

The background of the cover is a collage of nature scenes, including a sunset over mountains, a waterfall, and a person walking on a path. The collage is composed of several overlapping, irregular shapes in shades of green, brown, and orange, all outlined in white. The overall background has a light gray, wavy, textured pattern.

2015  
ANGUIL  
SUSTAINABILITY  
REPORT



# TABLE OF CONTENTS

about anguil environmental \ 3

executive statement \ 4

mission statement and shared values \ 7

human rights \ 10

labor \ 18

environment \ 28

# ABOUT ANGUIL

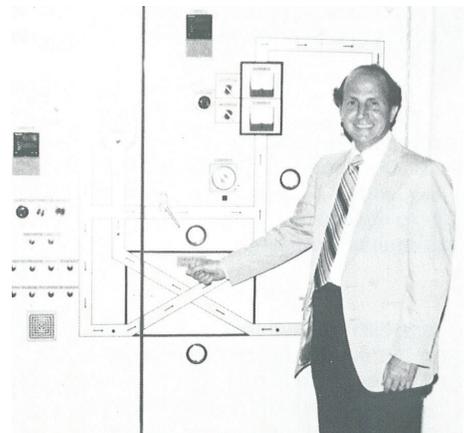
Anguil Environmental Systems was founded in 1978, shortly after the EPA issued a set of requirements to reduce air pollution. Since our inception, we have dedicated our efforts to designing products to meet the EPA and International Regulatory Agencies regulations in an energy efficient manner. Headquartered in Milwaukee, Wisconsin, we also have offices, fabrication facilities and installation capabilities throughout North America, South America, Asia, Europe, and Australia. This gives us the necessary tools and confidence to assess and resolve a wide range of air pollution issues with a global focus.



We offer multiple oxidizer technologies for the destruction of gaseous pollutants such as Volatile Organic Compounds (VOCs), Hazardous Air Pollutants (HAPs), and odorous emissions. We design, manufacture, service, and install Regenerative Thermal Oxidizers (RTOs) as well as Direct-Fired, Catalytic, Thermal Recuperative, and Vapor Combustor, and Concentrator Wheel systems.



Our company also specializes in heat and energy recovery systems that help customers reduce operating costs and minimize their environmental footprint. Waste heat from energy consuming processes or exhaust stacks can be captured and returned as process air, hot water, steam, plant heat, or electricity. Our systems are designed with return on investment and payback in-mind, which is crucial in these times of unstable energy costs and global warming concerns.



On the service side, we stock and offer spare parts programs, preventive maintenance evaluations, equipment retrofits, operating cost reviews and engineering studies...and these services are offered on competitors' equipment as well. On any given year, we service over 400 oxidizers that were manufactured by approximately 20 different oxidizer suppliers.

Anguil has been in business for over 35 years because we provide solutions today that help our customers remain profitable tomorrow.



# Where we were, where we are an

Things are going well overall. However, today I would like to bring some additional perspective to our stakeholders.

Some of our employees have been with me since shortly after the beginning. We have been in business for 37 years, and if you look at the plaques in our front door of our corporate headquarters, you will see the longevity of our staff, from 5 years, to 10 years, 15 years and even 20, 25 and going close to 30.

The primary reason our employees stay for extended periods of time is not because Anguil pays exorbitant salaries. I believe one of the primary reasons for staying is the environment or culture we have created. Whether it is challenging work, a feeling of belonging, the company's interest in seeing each employee grow, or the true desire to have each employee strive and reach their individual potential.

However, it takes years to build a culture, and it can be torn down in a very short period of time. As more people are added to the mix, I recognize that things need to change. And although change can be difficult, the changes that have been made and those that will be coming are for the benefit of the company. We will all need to adapt and accept these changes.

In August of 2008, the company had a birthday party celebrating 30 years in business. It was at this birthday bash that I stepped back from running the company and Chris Anguil became President and Deb Anguil became the Chief Operating Officer.

In the fall of 2008, the economy crashed resulting in our business shrinking by 33% in 2009 and our staff dropping below 40 employees. At this juncture, we have over 80 employees, many of the new hires coming straight from university and from a variety of different industries.

What I have observed over all the years that I ran the company is that we individually or collectively, would make the same mistakes over and over again. Each department would attempt to minimize these mistakes, but as new individuals were hired, the lack of procedures and standard operating practices allowed these errors to continue and to propagate.

The executive management team recognized that we needed to develop a means of reducing errors and we thought a method similar to 6-Sigma might reduce these problems. However, 6-Sigma was principally associated with production and not with our type of business. Eventually we found and decided to implement Stage Gate. Today, Stage Gate, which has been implemented successfully with significant contributions from our employees, vendors, and customers, has brought considerable order and structure to the engineer-



# and where we are going

ing, manufacturing, and field operations. It has been a major contribution to improving on-time deliveries and increased profitability.

Since the transfer of responsibility seven years ago, Chris Anguil and Deb Anguil have continued to strive for improved structure and standardization. Not all efforts have been successful, but many are showing advancement. As we have grown from under 40 employees to over 80 employees, we recognize that communication among all of the employees is limited. Information needs to be disseminated in a timely and more effective manner. Whether it be our monthly "Red Line" newsletter or better utilizing technology. We need to strive for better communication throughout our organization and beyond to our vendors and customers.

Stage Gate has made great strides in tracking schedules, costs, and assuring a quality product, including steering us into forming a new department: The Quality Department. The impact of the Quality Assurance department is still in its infancy, but significant progress has already been made. I look forward to sharing future successes in the years to come.

As the company has expanded and developed more individual departments, a common occurrence when this happens, is that individuals focus primarily on their duties and hence build walls which tend to isolate. We need to break down the walls so that cross-collaboration becomes the norm rather than an isolated occurrence. Consider the next person or function receiving your output to be your customer and make sure that they are satisfied.

Remember that individually you can be very smart, but collectively we can be brilliant.

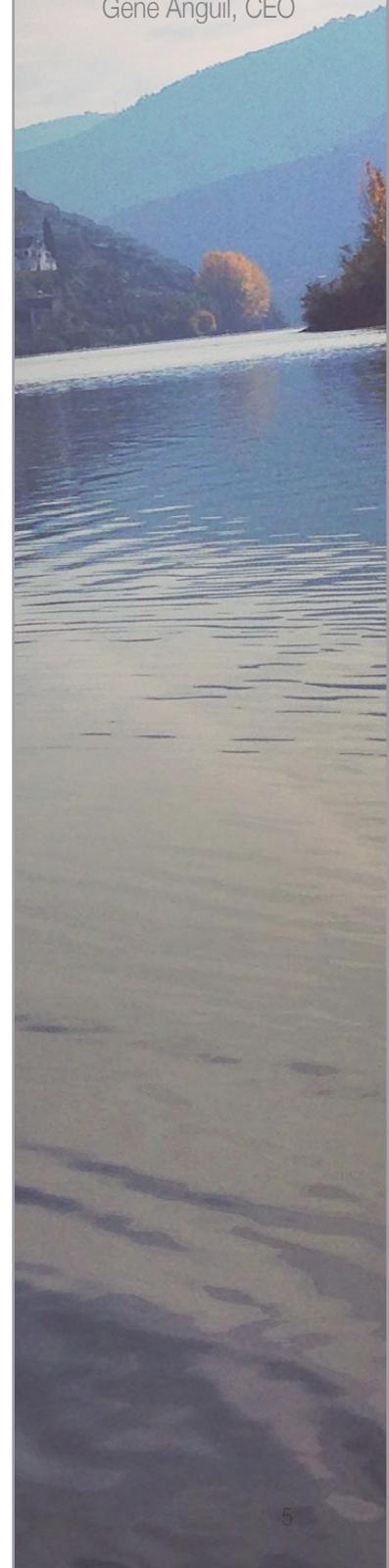
So, where are we going? As noted, we started as a catalytic oxidizer supplier, adding thermal recuperative oxidizers, regenerative thermal oxidizers, direct fired thermal oxidizers, and adding concentrator wheels, thereby offering a total solution to the VOC problem. To address the energy concerns of our customers, Anguil developed and offers heat exchangers to capture the residual heat and turn it into a productive use.

Our customers were initially in the printing industry, but we have since expanded to painting, can coating, chemical, second tier automotive, and multiple spin offs of all of these industries. Part of our effectiveness has been recognizing a potential new market segment, developing or modifying a product to address this emerging segment, and eventually selling our first unit to a willing buyer.

Over the last 8-10 years, the natural gas market is representative of this process. We supplied our first oxidizer and had a couple hiccups, but we have become one of the largest oxidizer suppliers to this market. We recognized the need for improved Research and Development activity



Gene Anguil, CEO



and we have focused on developing and utilizing software to better model the performance of our equipment.

Although the international effort goes back some 20 odd years, our efforts and focus over the last several years is paying off. Part of our effort toward international has been our recognition that the US market is limited, and hence, growth in other parts of the world is worth pursuing. This year alone, we have supplied units to China, Australia, Thailand, Indonesia, India, and several countries in Europe.

Continued profitable growth is still the company's objective. Since the domestic VOC market is bounded or limited, I decided to attempt to enter the waste water treatment market. We had succeeded so admirably in the processing of contaminants in the natural gas industry, it appeared that we could offer products and services upstream at the natural gas well, by developing cost effective solutions to recycling fracking water.

