamental truth: Government should be based on clearly written laws, consented to by those to be governed by them, and not on the unpredictable will of one man or even a few men.”
The Importance of Engineered Maintenance

*In Plenco’s Highly Engineered Plants, with High-Tech Equipment, Operated by Highly Skilled Personnel, ‘Engineered Maintenance’ is Imperative*

As indicated by its corporate name, at the core of Plenco is **engineering**. It crosses every functionality of the company and is a major reason for the company’s innovative products and cutting-edge processes.

It also guides our evolution in environment, health and safety policies and practices.

Well-developed preventive maintenance programs provide a safe work environment while helping to ensure consistent, on-time delivery to Plenco customers. Our first and foremost priority is to provide our employees a safe and healthy workplace.

Plenco’s combined Engineering and Maintenance Departments represent the largest operational group in the company. The work of the joint engineered maintenance team reflects our philosophy that “**doing it ourselves, and doing it right**” is preferable to outsourcing critical services and more effective in assuring employee safety and the integrity of Plenco’s buildings and equipment.

The structure of today’s maintenance operations date back to the 1960s when process equipment was built, customized and installed mainly by Plenco’s in-house engineers, electricians and safety professionals as the company expanded its operations.

That proven approach exists today, with technical changes reflecting new equipment and methods that have become accessible over the last 50 years. The joint team works together, onsite and available 24/7 to ensure that production runs smoothly, efficiently and reliably to meet customers’ quality and delivery expectations.

To perpetuate this philosophy, we take advantage of evolving educational opportunities to provide our technical staff with cutting-edge training at technical colleges near our facilities. As a result, employees can increase their knowledge and skills and advance in their job positions at Plenco.

This policy is **proactive** in designing equipment, building customized production processes, and executing preventative maintenance, while it is reactive in solving unexpected maintenance challenges.

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*We are all ‘Students and Teachers’ at Plenco*

Every day at Plenco, we are learning from each other, and teaching each other, in one way or another. Plenco sees education as a cornerstone of success professionally and personally, and we encourage learning at every stage of our lives. One example is our apprenticeship program in cooperation with local and state higher education technology institutes and colleges.

Case in point: Pao Yang began his career at Plenco in 1993 as a Bag Cleaner and Repairer in the Maintenance department. He went on to become a resin grinder and packer, resin QA Technician, and Finisher and Maintenance Mechanic. In 2015, he earned a Millwright Journeyman certificate from the State of Wisconsin after four years of schooling and a minimum of 7,500 hours of on-the-job training. He was recognized for his achievements by Plenco President and CEO Mike Brotz in this photo.
Social Responsibility and Sustainability

All of the policy statements found in this document are guided by Plenco management’s overarching support for corporate social responsibility and sustainability in every aspect of our manufacturing.

We are cognizant of Plenco’s impact on society, the economy and the environment, and we are committed to sharing the impact in a transparent way with our employees, customers, suppliers and communities as appropriate and useful.

Plenco is committed to ethical corporate behavior based on honesty, equality and integrity, subject to the supremacy of law in which no individual, organization, or government body, domestic or international, stands above the law.

We respect the importance and universality of the human rights and freedoms of those who work for us, with us, and around us, and strive to create and sustain a working environment in which such rights are sacrosanct.¹

¹Adapted from the ISO 26000 “Guidance on Social Responsibility.” (First Edition, Nov. 1, 2010)
“Two roads diverged in a wood, and I took the one less traveled by, and that has made all the difference.”

- Robert Frost
II. Environment, Health, Safety And Risk Management

Environmental sustainability, employee health and job safety are at the pinnacle of Plenco’s policy priorities.

Plenco is committed to full compliance with federal and state laws and regulations with regard to environmental practices, health and safety procedures in its facilities, and we constantly monitor the emergence of new rules and regulations issued by government agencies such as the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA) and other federal and state regulatory agencies relevant to Plenco.

Plenco EHS Structure

A comprehensive Plenco Environment, Health and Safety (EHS) organization, headed by President and CEO Mike Brotz and including Vice President for Manufacturing Adam Brotz and Vice President for Human Resources John G. Brotz, forms the nucleus for insuring direct top-level management leadership.

A full-time Plenco EHS Compliance Director, and a Safety, Health and Security Manager and their teams work each day to ensure our commitment to:

- Ensuring continuous EHS compliance and performance through the operation of EHS management systems.
- Providing a safe work environment and training for all employees.
- Meeting industry EHS metrics with a constant eye to continued improvement.
- Utilizing materials, natural resources and energy efficiently to produce products and services that support sustainable growth.
- Responding in a timely and appropriate manner if an incident resulting from operations occurs.
- Working proactively with legislators, regulators, concerned groups and industry peers to develop and advance effective approaches to health and safety and environmental protection.
- Maintaining open communication with employees, contractors and customers on EHS issues, concerns and goals.
Plenco Risk Management

Plenco is designated a “Highly Protected Risk” (HPR). This official designation emanates from the insurance industry, and Plenco has enjoyed this status for more than 50 years with FM Global, an industry-leading commercial property insurance company. HPR is earned through a full-time commitment to preventive maintenance and high-quality plant engineering designed to prevent everything from small safety incidents to catastrophic events.

A series of cross-functional programs throughout the company comprise our formalized EHS policy and practices intended to prevent and mitigate health and safety risks. This is composed of:

- **OSHA Process Safety Management (PSM)** standards emphasize management of components associated with highly hazardous chemicals and establish a comprehensive management program that integrates technologies, procedures and management practices. Plenco’s approach to PSM emphasizes Mechanical Integrity. This is the essence of engineered maintenance and the belief that a proactive maintenance posture with our machinery and facilities ensures the reliable delivery of quality products in the safest manner possible. We refuse to be caught off guard.

- **EPA Risk Management Plan** - Every five years, Plenco submits to EPA, as required by the Clean Air Act, information that helps local fire, police and emergency response personnel prepare for and respond to chemical emergencies.

- **Lockout-Tagout (LOTO)** safety procedures ensure dangerous heavy machinery is properly shut off and not able to be started up again prior to the completion of sensitive maintenance or servicing work.

- **Confined Space Procedures** - To ensure that Plenco employees are as safe as possible wherever they may work at our facilities, including confined spaces that may have increased risks, and in compliance with OSHA Permit-Required Confined Spaces regulations, we have in place a set of procedures to meet or exceed government requirements.

- **Explosive (Combustible) Dust Procedures** - Since Plenco’s production process and facilities have a potential risk of combustible dust explosions, Plenco has been active in preventive procedures and employee training on this subject since the late 1960s, years before OSHA was created by the U.S. Congress.
Environmental Policy

The environment in which we live and work is important to all of us

Ever since our founding, Plenco has been a good employer, supplier and neighbor when it comes to the environment. We have implemented sustainable processes that not only are respectful of our surroundings but make good business sense as well.

• A respect for our environmental impact has guided the design and location of our buildings, plant processes and contingency planning. Dust collectors help clean the air while recovering materials that can be reused. Our phenol recovery plant reclaims phenol from production condensate for reuse, minimizing waste while reducing overall demand for virgin phenol.

• Plenco employs an exhaust economizer to recover exhaust heat from a 60,000 PPH, natural gas-fired, steam boiler. The recovered heat is transferred to the boiler feedwater, thereby increasing the overall efficiency and lowering the fuel demand.

• At all levels, our plant operations utilize management practices and the best available technology to maximize product quality and minimize environmental impact. Over the past decades, these carefully planned efforts have reduced production waste to levels approaching zero.

• Green practices and processes support our customers’ requirements to meet their environmental objectives as products move downstream through the supply chain.

• The United States Environmental Protection Agency has awarded Plenco a Letter of Commendation in recognition of our “voluntary initiative to reduce toxic emissions and foster pollution prevention as the preferred approach to environmental improvement.”

The vast majority of Plenco’s environmental practices and policies pre-date the existence of regulatory bodies such as the Environmental Protection Agency. Environmental stewardship and responsibility have been a part our identity as a company from the start. Nonetheless, Plenco is committed to continuous improvement as it relates to our environmental practices and policies.
Health Policy

A healthy body, mind and spirit are essential to living a happy and productive life. With Plenco's commitment to good health for all employees and their families, several important policies and programs apply.

• **Drugs and Alcohol** - We enforce a **zero tolerance policy** with respect to employee use, possession, sale and distribution, or influence of alcohol or illegal drugs while on Plenco premises or representing Plenco elsewhere.

• **Smoking**, including e-cigarettes and similar products, is prohibited throughout the workplace.

• **Employee Health Insurance.** Plenco offers a variety of health plan options that include medical, dental and vision coverages at premium and deductible levels that best suit the individual needs of our Plenco families. They may choose from three medical options and three dental options, along with tiered voluntary vision coverage for single, employee plus spouse, employee plus children, and family coverages. To provide financial assistance during defined, first-time critical illness events or unanticipated accidents, we also sponsor voluntary Critical Illness and Accident Insurance programs that families may choose to enroll in on an annual basis.

• **Employee Assistance Program (LifeMatters).** This free-of-charge program provides Plenco employees 24/7 confidential counseling important to maintaining a healthy mind while confronting stressful circumstances (professional and/or personal).

• **Coordinated Health Care (CHC).** CHC monitors medical services provided to Plenco employees to ensure that they receive the medical attention necessary; it also provides information and answers questions about medical services under consideration or serious health conditions.