We conducted an overview analysis of the fracking process and the potential of reusing the returned water. We selected a technology we theorized would be the best fit and formed a new company, Anguil Aqua Systems, LLC. The waste water treatment market is unbounded from a market potential standpoint. Our hope is to obtain a portion of the market to add to our revenue growth and continued opportunities for the company and its stakeholders.

Let me say that the business is stronger than it has ever been. We are well respected nationally and internationally, and as from the beginning, we support and service all of our equipment and other suppliers' equipment, as many competitors are no longer around.

The future is dependent on the stakeholders. Treat the company as if it was yours, help it grow, and grow with it.

Gene H. Anguil



## MISSION STATEMENT AND ANGUIL SHARED VALUES

The company Mission Statement was re-evaluated by members of the Strategic Development Team, and we are pleased to present our new mission statement: "Anguil provides environmental and energy solutions that ensure cleaner air and water for future generations." The Strategic Development Team also identified 6 Anguil Shared Values: High Integrity, Family Culture, Continuous Improvement, Passion for Excellence, Organizational Growth, and Commitment to Customer Satisfaction.





High Integrity

Commitment to Customer Satisfaction

Family Culture

# ANGUIL SHARED VALUES

Organizational Growth

Continuous Improvement

Passion For Excellence

# MISSION STATEMENT

*"Anguil provides environmental and energy solutions that ensure cleaner air and water for future generations."*

# OVERVIEW

This report, as well as our 2014 sustainability report, and additional information available online or by request summarizes our 2015 sustainability efforts, goals, and performance.

Sustainability is engrained into the fabric of our company and is slowly becoming a part of our culture within the organization. This is Anguil's second annual report, and over the last twelve months, we have made great strides in tackling some of the sustainability hurdles within our organization and our supply chain. Sustainability has become etched into our daily jobs and all our stakeholders look for opportunities to improve upon what we do. It has helped improve our communication by being more transparent, as we are able to transfer data more seamlessly and reduce waste and redundant work flows.

Sustainability will truly make Anguil more profitable as we become a more agile organization and will allow us to better adjust and adapt to new emerging markets, location demands, and the global economy as a whole. It will also eliminate unnecessary waste, thereby giving the customer a better overall product while minimizing costs.

During the last twelve months, we have learned about the eight forms of waste: Defects, Overproduction, Waiting, Non-Utilized Talent, Transportation, Inventory, Motion, and Extra-Processing. "Waste" is any activity or process that adds cost or time but adds no value.

The next step is identifying waste in our processes and within specific job duties, finding ways to eliminate these wasteful activities. Over the next year, we will generate ideas on how to address waste and change how we see the work we do.



Image Source: <https://goleansixsigma.com/>



# 2015 HIGHLIGHTS

- \* Anguil has implemented a fully functional project management process called Stage Gate. This process has allowed Anguil to better control quality, cost, and delivery.
- \* Anguil has joined the Wisconsin Green Masters Program and was recognized as a Green Professional in 2015.
- \* Anguil created and implemented an Anguil Supplier Score Card and Supplier Code of Conduct for all major suppliers.
- \* Anguil is utilizing technology more effectively, including tablets, SharePoint, electronic visual boards (Trello), Skype and Skype for Business, soft phones, more efficient printers, and management systems including ERP, CRM and EPDM and SolidWorks
- \* The Anguil Quality Department has doubled in size and has a fully dedicated staff
- \* An Anguil Standard Practices (ASP) management system has been rolled out with a dedicated administrator. ASP authorship, training, execution, and quality assurance will guide this initiative into the new year.
- \* Standardized company-wide training has been implemented and will continue to grow in 2016
- \* Anguil implemented a no space heater policy to reduce energy usage
- \* All Anguil printers are defaulted to double sided printing
- \* Anguil attended a conference on Sustainability which has helped us normalize our data.
- \* The Anguil Sustainability team went on a benchmarking visit to a local company that is well recognized for their sustainability efforts.
- \* All our internal computer monitors are set to automatically turn off after a certain time period to save on energy costs
- \* Anguil has decreased our use of disposable plasticware and switched to mostly reusable flatware
- \* Anguil purchased non-disposable chemical-free cleaning supplies for the fitness room and discontinued use of the disposable gym wipes. Anguil is currently evaluating additional non-disposable chemical-free cleaning solutions to reduce waste
- \* A raised bed garden was installed in Anguil's parking lot to promote growing our own food. Employees participated in tending the garden and harvesting the fresh veggies.
- \* A Sustainability column is included in every month of the company newsletter
- \* Operation and Maintenance manuals are now being offered electronic-only as a standard offering

# HUMAN RIGHTS

Anguil respects internationally recognized human rights efforts and supports these sentiments within our business. We strive to work with our vendors so that they also adhere to these standards. We are committed to our human rights policy provided in this 2015 Sustainability report and the Anguil Employee Handbook, available upon request.

We are committed to training our employees on our code of the ethics, beginning with our onboarding process. Anguil's Employee Code of Ethics document is available upon request.

As Anguil continues its growth in the international arena, we feel strongly that setting up good human rights policies is key to our long term success. Anguil supports the UN Global Compacts specific Ten Principles which are listed below.



- 1. Support and respect the protection of internationally proclaimed human rights.**
- 2. Ensure the company is not complicit in human rights abuses.**
- 3. Uphold the freedom of association and the effective recognition of the right to collective bargaining.**
- 4. Uphold the elimination of all forms of forced and compulsory labor.**
- 5. Uphold the effective abolition of child labor.**
- 6. Eliminate discrimination in employment and occupation.**
- 7. Support a precautionary approach to environmental challenges.**
- 8. Undertake initiatives to promote greater environmental responsibility.**
- 9. Encourage the development and diffusion of environmentally friendly technologies.**
- 10. Work against corruption in all its forms, including extortion and bribery.**

“The UN Global Compact's Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.”

In 2016, we will more clearly define our vision on human rights so that we can better articulate the United Nations – Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work and other international recognized human rights efforts within our organization and throughout our supply chain.

## 2014-2015 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Status Update
G1	Verify that all major suppliers have zero tolerance toward human rights violations	Develop communication plan, communicate expectations to suppliers	Annually	Complete, Ongoing Monitoring
G2	Improve communication process for employee feedback and participation	Develop step-by-step implementation plan, communicate process to employees, develop and document as an Anguil Standard Practice (ASP)	Annually	Types of communication and ASPs identified, communication and implementation ongoing into 2016
G3	Maintain record of zero cases on file of discrimination and child labor violations	Develop communication plan for employees emphasizing Anguil's zero tolerance policy towards discrimination and human rights violations, foster an inclusive environment	Annually	Complete, Ongoing Monitoring

## 2015-2016 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Status Update
HR-G1	Implement our identified solutions to shortcomings with our communication	Assign Anguil Standard Practice authorship, implement communication and training strategy	Annually	Human Resources
HR-G2	Improvements to the facilities to be more ADA compliant	Evaluate opportunities for improvement, develop implementation and communication plan	Annually	Director of Operations
HR-G3	Continue to grow our library of Anguil Standard Practices (ASPs)	Assign ASP authorship, monitor progress, and implement communication and training strategies for each ASP	Annually	Human Resources

## Verify that all major suppliers have zero tolerance toward human rights violations

Anguil has had no violations toward human rights in our organization. We will continue to ensure that we are protecting human rights within our organization and throughout our supply chain.

Anguil has identified twelve of our top major suppliers for new equipment. We have audited these suppliers and report that none of our top major suppliers have had any violations to human rights.

In the first part of 2016, we will formally ask our major suppliers to sign, acknowledge, confirm and demonstrate understanding of our policies on sustainability and more specifically on human rights and business ethics. Our expectation is that our suppliers will have similar codes or will adopt our codes and expectations. This will bolster the communication and feedback between Anguil, our stakeholders and partners. We want to maintain a strong and healthy relationship throughout our business, and build relationships with like-minded partners as we strongly believe these practices are part of our long term success.

The main areas of focus for the Human Right Expectations for Suppliers are our beliefs in open communication, fair labor practices, Americans with Disabilities Act, Equal Employment Opportunities, and Immigration Status.

The main areas of focus for the Supplier Code of Ethics and Conduct are compliance with applicable laws and regulations, business ethics, discrimination and harassment, violence and weapons and illegal drug and alcohol policy, prohibited conduct, testing, reporting, proper maintenance of records, privacy and confidentiality, corruption, bribery, fraud, waste, abuse, reporting actual or suspected violation of the code, and zero-tolerance policy towards violations of code.

We will continue to monitor both internally and within our supply chain to ensure that human rights practices adhere to our policies. In our metrics for the upcoming year, we will include a percentage of Anguil suppliers that have signed and returned our operating codes and expectations for doing business with Anguil.

Anguil recognizes that it is important to have a communication process in place to report potential violations. Over the coming year, Anguil will write a formal procedure to ensure potential violations can be reported and will ensure we do not retaliate against anyone who reports a potential violation by an Anguil representative or a supplier/partner of Anguil.