• **Health Risk Assessment.** This program helps employees raise their awareness of potential health issues and encourages early treatment through a combination of physical assessment and health coaching based on assessment outcomes.

• **Right Choice Health and Wellness Center.** Confidentially helps employees with low-level triage care and wellness services including treatment and management of chronic conditions and most laboratory work that may be needed.
Since its founding, Plenco management has ascribed to a core value: everything possible must be done to ensure Plenco employees go home to their loved ones at the end of their shift in the same condition they came to work, without sore shoulders or backs or injuries of any kind.

All injuries and occupational illnesses, as well as safety and environmental incidents, are preventable. Plenco’s constant goal is to achieve “Zero-Incidents” in all these categories. This requires vigilance, coordination and communication between Plenco management and employees. We work to achieve this in the following ways:

- Started in 1968, three years before OSHA became a federal government agency, the Plenco Safety Representative Program was organized as a top priority. Each shift and each department has a Safety Representative responsible for identifying safety issues, assisting in safety inspections and initiating action to correct unsafe equipment, practices and/or circumstances. The Plenco Safety Manager implements, administers, monitors and evaluates the Safety Representative program.

- Plenco maintains an Employee Safety Manual and a Contractor Safety Manual that outline Personal Protective Equipment (PPE) measures and requirements. Although required and necessary, PPE is the last and least impactful line of defense with regard to employee safety. Rather, what takes precedence are:

  Elimination of hazardous material wherever possible in the facility and,
  Engineering controls that are the hierarchy of Plenco’s safety posture expressed in terms of Elimination, Control and Protection.

- Plenco provides information to employees about workplace safety and health issues through new-hire orientation, regular internal communication channels such as Employee-Supervisor meetings, bulletin board postings, and memos along with other written or digital communications.

- Employees and supervisors receive scheduled workplace safety training that covers potential safety and health hazards, safe work practices, and procedures for eliminating or minimizing hazards.
III. Employment Practices and Relationships

A positive, trusting relationship with our employees is of paramount importance to Plenco. It impacts our customers, contractors and suppliers, and our communities. Plenco’s value as an enterprise can only be as good as this bond is strong. For more than eight decades, Plenco has maintained a direct relationship between management and its employees without the need for outside representation.

Equal Employment Opportunity

- Plenco's policy on equal employment opportunity prohibits discrimination based on race, color, religion, national origin, gender, sexual orientation, gender identity, age, physical or mental disability, genetic factors or military/veteran status.

- Establishing trust begins with our hiring practices and the way we treat our existing employees when it comes to promotions, benefits, wages and career advancement.

- Plenco acts in accordance with all applicable U.S. federal and State of Wisconsin labor and employment laws.

- Our policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

- Plenco maintains a seniority system that is used where appropriate, while otherwise taking into account a person's specific merit and qualifications for advancement and internal promotion. This seniority system is one component of fairness within our organization. It contributes to the sense of loyalty felt between management and Plenco employees.
Clear Communication Channels

Clear channels of communication between and among Plenco’s management and workforce have been open and expanded during the company’s eight decades in business. The channels include:

**Employee-Supervisor Meetings, First Quarter of Each Year**

Our communications chain begins with each individual employee of the company, across all organizational levels, who meet in a group with their supervisor early in each calendar year. The meetings afford an open forum for voicing questions, concerns and suggestions on safety as well as other company issues. Minutes are kept, and all employee questions must be answered within a fixed period of time. We believe our employees deserve a response to any and all questions, comments and concerns.

**Annual Plenco Employee Meetings, April of Each Year**

Since 1968, Annual Employee Meetings have been convened in early April, one in the morning and one in the afternoon to accommodate the shifts. Top management including the President and CEO, the Vice President of Human Resources, and the Vice President of Marketing and Sales, make presentations that, in effect, are “State of the Company” addresses.

The meetings are concrete ratification that “Plenco Means Trust,” as the executives present honest, forthright and frank remarks, many of which reflect answers to concerns raised in the Employee-Supervisor meetings. Transparent and conclusive information is communicated, and employees have been enthusiastic about this annual opportunity to listen and talk directly with the company’s management.
CONTINUED – CLEAR COMMUNICATION CHANNELS

Plenco Action Boards
As part of Plenco’s effort and commitment to having its workforce fully involved and engaged in the production and manufacturing process, the company established Plenco Action Boards (PAB) 30 years ago.

The PABs are housed within all major production departments of the company. The PAB is a formal forum of cross-functional leaders designed to address issues, concerns and opportunities for greater efficiency and outcomes. The PABs each are composed of a representative from Sales, R&D, Production, QA, Engineering and Safety.

The goal is to provide a mechanism for continuous dialogue and the exchange of views from employees operating across the full range of the production process.