## Overall Goal 1



# SPOTLIGHT ON STAGE GATE



Image Source: [http://www.stage-gate.com/certification\\_directory.php](http://www.stage-gate.com/certification_directory.php)

For the last year and half, we have been working on a conceptual and operational map for moving our products through our organization to help us understand our process and minimize waste. Anguil performed SIPOCs, swim lanes gap analysis, conducted surveys, created visual boards and checklists, and lastly presented an extensive training with all stakeholders to implement the project management process.

On January 1, 2015, Anguil launched a project management process which we call the "Anguil Stage Gate" to better track and execute our new equipment projects. The process includes seven gates to confirm our products are on time, on budget, and have superior quality for our customers. A gate is a point in the project where output is reviewed from the prior stage to warrant the input required is provided for the processes in the next stage. Our gate team members include an executive gate keeper who reviews a defined set of deliverables and signs off on the project at each gate.

Over the last several years, Anguil has grown leaps and bounds. By implementing more structure and defining our process, we hope to improve customer satisfaction, employee satisfaction, and overall quality of our product. The process will also increase our on-time deliveries and boost profitability.

The process has allowed us to focus on people, processes, and technology. The people are the employees who have dedicated themselves to the process. The process allowed Anguil to create a more agile environment by visually showing which projects are in what stages. The technology has helped with visibility, speed, communication and accountability.

Stage Gate has helped us identify the process and activities. Anguil's Stage Gate team will determine where waste lies within the process and brainstorm ideas on how to minimize or eliminate the waste within our process. The team will also provide a summary of metrics based on a full year of use. This will help establish a baseline to measure against moving forward.



## Overall Goal 2

# Improve the communication process for employee feedback and partici

Anguil has identified five (5) major communication relationships within Anguil.

- Customer/Supplier <--> Employee
  - Employee <--> Employee
  - Manager <--> Employee
- Executive Management <--> Employee
  - Company <--> Employee

All five (5) of the communication types are two way communication (listening and talking) where information is transmitted by both parties. Anguil will continue to foster and nurture the importance of two -way communication. Within each communication relationship, opportunities to improve communication were identified and will be our focus for 2016.

### CUSTOMER/SUPPLIER AND EMPLOYEE COMMUNICATION RELATIONSHIP

#### Visits to our Offices and Off Site Visits

Anguil recognizes the importance of providing a comfortable and professional working environment whether it be in our own offices or while attending off site visits with customers or suppliers. In 2016, Anguil will formalize our procedure for hosting visitors and visiting off site locations by our employees.

When stakeholders visit our office, the Anguil host(s) will notify all employees when visitors are coming in our office. Communicating whom the visitor is will help employees determine the dress code requirements. The host(s) must communicate to the specific employees involved of visit expectations, which could include pre-visit set up/packets and food/drink orders. A post-review summary on the visit and a list of any action items should be provided to those who have vested interest in the visit.

For off site visits, Anguil employees are representing Anguil. The employee visiting an off site location shall comply with all employee handbook requirements, including Anguil's dress code requirements and safety policies. A post-review summary on the visit and a list of any action items should be provided to those you have vested interest in the visit.

#### Phone Relations

One of the main avenues of communicating with customers and suppliers is by phone. Anguil has recently upgraded our phone system. Proper business phone etiquette can make a positive first impression on callers and all employees will need to demonstrate proper phone etiquette. The main areas of focus will be transferring calls, putting a caller on hold, professional greetings, escalating calls, and trunking.



Phone relations expectatoinis also apply to company cell phone and smart phone use.

### **Electronic Communication**

Internet, email, social media, instant messaging, virtual team rooms, and file sharing are all common tools used for collaboration. Anguil encourages its employees to use electronic communication in a collaborative and professional manner.

The Anguil technology team and our Anguil Training and Communication Specialist are working on training modules that better communicate our electronic communication policies. The training modules will include ways of streamlining communication on projects/customers, procedures for responding to customer inquiries, and customer service issues, surveys and customer feedback.

## **EMPLOYEE AND EMPLOYEE COMMUNICATION RELATIONSHIP**

### **Meeting Standards**

Anguil strongly values meetings in the workplace and the importance of making meetings more effective and efficient. Next year, Anguil will set up ground rules for having meetings, including requirements of having an agenda, taking meeting notes, and reserving conference rooms.

## **MANAGER AND EMPLOYEE COMMUNICATION RELATIONSHIP**

### **Leadership Development**

The manager-employee relationship directly impacts performance. To enhance our workforce, Anguil is committed to leadership development. Better leaders inspire employees through encouragement and increased interaction. To improve leadership in our organization, our management staff has offered training and coaching to help develop highly effective and productive leaders.

### **Communication Standards**

Implementing communication standards will help promote an understanding of shared goals and task relevance, ensure adequate knowledge and resources are available to the team and facilitate effective interactions. Anguil will also focus on updated personnel corrective action plans.

### **Departmental Meetings**

As our business has evolved, we recognize the need for a formalized approached to department meetings to drive organization of its overall strategies. Department managers will be encouraged to have regular meetings with all of their employees with a consistent format that evokes ideas and provides an avenue for process improvement.

### **Employee Reviews**

In 2016, Anguil will update our performance review process by using Catalytic Coaching. Anguil





managers will be encouraged to coach their employees to reach peak performance through a future-oriented, two-way conversation. This will allow managers and employees to focus on a career path tied to overall business goals.

## **EXECUTIVE MANAGEMENT AND EMPLOYEE COMMUNICATION RELATIONSHIP**

### **Executive Management's "Open Door" Policy**

Anguil operates an "open door" policy. Executive management strongly encourages employees to communicate issues and concerns freely and openly. Executive management fosters an open discussion between employees to answer questions and share ideas.

### **Company Meetings Standard**

Company meetings should have an agenda and communication procedure for meeting notes.

## **COMPANY AND EMPLOYEE COMMUNICATION RELATIONSHIP**

### **Town Hall Meetings**

Our town hall meetings are hosted by Human Resources and give our employees the opportunity to ask questions or bring up concerns in a less formal meeting structure.

### **Anguil SharePoint Sites**

Using the SharePoint platform, Anguil is able to share information and collaborate instantly with anyone in or outside the Anguil organization from anywhere that has an internet connection in an enhanced security environment. We hope to eliminate the need for extraneous hard-copy paper hand-offs and scanning and increase transparency and accessibility of information.

SharePoint is a Microsoft tool that acts as an intranet, extranet, content management, document control, cloud, networking and workflow tool. Anguil has set up various sites within our organization to help us improve our communication in our ever growing organization. Some of these sites include departmental sites and committee or team sites.

### **Anguil Red Line**

The Anguil Red Line is our monthly newsletter. All employees are invited to contribute. Some of the newsletter features include a historical prospective from our CEO, HR updates, Anguil events calendar, monthly recipes, an employee featured article, technology section update, Anguil company changes section, training classes being offered, marketing highlights, safety section, puzzles, sales update, sustainability tips, comic strip, wellness articles, community involvement pieces, company activities and many pictures of events that have occurred throughout the office. The goal of the newsletter is to provide a company-wide shared communication and cultural snapshot of Anguil.

### **Surveys**

Feedback is important to the day to day success of our business. Anguil would like to give all of our stakeholders the opportunity to use company-provided feedback. Over the coming year, we will continue or implement new employee surveys, suggestion boxes, customer/supplier surveys and open up additional ways to provide feedback to improve our company.

## Maintain record of zero cases on file of discrimination and child labor violations

Anguil complies with all aspects of the Americans with Disabilities Act (ADA), as amended, and state disability laws. We will not discriminate against qualified individuals with a disability in any phase of the employment relationship including application for employment, hiring, promotions and/or advancement opportunities, termination, compensation, training and any other conditions or privileges of employment. All requests for reasonable accommodations will be considered consistent with the business needs of the Company in accordance with state and federal law.

Over the past year, Anguil has replaced our main entrance door with a more accessible door and increased maneuverability and ease of entry. Anguil has also renovated our bathrooms on the second floor of our headquarters for improved mobility. We have upgraded and performed preventive maintenance on our chairlift to ensure accessibility for all of our stakeholders.

Anguil believes in equal employment opportunity for all employees and applicants for employment. Our Company's success depends on the effective utilization of qualified individuals regardless of their race, creed, color, religion, sex, age, national origin, disability, sexual orientation, marital status, arrest and conviction records, or any other characteristic protected by federal or state law. Anguil will not discriminate on the basis of these characteristics in any personnel action including, but not limited to, hiring, training, promotions, transfers, demotions, benefits, compensation, discipline, termination and any other conditions or privileges of employment.

Anguil takes great care in adhering to the Fair Labor Standards Act regarding child labor in the workplace. The main law regulating child labor in the United States is the Fair Labor Standards Act. For non-agricultural jobs, children under 14 may not be employed, children between 14 and 16 may be employed in allowed occupations during limited hours, and children between 16 and 18 can be employed for unlimited hours in non-hazardous occupations. A child labor laws section addendum will be added to our company handbook in 2016.