We can maximize our efficiency and quality only with honest and widespread input from all stakeholders. This input involves key Plenco employees leading directly into decision making and helps the company make informed decisions when it comes to manufacturing and delivering the highest possible quality products.

Chemical Review Committee
Plenco’s Chemical Review Committee is unique to Plenco. It is not required by OSHA, the EPA or any governmental agency. The Chemical Review Committee is a cross-functional body that gathers chemists, EHS personnel and production managers to review the life cycle and properties of any chemical that is being newly introduced into the production process. With environmental and safety standards in mind, the Committee seeks to understand fully the chemical’s properties, how it interacts with other chemicals on site and how exactly the company will most properly use, handle and dispose of the chemical.

Material Review Board
Another cross-functional group, the Material Review Board, is a small group consisting of leaders from Production, Quality Assurance and Research and Development. The Material Review Board is empowered to make nimble and timely decisions related to Plenco’s production process, schedule and any obstacles that may arise. If the Material Review Board is unable to arrive at a solution or specified decision, the issue is raised at the next scheduled Plenco Action Board meeting for final resolution and action.
Plenco is a preferred employer in our community and maintains wages and benefits at a competitive level that allow the company to attract and maintain highly qualified employees. Eligible employees at Plenco are provided a wide range of benefits, considered among the most comprehensive in our industry.

All Plenco employees have access to the Plenco Employee Handbook and can obtain specific information regarding the following benefit programs there:

**Health**
- Dental Insurance
- Employee Assistance Program
- Medical Insurance
- Pharmacy Benefits
- Medical Leave
- Short-Term Disability Benefits
- Long-Term Disability Benefits

**Personal**
- Bereavement Leave
- Family Leave
- Holidays
- Life Insurance
- Supplemental Life Insurance
- Sick Leave Benefits
- Military Leave
- Personal Leave
- Vacation Benefits

**Security**
- 401(k) Plan
- Educational Financial Assistance
- Pension Plan
- Workers’ Compensation Insurance
Communicating Employee Concerns

Problem Resolution

A three-step process is available to any employee who wishes to communicate a concern to Plenco management. Our aim is fairness for all concerned.

STEP ONE – Talk with your supervisor. If the concern is not resolved,
STEP TWO – Bring it to the attention of the Human Resources Vice President.
STEP THREE – If necessary request a meeting with Plenco's President and CEO.

Plenco strives to ensure fair and honest treatment of all employees. Supervisors, managers and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism and are deserving of thoughtful and equitable responses from their supervisors and company management more broadly.

Whistleblower Policy

As part of Plenco’s accountability structure, the company maintains a Whistleblower Policy that encourages employees to raise legitimate concerns about the occurrence of illegal, immoral or unethical actions to their immediate supervisor or the Human Resources Coordinator. The Human Resources Department will be responsible for investigating any concerns, as well as determining the proper course of corrective action. Insofar as possible, the confidentiality of the whistleblower will be maintained in full confidence. Plenco will not retaliate, nor permit retaliation against a whistleblower who brings forward a legitimate concern under our Whistleblower Policy.

Employee Conduct and Responsibilities

Plenco expects of all our employees a high level of conduct, responsibility and respectful behavior. Employees are expected to perform the functions of their positions in a safe and attentive manner that pays respect to themselves and all of their colleagues.

We believe that we are only truly efficient when high productivity is achieved with safe work habits. No job is so important, nor any service so urgent, that time cannot be taken to perform the work safely.

Individual Conduct

To ensure orderly operations and provide the best possible work environment, Plenco expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

The Plenco Employee Handbook offers a detailed listing of actions and behaviors that are unacceptable by any and all Plenco employees. These rules help ensure that employees:

- Respect company resources and property
- Act ethically and fairly in their daily actions and functions
- Not act recklessly with their own safety and the safety of others
- Treat all other colleagues (and clients) with respect in an environment free of any type of harassment (social, psychological, physical, racial and/or sexual)
- Not abuse alcohol or drugs or engage in violent behavior

Any employee who engages in harassment; who permits employees under his/her supervision to engage in such harassment; or who retaliates or permits retaliation against an employee who reports such harassment is guilty of misconduct and shall be subject to immediate remedial action that may include discipline or termination of employment.

Employment with Plenco is at the mutual consent of Plenco and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.
IV. Human Rights and Freedoms

With operations in the United States and Mexico and suppliers and customers around the world, our company understands the interconnected nature of today's marketplace. Respect for human rights and freedoms is a key component of our Corporate Social Responsibility Initiative.²

Plenco will not engage with a supplier that violates human rights standards. If Plenco learns of abuses among our suppliers, we will seek proper recourse, including possible termination of the relationships.

Child Labor

Plenco prohibits the employment of individuals under 18 years of age, with the exemption of temporary student summer personnel. We fully comply with Wisconsin State Law and U.S. Federal Law with regard to the employment of minors.

Forced Labor and Human Trafficking

Plenco prohibits the use of all forms of forced labor and human trafficking at our United States and Mexico facilities, including indentured labor, bonded labor, prison labor, slave labor and any labor derived from human trafficking.

Plenco employees, contractors, subcontractors, vendors, suppliers, partners and others through whom Plenco conducts business must not engage in any practice that constitutes trafficking in persons or slavery.

Universal Human Rights

Generally speaking, the Universal Declaration of Human Rights, proclaimed by the United Nations General Assembly in Paris on December 10, 1948, ratified a valuable and inclusive description of what universal human rights are and how they are the rights of all women, men and children on Earth.³

Many provisions are inspired by historic and cherished American documents such as the Declaration of Independence, the U.S. Constitution and its Bill of Rights. Plenco upholds these principles.

² Plenco's Equal Employment Opportunity Policy can be found on Page 27 of this CSRI document.
V. Fair Business Practices

Plenco conducts business fairly and ethically. This applies to our relationships with our customers, suppliers and contractors, legal and governmental authorities and the communities in which we operate.

Antitrust Commitment

Plenco adheres to the following antitrust prohibitions outlined by the United States Small Business Administration (SBA), a United States government agency dedicated to preserving a healthy business environment and marketplace in the United States:

Conspiring to Fix Market Prices:
Discussing prices with competitors, even if it affects a small marketplace, may be construed as a violation of antitrust laws.

Price Discrimination:
Selling the same product to a large customer at a lower price than to the customer’s smaller competitors, unless due to identifiable cost savings, or to meet a competitor’s price, is generally a violation of antitrust laws.

Conspiring to Boycott:
Conversations with other businesses regarding the potential boycott of another competitor or supplier may violate antitrust laws.

Conspiring to Allocate Markets or Customers:
Agreements between competitors to divide up customers, territories, or markets are illegal. This provision applies even when the competitors do not dominate the particular market or industry.

Monopolization:
Preserving a monopoly position through the acquisition of competitors, the exclusion of competitors to the given market, or the control of market prices are all in violation of antitrust laws.

Plenco maintains an active Antitrust Compliance Program, which is guided by a manual and educational material made available to all Plenco employees. On an annual basis, Plenco’s corporate employees are required to review the antitrust policies and guidelines and sign a certification document indicating their understanding and compliance. Plenco’s whistleblower policy ensures that employees can feel secure in reporting any observed improper activities to management as they relate to antitrust issues.
Fair and Equitable Relationships

Plenco partnerships with our customers and suppliers are based on integrity and trust. We subscribe to the Institute for Supply Management's Principles and Standards of Ethical Supply Management:

1. **Impropriety.** Prevent the intent and appearance of unethical or compromising conduct in relationships, actions and communications.

2. **Conflict of Interest.** Ensure that any personal, business and other activities do not conflict with the lawful interests of your employer.

3. **Influence.** Avoid behaviors or actions that may negatively influence, or appear to influence, supply management decisions.

4. **Responsibilities to Your Employer.** Uphold fiduciary and other responsibilities using reasonable care and granted authority to deliver value to your employer.

5. **Supplier and Customer Relationships.** Promote positive supplier and customer relationships.

6. **Sustainability and Social Responsibility.** Champion social responsibility and sustainability practices in supply management.

7. **Confidential and Proprietary Information.** Protect confidential and proprietary information.

8. **Reciprocity.** Avoid improper reciprocal agreements.

9. **Applicable Laws, Regulations and Trade Agreements.** Know and obey the letter and spirit of laws, regulations and trade agreements applicable to supply management.

10. **Professional Competence.** Develop skills, expand knowledge and conduct business that demonstrates competence and promotes the supply management profession.

Anti-Corruption

With a global supply chain and international customers, Plenco employees may interact with foreign government officials at certain points. The company strictly complies with provisions of the U.S. Foreign Corrupt Practices Act (FCPA) of 1977 that covers international transactions. Plenco's policy is simple: **Plenco strictly prohibits bribery of any form, domestic or foreign.**

Non-Discriminatory Business Practices Policy

Plenco does not discriminate against woman-owned and minority-owned businesses. The company welcomes opportunities with such firms should conditions allow for a mutually beneficial business relationship.
VI. Sustainability

Plenco's commitment to the sustainability of its enterprise has spanned its history, long before the concept became a mandatory business concern.

Our capability to meet the vital human needs of today without compromising the ability of future generations to meet their own needs is a constant concern. Our focus on natural resources and Earth’s ecosystems is also sound business policy.