### Overall Goal 3



## HUMAN RIGHTS METRICS

Metric	2016 Goal	2015	2014
Human right violations by Anguil	0	0	0
Human right violations by major supplier	0	0	0
Discrimination cases on file at Anguil	0	0	0
Child labor violation at Anguil	0	0	0
Forced labor violation at Anguil	0	0	0
Freedom of Association violation at Anguil	0	0	0
Human Rights Training for Employees	100%	4%	0%

# LABOR

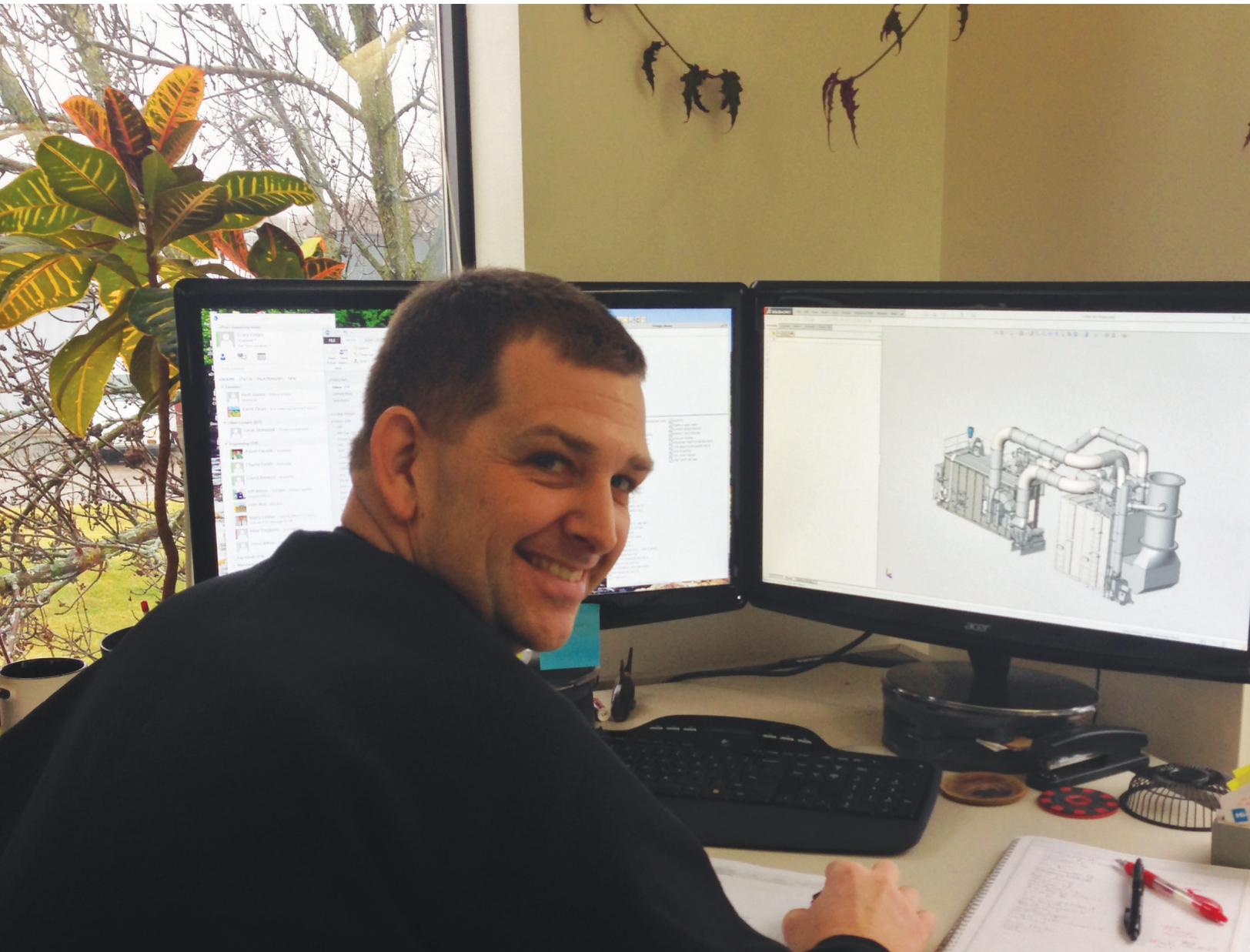
Anguil strives to enhance the lives of our employees and the lives of people in our communities. The balance between professional and personal life is critical to our success. Anguil wants to provide the optimum balance for each of our employees.

Anguil aims at attracting a diverse, talented, and aspiring workforce by providing opportunities to succeed in a healthy organization. Our employees make up our organization, and we want them to share and be fully engaged in our vision and core values. Anguil is dedicated to fostering a diverse workplace providing equal opportunities for all.



MILWAUKEE · WISCONSIN  
**JOURNAL SENTINEL**

Anguil Environmental was distinguished as a Southeastern Wisconsin Top Workplace for 2013 and 2014 by the Milwaukee Journal Sentinel. This distinction is awarded based on the results of an employee survey measuring qualities such as company leadership, communication, career opportunities, working environment, managerial skills, pay, and benefits.



## 2014-2015 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Status Update
G4	Ensure that all employees are working under 60 hours per week	Communicate expectation to employees and management, monitor employee working hours	Annually	Complete, Ongoing
G5	Make Anguil's safety program more transparent	Task to safety team, develop a company communications plan, define an access point for all safety related information	Annually	Ongoing goal into 2016
G6	Maintain EMR Rating below 1.0	Task to safety team, develop a company communications plan to bring awareness, monitor and assess implementation of safety procedures	Annually	Complete, Ongoing

## 2015-2016 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Status Update
L-G1	Communicate safety team objectives, roll out Safe Work Practices, and track training for our safety program	Develop a safety team charter, a communication and training plan for manual roll out, implement Click Safety training program	Annually	Chief Operating Officer
L-G2	Increase our volunteer efforts at Anguil	Evaluate existing volunteer efforts and opportunities available within the community, roll out formal program	Annually	Human Resources
L-G3	Improve accessibility and visibility of Anguil's benefits and wellness program	Develop communication plan and create one point of access for information	Annually	Human Resources

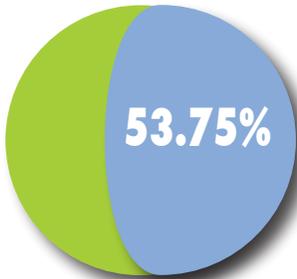
# ANGUIL AT A GLANCE



**43**  
Staff Added in  
Last 5 Years

**80** Current  
Employees

**53.75%**  
Percentage of Staff  
Hired in Last 5 Years



Percentage of employees hired in the last 5 years.

## BENEFITS ENROLLMENT NUMBERS (by Number of Employees)

<b>50</b> 2015	<b>49</b> 2014	<b>42</b> 2015	<b>39</b> 2014	<b>50</b> 2015	<b>48</b> 2014	<b>18</b> 2015	<b>18</b> 2014
Health Insurance		Vision Insurance		Dental Insurance		Supp. Life Insurance	

	2015	2014
Total Employees	80	71
Male	61	49
Female	19	22
Full Time	78	67
Part Time	2	4



**46%** | **56%**  
2015 | 2014

The percentage of employees that have been with Anguil 5 years or more.

**23%** | **28%**  
2015 | 2014

The percentage of employees that have been with Anguil for over 15 years



## **EMPLOYEE BENEFIT PACKAGE**

Anguil aims to offer a well-rounded employee benefits package that serves the whole person. All full-time employees are eligible for quality healthcare, dental, vision and many other onsite health benefits, including yearly health risk assessments and flu shots and a fitness center.

### **Retirement Package**

Anguil also offers a 401(k) saving plan to their employees. Anguil matches 50% of your contributions, up to 6% of your direct pay and is subject to vesting schedule.

### **Supplemental Insurance**

All full time employees are provide with company paid group term life and accidental death and dismemberment insurance. Employees may choose to purchase additional supplementary life insurance through a third-party vendor.

### **Social Security**

Social Security is a federally sponsored program that pays benefits to employees who have made regular contributions to the program during their working years. In addition to employee contributions made automatically through payroll, Anguil contributes an equal amount each pay period.

### **Unemployment Insurance**

In the case of layoffs or termination, Anguil pays the full cost of unemployment insurance based on eligibility and payment amounts decided by state law.

### **Worker's Compensation**

Employees are covered by Worker's Compensation insurance if injured in the course of work or if an employee falls ill due to work-related causes. This insurance is paid for by the Company and may cover medical costs, as well as partial income replacement, if an employee is unable to work.

### **Family and Medical Leave Act (FMLA)**

Anguil complies with all requirements of the Federal Family and Medical Leave Acts (FMLA), as well as other applicable state FMLA laws. Generally, an eligible employee will be granted up to 12 work weeks of FMLA leave during a calendar year period. The leave may be paid, unpaid, or a combination of paid and unpaid, depending on the reason for the leave and the benefits to which the employee may be eligible. This policy will be administered in compliance with the National Defense Authorization Act of 2008 as it amends the Family and Medical Leave Act. The taking of leave under this policy will not be used against an employee in any employment decision, including the determination of promotions, discipline, or compensation.

### **Paid Time Off**

Anguil believe every employees deserves time out of the office to restore and rejuvenate. Anguil has a generous paid time off program which progressively rewards accumulated years of service.

An Anguil work week shall not exceed the maximum set by local law. However, Anguil's defined work week shall not be more than 60



hours per week including overtime, except in emergency or unforeseen situations. All employees are guaranteed at least one day off per seven-day week regardless of work class.

### **Tuition Reimbursement**

One of the most vital aspects of our business is employee development and continued education. We hope that all of our employees will grow with our company as they progress in their career path. We offer 50% reimbursement on college tuition and books for approved college courses pertaining to our business needs. Benefit eligibility begins after one continuous year of full-time employment and upon receiving written approval on course selection from Anguil.

Employees must receive a grade of B or better in the course and be employed at the time of reimbursement to receive this benefit. We want talented employees to stay with us! Tuition is repayable to Anguil if an employee voluntarily terminates employment within two years of receiving reimbursement.

### **Continuous Education**

Employees may be asked to attend specific company-paid job-related workshops, short courses, or seminars. We also offer free Lynda.com courses to all employees. We encourage employees to work with their managers on selecting beneficial courses that are of personal interest and professional success.

### **On-Site Fitness Classes**

Anguil offers an on-site fitness class weekly. Yoga classes are held during lunch and are free to all Anguil employees.

### **Charity Food Drive**

Anguil's annual food drive for Second Harvest Food Bank was a huge success. We ran the drive for about 4 weeks and was able to collect an abundance of food.



## ANGUIL PULSE

As a way to help our organization shape a path to resilience, health and morale, we have implemented a companywide Anguil Pulse survey. It is an assessment that keeps up with the ever changing environment which we work in. The pulse will provide our executive management team and company leadership with clear insight to develop an appropriate planning and strategic response for the ever changing environment. The idea is to help focus the business improvement efforts.

The bi-annual survey will ask each employee to rate stress level to company culture. The numerical results from the questions will be averaged into several "pulse" metrics. The executive team has decided on a goal pulse rate of 80% across all metrics. Any area that falls below 80% becomes an area of attention, which will help direct company improvement efforts.

We are only as strong as our weakest link and over the upcoming year, our focus will be driven by training. We want to empower our employees so that they are highly qualified and able to react to situations in accordance with Anguil standards.

The results of the most recent Anguil Pulse survey administered in November 2015 are published below. As reflected in our Core Values, Anguil is dedicated to a path of Continuous Improvement.

## TRAINING

This past six months, Anguil has hired a full-time Training and Communication Specialist. Some of the highlights to report thus far are:

- \* Purchase of an industry-leading e-learning authoring software for the creation of reuseable learning objects and electronic training modules.
- \* Purchase of a Learning Management System (LMS) to administer and track training participation and professional development company-wide
- \* Implementation of a Human Resources SharePoint site which we are using to store company wide documentation and job aids.
- \* New hire portal, onboarding procedure and training module for computer-based training (current modules include new hire welcome, company information and background, benefits and perks, sustainability and safety).
- \* Transferring of ownership of Anguil Standard Practices (ASP) to the Human Resource department

## ANGUIL STANDARD PRACTICES

Anguil Standard Practice (ASP) is a management system developed and implemented to standardize Anguil's procedures for training purposes. ASPs will be implemented, including needs identification, authorship assignment, review, approval, release, and auditing processes is underway. Meetings were held with all managers to discuss and decide on the top priorities for Anguil Standard Practices to be documented for each department. An authorship plan was determined with each manager. This management system was formally introduced to all employees in the past quarter. The roll-out includes a computer-based training on ASP authorship. There will be a certain number of ASPs required to be authored by each manager and their department in 2016.

## Fall 2015

### Anguil Pulse Results

- How likely are you to recommend working at Anguil to someone you know? **21**  
**NPS (Goal: 50+ NPS)**
    - How positive do you feel about your future as an Anguil Employee (1-5)? **4.46**
    - Overall current satisfaction (1-5): **4.42**
  - **How do you feel about the following (1-5):**
    - Relationships w/ direct coworkers: **4.5**
      - Manager: **4.38**
    - Executive Leadership: **4.25**
    - Quality of Final Products/Services You Produce: **4.25**
    - Mission Stmt/Strategic Goals: **4.25**
      - Company Culture: **4.0**
      - Benefits Package: **4.08**
    - Passion for Job Responsibilities: **4.13**
      - Technology: **3.46**
    - Compensation Package: **3.79**
    - Your Professional Development: **3.92**
      - Stress Level: **3.54**
    - Overall Direction of Anguil: **4.29**
- Overall Pulse Rate: 4.06 (Goal: 4.0)**

# ANGUIL WELLNESS



## **building a strong workforce**

The Anguil Wellness Program promotes the nurturing of the mind, body, and the communities in which we live. We are proud of our commitment to wellness and the role it plays in the quality of our employees' lives. Anguil seeks to offer a diverse variety of wellness opportunities to make living and working well as accessible as possible, including Biggest Loser® fitness challenges, team ultimate frisbee, onsite yoga classes, delivery of Community Supported Agricultural (CSA) baskets, extended lunch breaks if used to exercise, lunch and learns, healthy lifestyle education resources, and the much loved onsite chair massages around the holidays.



**WELLNESS PROGRAMS**

- Wellness education classes
- Onsite fitness room with shower facilities
- Community Supported Agriculture (CSA) basket delivery program
- Lunchroom healthy snacks
- Free annual Health Risk Assessments (HRAs)
- Motivational exercise challenges
- Onsite group exercise classes
- Adopt-a-Highway clean up
- Charitable giving and community service opportunities
- Onsite chair massages
- Anguil community garden

**WELLNESS PROGRAM PARTICIPATION (by Number of Employees)**

<b>40</b> Annual Health Risk Assessment	<b>4</b> CSA Basket Deliveries	<b>30</b> Average Lunch and Learn Attendance	<b>30</b> Summer Weight Loss Challengers
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**community wellness**

Anguil actively seeks opportunities to get involved in our local community to make a positive difference. Anguil recently became an Adopt-a-Highway sponsor to pick up trash in our neighborhood. Other charitable giving recipients include Toys for Tots, Hunger Task Force, St. Jude's Research Hospital, and American Cancer Society.



## Ensure that all employees are working under 60 hours per week.

Anguil has tracked the process to ensure our employees are working less than 60 hours a week on average. We have tracked the total hours worked less travel hours to calculate the workable average hours per week. We have hired several new employees to help us meet the metrics. We have also identified potential subcontractors to assist when workable hours have increased.



## Overall Goal 4

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	2015 Avg
Avg. Hours Worked	40.01	40.30	42.04	38.71	41.99	39.95	39.37	36.71	36.01	36.44	36.53		36.53

# SPOTLIGHT ON INTERNATIONAL

Our international presence has significantly increased over the last few years. We will continue to develop strategic partners throughout key regions and markets for our international success. Our sustainable initiatives as outlined in this report have helped us find and develop our local strategic partners. Developing a business relationship requires all parties to have similar values and strategic objectives. The partnership has to be built on trust and transparency.

Although the world has become more globalized and technological connected, our company firmly believes that having a face-to-face meeting is a key element in our sales success. Having a local strategic partner presence allows us to connect with more potential customers and better understand the industrial marketplace needs in a given region, extending our global reach.

Having strategic business partners with the ability to fabricate our large industrial equipment has been a valuable tool to our international success. Fabrication in the country where the equipment is to be installed rather than at our corporate headquarters has increased our competitiveness and significantly reduced our transportation costs.

As our international customer install base continues to grow, so too have our local business partnerships focused in aftermarket services. Although all of our units are connected via Ethernet or cellular connection for troubleshooting, visits sometimes require a field service engineer on site for troubleshooting. Anguil has several certified international business partners to assist if onsite service is needed. These Anguil certified sub contractors are extensively trained on our oxidizers and are located throughout the world.

The developed strategic partners in key regions has significantly decreased our environmental footprint.



## Make Anguil's Safety Program More Transparent

### SAFETY TEAM

The safety team relaunched in 2015 with new team membership and has defined goals for the safety program in 2016. The team is updating the Safe Work Practices manual and using an online safety training program to help us achieve our safety goals. Our safety policy is available upon request. The goal of our safety team is to protect our most valuable resource our people. We want to provide the safest and most desirable workplace.

We have made great strides in balancing the social, economical and ecologic issues. However, with changes comes unintended consequences. We want to include safety in every conversation and decision we have here at Anguil and in our supply chain. From engineering change orders on our standard products, to replacing a light bulb, we must assess the safety concern.

Anguil continued its membership to both ISNetworld and PICS auditing.

### FIRST AID CABINETS

Anguil has contracted with Cintas to supply our organization with a first aid cabinet. This will meet our individual safety requirement needs. Cintas has provided trained and professionally delivers the first aid supplies. Cintas monitors, refills and maintain the cabinet for us, ensuring that we have a consistent service schedule. It reduces Anguil's liabilities by maintaining ANSI & OSHA compliance and provides a quick and effective response in the event of serious injuries. It is formulated for use in the workplace to help maintain productivity. Anguil complies with OSHA regulation 29 CFR 1910.151 (b) (k).

### MEDICAL FIRST AID/CPR/AED TRAINING

Anguil provides Medic First Aid/CPR/AED training annually. This important training program will be offered to all Anguil employees free of charge. Anguil also ensures that the products it puts out into the field are also safe and reliable.

## Maintain EMR rating below 1

Anguil is pleased to show that our EMR rating continues to be below 1 and we will work hard to maintain our rating in the future.