A sustainable approach to business respects and takes into account the impacts of undertaking business. A responsible corporate citizen is committed to engaging in practices that do not damage the future prospects and resources of its immediate community, its country and the world. We can enhance the present generation’s quality of life while also ensuring that future generations can do the same for themselves.

Sustainability speaks directly to Plenco’s commitment to ensuring a Win-Win dynamic, rather than a zero-sum result in our activities. A sustainable approach to business touches upon environmental, social and economic factors:

**Environmental**
Plenco is committed to meeting and surpassing environmental regulations in the jurisdictions where we operate. We are committed to being a responsible steward of resources and not causing damage to our surrounding ecosystem.

**Social**
Plenco is committed to treating people with respect throughout our supply chain. This starts with our own employees, but naturally extends to our suppliers and all the way to our customers.

**Economic**
Plenco is committed to acting as a responsible financial steward of our own resources. The financial viability of the enterprise is of vital importance to many stakeholders, most importantly our employees. Moreover, economic sustainability is achieved through fair and transparent transactions with our suppliers and customers.
Plenco Sustainability Policies at Work

The following policy statements are in line with Plenco’s commitment to a sustainable enterprise:

Plenco understands that our products are part of a wider supply chain. In that sense, our customers’ products are only as good as our own. Thus, our customers’ reputations depend on the timely delivery of our quality products and the knowledge that they are receiving a responsibly produced and sourced product. Below are several commitments regarding the sustainable sourcing of Plenco products:

**Conflict Minerals Act**

In 2010, Congress passed provisions known as the Conflict Minerals Act, which requires certain companies to disclose their use of conflict minerals if those minerals are “necessary to the functionality or production of a product” manufactured by those companies. Under the Act, those minerals include tantalum, tin, gold and tungsten (often referred to as 3TG).

Congress passed the legislation because of concerns that the exploitation and trade of conflict minerals by armed groups was helping to finance conflict in the Democratic Republic of Congo region and was contributing to an emergency humanitarian crisis.

In accordance with the law, Plenco policy forbids use of the listed conflict minerals. None of the following is intentionally part of the formulation or intentionally added during the manufacture of Plenco thermoset molding compounds: tin, tantalum, tungsten, or gold or any other derivatives of columbite-tantalite (coltan), cassiterite, or wolframite.

**REACH (Registration, Evaluation, Authorization and Restriction of Chemicals)**

REACH is a regulation of the European Union that entered into force in 2007, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals. It seeks to regulate the use of chemicals in production processes taking place within the European Union.

With respect to REACH, Plenco believes that in virtually all cases, neither we nor our North American molding material customers will have any obligation to take any action. In drawing that conclusion, we have made the following assumptions:

- We assume that our North American customers for Plenco molding materials are using our molding materials as sold to them and are not adding any additional substances to them.

- We assume that our North American customers for Plenco molding materials actually are molding our materials in North America, not shipping them unmolded to Europe.

- We assume that our North American customers for Plenco molding materials are using our materials to produce a molded part in a conventional manner, as opposed to using it in some other way.

Given the above assumptions, we believe we do not have any obligations under REACH if the molded parts are shipped to Europe. The obligations under REACH apply to manufacturers or importers in Europe of chemical substances or mixtures (called “preparations”) and in limited circumstances to manufacturers or importers in Europe of “articles.”
RoHS (Restriction of Hazardous Substances Directive)

RoHS is a European Union directive adopted in 2003 that aims to prevent hazardous substances from entering the production process and thereby keep them out of the waste stream. With regard to the EU RoHS Directive:

- Plenco has an on-going process in place to have raw material suppliers ensure RoHS compliance;
- Plenco thermoset molding compounds are in compliance with European Parliament directives regarding hazardous substances; and
- Substances restricted by the RoHS directive are not intentionally a part of the formulation and not intentionally added during the manufacture of Plenco thermoset molding compound products.

Hazardous Waste Management

Plenco maintains a Hazardous Waste Management program that is in full compliance with waste management regulations issued by the U.S. Environmental Protection Agency and the Wisconsin Department of Natural Resources.

Energy Consumption Reduction Efforts

As part of Plenco’s decades-long commitment to continuously reducing its impact on resource use and waste, Plenco has engaged in voluntary programs to reduce energy consumption. These have included cooperative programs with regional energy producers to reduce energy consumption at Plenco facilities. Plenco plant engineers continuously analyze facilities for process improvements and new technologies that can reduce Plenco’s energy demand and usage.

Continuous Reduction of Environmental Impacts

Plenco recognizes that businesses can have a negative impact on the environment. We are committed, and we diligently identify ways in which we can reduce the impact of our work both in the office and when work takes us away from the office.