	2015	2014
EMR	0.75	0.97

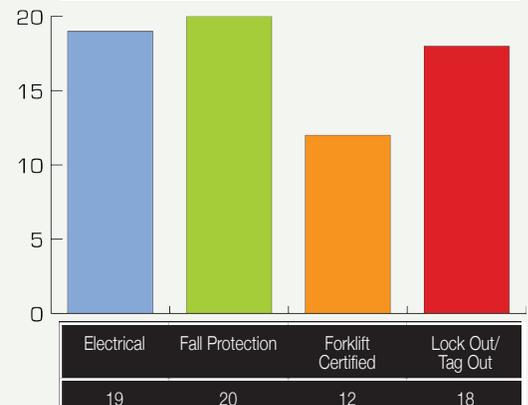


## Overall Goal 5



## Overall Goal 6

### TRAINING CERTIFICATIONS



# ENVIRONMENT

Our mission statement “Anguil provides environmental and energy solutions that ensure cleaner air and water for future generations” is the foundation of the sustainability practices at Anguil. We are in the business of air pollution control and energy recovery. Our goal is to provide pollution control and energy solutions today to help our customers remain profitable tomorrow. We may be a small company, but we do recognize that we too still make an impact on our environment from soil, to air, to water, and everything in between. As such, the surrounding environment is at the focus of how and why we do business the way we do.

We recognize the importance of providing high quality products while minimizing our impact on the environment around us. We believe strongly that transparency within our supply chain leads to maximizing our efficiency while minimizing our environmental footprint. Consistently practicing sustainability will take some creativity by all levels of our organization, but continues to positively affect our overall financial health by giving us a broader overlook at who we are, who are stakeholders are, and strengthens our community and environment around us. Our business is more robust and healthy when our partnerships, community, and environment are at their strongest.



## 2014-2015 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Status Update
G7	Implement program to measure water usage internally and within supply chain	Develop record keeping of water usage, ask our supply chain to be more transparent	Annually	Complete, Ongoing in Organizational Procedure
G8	Develop and implement a Supplier Code of Conduct	Develop step by step implementation plan, establish supplier expectations, communicate expectations	Annually	Complete, Ongoing in Organizational Procedure
G9	Develop and implement a Supplier Scorecard	Remind suppliers of Anguil's commitment to sustainability, create a system for tracking and monitoring suppliers	Annually	Complete, Ongoing in Organizational Procedure
G10	Establish Anguil's environmental footprint	Develop trackable metrics, create documentation plan	Annually	Ongoing goal into 2016
G11	Zero manufacturing waste going to conventional landfills	Communicate goal to all employees and stakeholders, initiate development of trackable metrics	Annually	Ongoing goal into 2016
G12	Produce annual sustainability report	Create action plan to implement sustainability goals, monitor progress toward obtaining goals		Ongoing goal into 2016

## 2015-2016 PROGRAMS FOR IMPROVEMENT

No.	Goal	Actions	Evaluation Period	Accountability
E-G1	Continue managing our supplier sustainability efforts	Develop step by step implementation plan, establish supplier expectations, communicate expectations to suppliers	Annually	Director of Operations
E-G2	Reduce Anguil's environmental footprint with defined subgoals	Take action on identified opportunities in 2015, develop list of sub-goals and roll out implementation and communication plan	Annually	Director of Operations
E-G3	Produce annual sustainability report	Create action plan to implement sustainability goals, monitor progress toward obtaining goals	Annually	Director of Operations

## **Sustainable Benchmarking Trip**

The Anguil Sustainability Advisory Group completed a sustainability benchmarking trip at a local manufacturing company to generate inspiration for sustainable practices at Anguil. The visited company strongly believes in green products and sustainable practices and have voluntarily committed to limiting their environmental impacts in areas such as waste, run-off, and energy usage. Some of the eye opening things that Anguil's Sustainability Advisory Committee took note of was:

- Sustainability is really about continuous improvement in form of time, money, knowledge and resources
- Weekly department meetings are held where all employees are asked to find ways of eliminating waste.
- Transparency throughout the process
- Money saved by doing “green initiatives”

## **Sustainability Conference**

A few of the sustainability advisory committee members attended a local sustainability metrics workshop. The take away from this conference was how to normalize our metrics. Anguil has decided to normalization our values on our average number of employees.

## **Green Masters Program**

At the sustainability metrics workshop, we learned about the Green Masters Program. The Green Masters Program provides a third-party objective set of criteria for defining sustainability initiatives and legitimizes our work to push sustainability into our supply chain. Anguil applied for and gained recognition as a Wisconsin Green Masters Program Participant and Green Professional for 2015. Anguil was evaluated for acceptance into this program based on our involvement in key areas of sustainability, business success linked to improvements in employee engagement, environmental performance, and community involvement, and our seeking of recognition for our sustainability initiatives.



## Overall Goal 7

### Implement program to measure water usage internally and within supply chain.

#### Water

Anguil has taken a historical look at our water usage over the years to get a baseline of our overall water usage. We have compiled water usage from November 2008 until August 2015 based upon our meter reading and acknowledged by Brown Deer Water Utility.

	2009	2010	2011	2012	2013	2014	2015
FEBRUARY	98	48	36	72	117	86	30
MAY	121	47	42	53	102	43	35
AUGUST	106	93	79	126	49	67	76
NOVEMBER	79	93	85	59	37	46	
TOTAL	404	281	242	310	305	242	

The unit of measure is (per 1000 gallons)

As our headquarters is based in Milwaukee, WI, the seasons greatly impact our water usage as we have a cooling tower for air conditioning. In the coming year, we will begin to delve into the water usage to see if there are potential areas where we are significantly wasting water. We have already replaced most of our bathrooms toilets with lower capacity toilets since 2010. We are considering installing automatic shutoff faucets in our restroom areas. Research has been done looking at the possibility of using rain barrel system coming off a portion of our gutters for landscaping needs. We will also beginning asking our supply chain to report on their water usage to see if there are additional areas of improvement that can be made.

# SPOTLIGHT ON RECYCLING

Environmentally responsible employees continue to make recycling a priority at Anguil. To minimize our copy paper usage, Anguil strongly encourages employees to use electronic tools, recycling paper stations are provided at all employee desks, and printers are defaulted to double-sided.

Over the past decade, our business has shifted from hardcopies to increasing electronic avenues. However, when hardcopies are needed, we do use green printing products. Our main hard copy marketing materials are produced using green printing practices and mixed sources, which ensures that the product is from well-managed forests and other controlled sources.

In our lunch rooms, Anguil has multiple recycling stations set up for recycling of paper, glass, aluminum, and plastic. There is no excuse within our offices not to recycle. All of lunch rooms have energy star energy efficient appliances. Anguil has installed a dishwasher to encourage their employees to reduce unnecessary landfill waste. Anguil has minimized our disposable plastic silverware, paper plates, and plastic cups usage by provided reusable dinnerware and silverware.

## Develop and implement a Supplier Code of Conduct.

Our Supplier Code of Conduct was established because we wanted to ensure our Suppliers were enforcing a safe working environment and valued their employees as much as we value ours. As we work in the manufacturing environment, we also felt that it was important to create standards that show that we are committed to the environment.

Anguil has identified twelve major suppliers to target in 2016. Each of these suppliers will be asked to sign and acknowledge acceptance of our Supplier Code of Conduct. The letters will be sent out in early 2016 and tracked for acceptance. Anguil wishes to operate in the highest level of integrity.

Our long-term goal is to get all of our suppliers to sign and acknowledge acceptance of our Supplier Code of Conduct. This demonstrates our commitment to our values and ensures a fair and ethical workplace exists among all aspects of our organization. We believe that strengthening our partnerships will increase trust through our supply chain and create a mutually respectful relationship.

Enforcement of the Supplier Code of Conduct will be by supplier self-audits and site visits by our internal team. We will work with Suppliers on any concerns they may have in obtaining our goals. Any violation of Anguil's Code of Conduct may result in immediate termination of Supplier's relationship with Anguil. We would like to thank all of our suppliers that are committed to our code of conduct.



**Overall Goal 8**

# SPOTLIGHT ON QUALITY

The quality department has doubled in size this year with a dedicated team focused and aligned to improve not only Anguil's end product, but processes throughout the company. A SharePoint intranet site was launched early this year for internal collaboration and communication on manufactured projects. Metrics, team members, meeting notes, punch lists and tasks are a few of the collaborative features of this site.

Quality assurance inspection forms have been expanded and standardized. These forms are now located on a Cloud platform allowing external collaboration with our vendors, suppliers, and manufacturers to facilitate clear understanding and documentation of their contractual obligations. In addition, Anguil has implemented a quality control instrumentation and device verification (QCIDV) system to audit material and components prior to assembly of the equipment in our fabrication shops. This process improves transparency in the supply chain by ensuring correct specification and receipt of components from our suppliers in a timely fashion. This also allows us to make corrections to either incorrect or misapplied parts, saving time and resources in the process, before it effects the contracted timeline for delivery.

The efforts of the quality department have reinforced Anguil's commitment to the highest level of service to our customers. The goals we have established support our efforts towards continuous improvement and sustainability, to maintain our status as the premier manufacturer of pollution control equipment.



## Develop and implement a Supplier Scorecard

Anguil is pleased to announce that we have developed a Supplier Scorecard. Our goal in implementing the Supplier Scorecard is to align our desired outcome with each of our suppliers and measure each supplier's performance on an annual basis to help make improvements in our relationship.