It is our policy to:

- Recycle as much waste material as possible;
- Avoid the use of paper wherever possible, such as sending invoices and quotes via email as PDF files;
- Recycle equipment that is no longer of use to the company, such as giving away computers and printers that we no longer use;
- Keeping energy usage low by making use of low energy light bulbs throughout and ensuring that computers are shut down after work;
- Reusing waste paper (from the printer) where possible, making use of the blank side for notes etc.;
- Purchasing products made with recycled paper including paper towels;
- Purchasing products with a lower environmental impact, such as environmentally safe soaps and detergents.
VII. Manufacturing Products That Matter

“We would rather do it ourselves, and do it right.”

Plenco is committed to providing our employees with the resources, tools and facilities that allow them to unleash their creative and innovative capabilities.

We maintain state-of-the-art laboratories, cutting-edge equipment, continuous on-the-job training, and periodic academic studies that provide broader and deeper dimension of our industry.

As part of Plenco’s effort and commitment to having our workforce fully involved and engaged in the production and manufacturing process, the company established Plenco Action Boards (PABs) more than over 30 years ago. These PABs are housed within all major production departments of the company. The PAB is a formal forum for convening employees at all levels of a department to address issues, concerns and opportunities for greater efficiency and outcomes. The goal has been and is to provide a mechanism for continuous dialogue and exchange of views from employees operating in all parts of the production process.

Plenco works with our customers on a customizable basis to tailor products that are responsive to their needs. This includes meeting customer specifications for product characteristics as well as component thermoset, resin and molding products that produce lower chemical emissions and result in better working conditions for our customers' employees.

Plenco manages the entirety of our maintenance program in-house. Plenco’s Engineering & Maintenance Department is central to plant engineering as it is on call to quickly address any issues as they may arise (along with the maintenance department’s considerable preventative practices and measures). For this reason, the maintenance department is one of the largest operating departments within Plenco.

Quality

The goal of Plenco’s manufacturing process is the timely delivery of high-quality products that our customers can rely on without any doubt. Plenco has an internal Quality Control structure that ensures this outcome.

Plenco relies on sophisticated and fully developed control systems to monitor and analyze the production processes on an ongoing basis. This includes state-of-the-art, programmable statistical analysis put into place by Plenco’s chemical engineers and electrical engineers working in tandem with Plenco’s laboratories.


Plenco recently established a Six-Sigma quality assurance program and philosophy. Currently Plenco has 12 employees that are taking Six-Sigma Green Belt training. Their roles are in production management, Quality Assurance, Engineering and IT. The Six-Sigma philosophy will continue to grow once these individuals receive their Green Belts (with the potential for advancement to the Black Belt level) and pass on the methodology to their subordinates.

Mutually Beneficial Supplier Relationships

In striving to deliver the highest quality products to our customers, Plenco is well aware that our final products are only as good as the component parts that go into them. For this reason, our relationships with our suppliers are highly valued and nurtured. Our operations are affected by the operations of our suppliers. The health of our business is contingent upon the health of our supplier’s business. To that end, we always have sought to develop and maintain mutually beneficial supplier relationships based on trust, respect and cooperation. This requires a commitment to transparent and clear communication of our shared expectations and responsibilities to one another. Our relationships with our suppliers are longstanding and have an organic nature that flows from the openness and trust that which has existed for many years.
“We don’t operate in a bubble, we are part of a larger community and we act with that in mind.”

Adam Brotz,
Vice President of Manufacturing
VIII. Community Responsibilities

Plenco’s responsibilities to communities in which it has facilities focus on:

- Financial support for educational, medical, safety and similar components of a healthy society.
- Encouragement of volunteer membership and leadership in philanthropic, character-building, educational, medical, service and similar organizations.
- Responsiveness to challenges presented by proximity of Plenco production facilities to residential parts of the community.

Supporting our Communities

Foundation, sponsorships, involvement...

Along with a commitment of quality and trust towards our clients, Plenco also places an emphasis on our role as a community member. This involves ensuring a steady, proactive and positive presence within our direct community now and in the future. Four traditional areas of focus in Plenco’s community involvement have been and are:

- Education
- Healthcare
- Social Organizations (nurturing the mind, body and spirit)
- Youth

Since 1955, Plenco has supported the Frank G. & Frieda K. Brotz Family Foundation, Inc., named after the company founder and his wife, which has made charitable investments to local educational, social and healthcare institutions over the years.

Through support of the Foundation as well as our own efforts and initiatives, Plenco has made significant contributions to enhancing local educational workforce development opportunities in Eastern Wisconsin. This includes support of Marquette University, the University of Wisconsin-Sheboygan, Lakeshore Technical College and Lakeland College. To support healthcare, Plenco has been a proud supporter of Children’s Hospital of Wisconsin.