Our Supplier Scorecard is broken down into four key areas: quality performance, cost performance, delivery and service performance, and capability and relationship performance. We feel that if our vendors can continually improve in these four areas, it will substantially benefit our organization long term.

Each of these areas of focus had a few specific and defined subtopics. Each of the subtopics were given a weighted value from 1-9, with 9 being the most important. The Supplier score ranges from 1-5 with 5 being the best. The maximum number of points is 425. This system has scoring flexibility where one size does not fit all. We also feel that this approach allows us to best access our suppliers and the realities of the supply environment for our business.

Suppliers rating from 95%-100% are considered excellent suppliers. 85-94% is above average suppliers. 70-84% is average suppliers. 69-60 are suppliers that need improvement. Below 59% are suppliers that are not acceptable. If any of our suppliers score below 69% we will place them on an improvement plan. This plan is custom designed for each supplier depending on which area needs to must focused improvement efforts.

The supplier scorecard is not a perfect system and as we continue to use it, we know it will evolve. We will continue to review our scorecards yearly and will ask our Supplier to help improve the cards as well. Anguil still needs to decide what we are going to do to reward our vendors for high scores. We have completed ten (10) scorecards of our major suppliers.



## Overall Goal 9

Ratings (as a % of maximum number of points)	Evaluation Period
Maximum Number of Points	425
95-100%	Excellent (5)
85-94%	Above Average (4)
75-84%	Average (3)
65-74%	Needs Improvement (2)
0-64%	Unacceptable (1)

*If any one score is a 2 or a 1 then the supplier must be placed on an improvement plan*

	2015
Supplier Scorecard Average	353.7 / 83.2%

## Establish Anguil's environmental footprint

### ANGUIL CORPORATE LANDSCAPING

This year Anguil redesigned our corporate landscaping to include low impact and low maintenance landscaping to help with our sustainable efforts. The addition of native plants in the beds around our building will reduce the need for watering and fertilizing.

### MOTION SENSOR LIGHTING / ENERGY SAVING LIGHTBULBS

In low traffic areas, Anguil has installed motion sensor lighting in order to conserve on our energy usage. Installing these light fixtures was easy and made economic and environmental sense.

To ensure a brighter future, as our older light fixtures and light bulbs burn out, we are continuously upgrading our lighting to conserve on our energy usage.

### COMPUTER SETTINGS

The part of the computer that consumes the most energy is the monitor. Instead of our employees using a screen saver (which uses twice as much energy as another method), we have programmed all employees' computers to use sleep mode after 5 minutes of inactivity.

We have also asked our employees to adjust their monitors' brightness to the lowest comfortable setting. If employees are able to adjust the brightness downward, it also lowers the power usage.

We have consolidated the majority of our individual printers to industrial size printers. All of our copiers and printers have a sleep mode setting which has been activated to conserve energy.

### ADOPT-A-HIGHWAY

Anguil has adopted a section of highway in our community as part of the Adopt-A-Highway program. The staff at Anguil clean up the section of highway three times a year.

### ANGUIL COMMUNITY GARDEN

The Anguil community garden was installed this year through the Victory Garden Initiative's annual Garden Blitz. Each year during this event, volunteers install hundreds of raised bed gardens with the goal of promoting sustainable food systems. Anguil's first garden was bursting with greenery. We had several individuals with green thumbs help with the initial planting and weekly garden care. The harvested veggies were put in our lunch rooms to encourage healthy eating.

### COMPOSTING

To aid in our Anguil community garden, we are establishing a composting station in both of our corporate lunch rooms. The Anguil Wellness team also presenting a composting Lunch 'n Learn to the company to help facilitate this effort.



## Overall Goal 10



## Zero manufacturing waste going to conventional landfills

### RECYCLING PROGRAM

Our recycling program has continued to grow at Anguil, as our employees are more aware of what can be recycled. We have new recycling receptacles that were purchased and placed in various common areas around our facility.

A new single sort recycling dumpster has been acquired. The dumpster is now twice the volume of our old dumpster and is picked up more frequently so that recyclables are truly being recycled. This prevents our overflow cardboard from being placed in the non-recycling dumpster instead of the recycled dumpster.

### ELECTRONICS RECYCLING PROGRAM

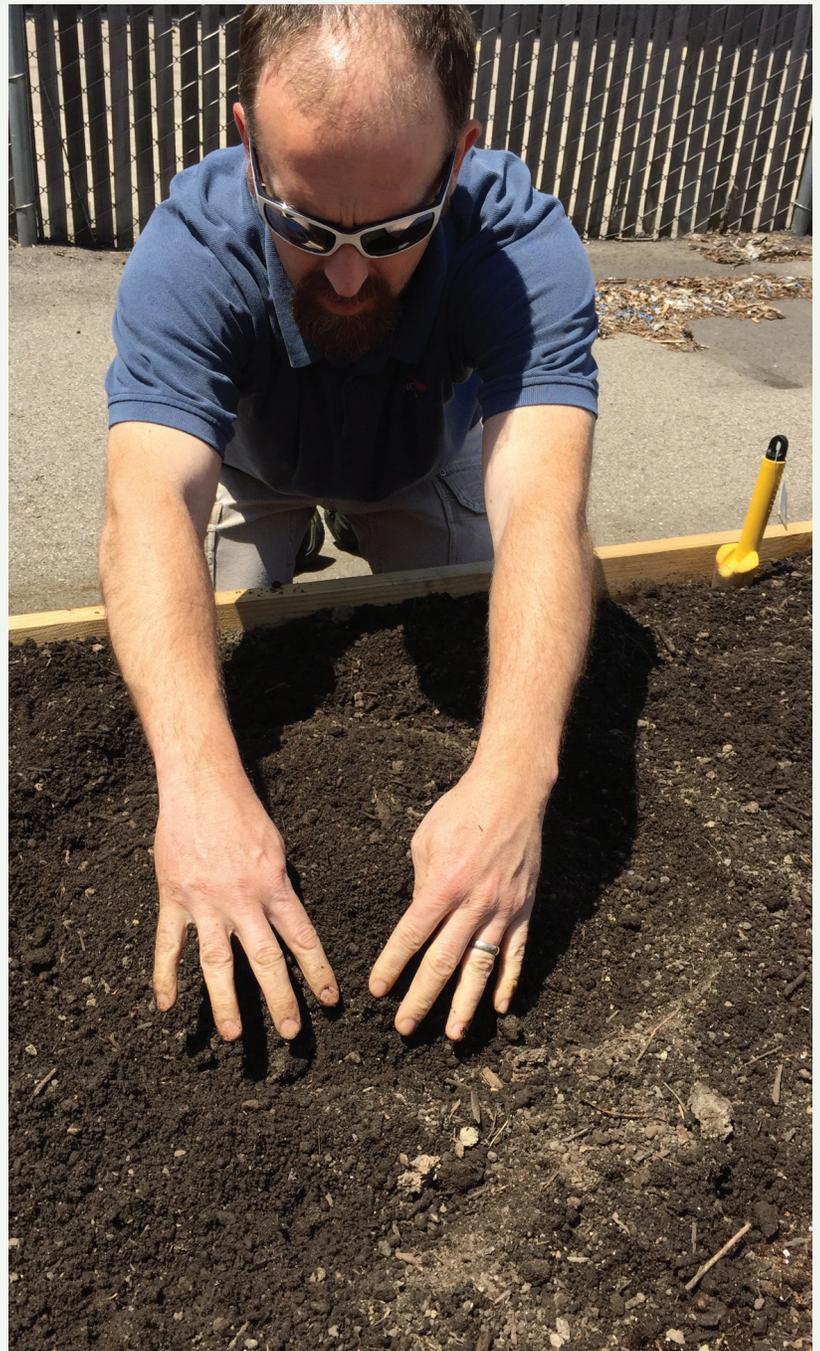
We are now recycling our old electronics including from our products and our older computers and other unwanted or broken electronics. We have also given our employees the ability to bring in their old electronics for recycling.

The majority of the metal scraps accumulated here at Anguil is picked up by a third party recycler that takes the scrap to various salvage yards for recycling. We have estimated that this past year we have recycled approximately two tons of metal scrap that would have gone to a conventional landfill.

We have significantly reduced our waste going to conventional landfills and will continue to move forward in reducing our landfill waste in the upcoming year.



## Overall Goal 11



## Produce an annual sustainability report

### SUSTAINABILITY ADVISORY COMMITTEE

The Sustainability Advisory Committee is actively working on our sustainability initiatives at Anguil. As our company has grown so too will our team in 2016. New members will be joining us in early 2016. We continue to evolve as a group as we expand on our gained knowledge of the different types of waste this year.

The group has discussed another benchmarking trip to a local manufacturing site in 2016. This benchmarking trip will focus on reducing our environmental footprint.