Plenco Supports Blind Sail Racing World Championship on Lake Michigan

Plenco had the unique opportunity in 2014 to help bring the Disabled Sailing’s Blind Match Racing World Championship to Sheboygan’s Lake Michigan shore. We worked with the International Association in hosting 16 teams representing Australia, New Zealand, Great Britain, Italy, Spain, the United States, Canada, Israel and Japan that competed in the five-day event. Plenco was proud to be involved in this unique international event in its hometown and to support the efforts of the athletes.
A Living Document

Plenco considers the Corporate Social Responsibility Initiative described in this document to be a living, ongoing and periodically reviewed and amended statement of corporate policies and practices.

We anticipate that the initiative may be of interest to employees, customers, suppliers and our communities, and we welcome review and questions from those audiences.

The CSR Initiative will be reviewed constantly with a quarterly formal in-depth analysis of existing and potential policy additions, deletions, amendments and other adjustments that organically allow the project to reflect the corporate, technical, and other major changes in business and society.

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On April 25, 1934, Frank G. Brotz, along with his five sons, formed the American Molded Products Company, a family partnership, in Chicago, Illinois. This company manufactured thermosetting liquid resins, which were used to cast molded products that included handles, knobs, radio cabinets and similar items.

In August 1934, the company was moved to Sheboygan, Wisconsin. The name was changed to Plastics Engineering Company. A year later, the production of liquid resins and castings was discontinued in favor of pressed moldings from dry, granular molding compounds. These compounds were developed essentially from cresol-formaldehyde resins, mixed with dry fibrous and mineral fillers. The company requirements for molding compounds were relatively small in those days, and their production was not economically justified.

During the fall of 1939, the partnership decided to concentrate its efforts and limited capital exclusively for a time on the development of its custom molding department. Many items were molded and finished for the utensil industry. By 1944, some 200 workers were employed, molding and finishing phenolic components for the Army, Navy and Air Force ordnance departments in connection with the war effort. During the war years, the firm molded “frangible” bullets, which were used in the training of aerial gunners. They also produced numerous electrical parts such as cable connectors, switch bases, flying suit connectors, earphone bases and electric brake connectors.

After World War II, there was first an acute, and then a prolonged, national shortage of molding compounds. The company’s allocations from the various producers totaled only 20,000 pounds per month. In order for the firm to survive, the partnership decided in March 1946 to revive its manufacture of molding compounds, this time from phenol-formaldehyde resins. An addition to the Geele Avenue plant was built in Sheboygan for this purpose and became operational in November of that year. Mr. E. H. Beach joined the firm in November 1946, and his energy and talents were focused on the manufacturing of phenolic molding material. Markets for molding compounds and resins other than for company requirements were subsequently developed. The molding compound manufacturing division expanded when the resin plant on North Avenue was built in 1950. In 1959, production of melamine and melamine-phenolic resins and molding compounds was initiated.

The firm grew rapidly during the 1960s and 1970s, with nine major building expansions made to the resin and molding material manufacturing plant. A warehouse complex was constructed in 1969 and expanded in 1976.

This facility enhanced the company’s ability to rapidly respond to customer orders and to efficiently manage its raw material and finished goods inventories. On December 1, 1973, the firm officially opened the doors to a new and distinctive general office.

Beginning in the 1980s and continuing through the early 2000s, Plenco embarked on a strategic acquisition program that strengthened the company’s technical capabilities and increased its market share. The expansion program was launched in late 1982 with the purchase of Genal, General Electric’s line of phenolic molding compounds, located in Pittsfield, Massachusetts. That was followed by the purchase in 1998 of the Valite brand of phenolic molding compounds from Valentine Sugars, Inc., of Lockport, Louisiana. During the same period, a state-of-the-art phenol recovery plant was built to reclaim phenol from production condensate for reuse. The process reduces the discharge waste into the regional wastewater treatment facility while reducing the need for virgin phenol.

A benchmark acquisition occurred in 2000 when Plenco purchased the Plaslok brand of phenolic molding compounds and Plas Glas polyester bulk molding compounds (BMC) from Plaslok Corp. based in Buffalo, New York. The technology transfer ushered in Plenco’s production of BMCs that often are used to replace steel and die cast aluminum because of their high strength-to-weight ratio at relatively low cost per cubic inch.

Production facilities continued to grow in response to the demands of the new acquisitions and the development, production and marketing of BMCs. A technically advanced BMC production facility was constructed in 2001 for environmentally controlled bulk storage of high-volume resins along with automatic metering of resins and key ingredients used in producing BMCs.

Today Plastics Engineering Company, selling products under its trademark PLENCO, remains a closely-held family corporation that spans three generations. It furnishes industry with a wide range of ready-made or custom-formulated molding compounds, industrial resins and molded products. Plastics Engineering Company maintains modern production, research, testing and administrative facilities in Sheboygan, Wisconsin, and is represented by a fully staffed technical sales group.