## Overall Goal 12

## GOVERNANCE / ACCOUNTABILITY

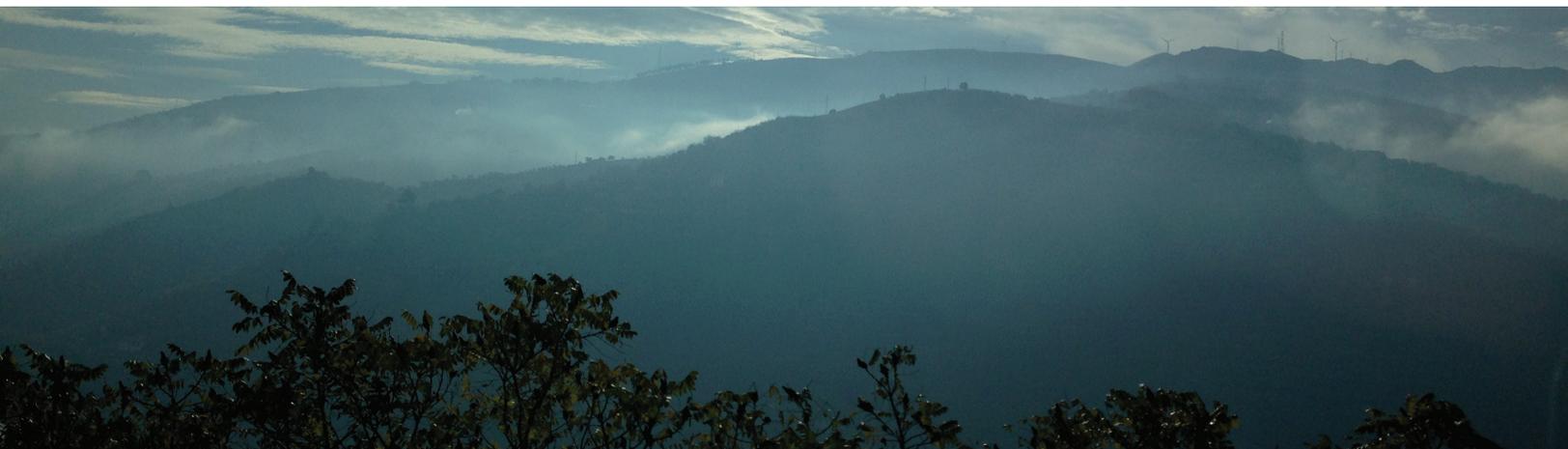
### Compliance

At Anguil, we recognize the importance of setting goals and using identified metrics to show whether we have met those goals or not. Tangible results are the foundation of our sustainability program. In order to determine what goals we should set and what metrics are best to measure those goals, we must know our entire supply chain and have a transparent work flow so that we can control how our products are made from the material to the end product.

At times, governmental or customer compliance requirements may arise without warning and having a fluid sustainability program that includes contingency planning is essential for our organization. Our sustainability program cannot be so rigid that adaptation does not exist. We instead will focus on what is at the forefront for our stakeholders and participate in our industry association and within our community to stay on top of upcoming regulatory developments and trends.

Anguil strives to comply with all environmental and social policies globally, internationally, nationally, statewide, and locally. Our framework and standards coincide with internationally recognized standards. We acknowledge that as we grow and evolve, so too does the world around us. Our ability to adapt and adhere to these requirements and new challenges will be key to our success.

Sustainability is a cultural element that impacts all aspects of the organization. It is an awareness in all activities performed and a big picture understanding of how our processes and products affect the world around us. Anguil will continuously train, assess, monitor, and ask questions about how and why we do the things we do and keep in the forefront that our stakeholders rely on us to do this.



## Committees at Anguil

Several teams have been created to ensure the mission outlined in our sustainability reports is a key focus throughout the organization. This team's focus is to assess, improve, implement, and integrate the strategies into Anguil.

Strategic Planning Team – The strategic planning team was identified Anguil's major strategic objectives for 2016-2017.

1. Develop a Functional Organizational Chart
2. Implement a new ERP software system

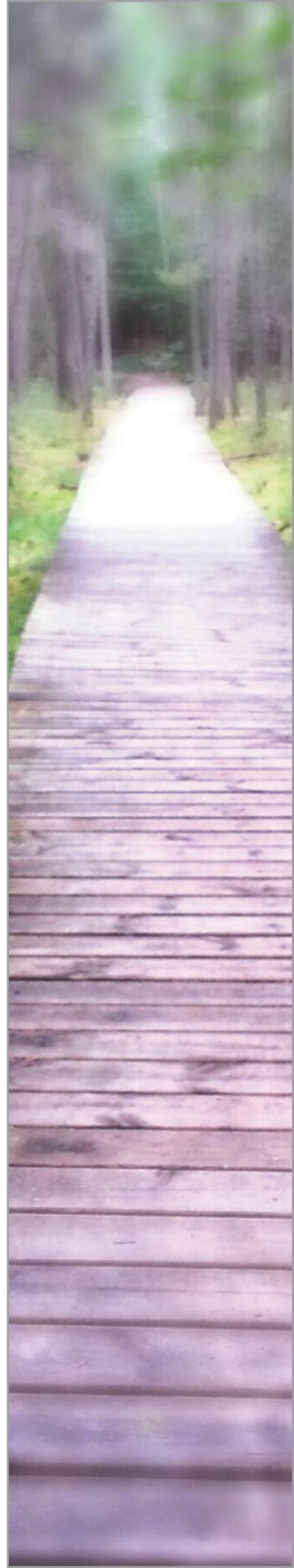
Both strategic objectives will require intensive investigation and review of possibilities for what makes the most sense at Anguil to facilitate growth while simultaneously serving our customers better. While these are ambitious initiatives that will require a significant amount of our time, these will not be the only areas of focus for the company over the next year. The strategic planning team identified over 100 suggested tactics and ideas for implementation, many of which will roll into departmental and/or individual goals following thorough evaluation of the options.

Stage Gate Team – This team is focused on processes and procedures for our product delivery methodology. This team is responsible for the framework for internal and external stakeholders to optimize information flow and define project needs. This will enhance communication, efficiency, quality, accountability, cost savings and customer satisfaction. The next major stage is developing metrics to report outputs to the company to help drive future improvements and reduce waste.

Technology Team – This team focuses on processes, procedures and training for effective and efficient uses and deployment to our employees. It focuses on developing our employees to ensure their commitment to our organization long term. The technology team has identified one major company wide role out for our a new software program. It will be the team's responsible to access, develop and train all employees.

Cost Reduction and Standards Team – This team is focused on defining our products standards, designs, components and technologies. The team has successfully defined our standards and will develop procedures for updating or changing the standards that were developed.

Safety Team – This team focuses on setting policies and procedures to ensure Anguil is providing the safest work environment. They also are responsible for training, recording, investigating safety related incidents and setting safety-oriented objectives. The newly revamped team will continuously review and update our safety policies, formally release Anguil Safe Work Practice manual, and provide necessary training for our employees.



Hospitality Team – This team is focused on planning social events and activities to strengthen the company culture.

Wellness Team – This team is focused on provided health and wellness opportunities for our employees to make them more well-rounded professionals. The team promotes the nurturing of the mind, body and the community which we live and plays an important role in the quality of our employees’ lives. The team seeks to offer a diverse variety of wellness opportunities to make living and working well as accessible as possible.

Executive Management – Oversees the efforts of our organization and meetings weekly to ensure that our strategic objectives are met.

## **REPORTING**

Anguil obtains, maintains and keeps current all information and reporting requirements. Anguil will produce an annual sustainability report which will include economic, environmental, social, and governance performance. This report will serve as our ongoing commitment to transparency and sustainability.

## **Environmental Grievance Mechanisms**

Our main contact for all environmental grievances will be our Director of Operations. This position will be the point person to record and respond to concerns, and will cultivate a trusting, accountable, and transparent environment with a consistent approach for resolving potential concerns.

The main objective will be to document and acknowledge, investigate, assess and assign, create/update procedures or policies, train and communicate the responses, and lastly, follow up and close out. The outcomes of grievances must be seen as fair, effective, lasting, and consistent.

This systematic process will help allow Anguil to be more proactive in identifying emerging issues and trends to help facilitate corrective action plans quickly and efficiently. Having a methodical approach allows those who have identified an issue to know what to expect and the process involved. This approach also assures a predictable response time.

Anguil continues to be an industry leader and is making steady progress internally in minimizing our impact on the environment. Environmental consciousness is not a onetime challenge, but rather a continual opportunity and commitment made throughout the organization to improve our business impact. Anguil’s main focus over the next year will be to measure our baseline performance in the areas identified above and reduce risks and liabilities where we find opportunities for improvement. This will allow us to set realistic long-term goals and objectives for continuous improvement both internally at our office and externally with our stakeholders in our enduring commitment to sustainability.



# 2015-2016 GOALS

No.	Goal	Actions	Evaluation Period	Accountability
HR-G1	Implement our identified solutions to shortcomings with our communication	Assign Anguil Standar Practice authorship, implement communication and training strategy	Annually	Human Resources
HR-G2	Improvements to the facilities to be more ADA compliant	Evaluate opportunities for improvement, develop implementation/communication plan	Annually	Director of Operations
HR-G3	Continue to grow our library of Anguil Standard Practices (ASPs)	Assign ASP authorship, monitor progress, and implement communication and training strategies for each ASP	Annually	Human Resources
L-G1	Communicate safety team objectives, roll out Safe Work Practices, and track training for our safety program	Develop a safety team charter, a communication/training plan for manual roll out, implement Click Safety training program	Annually	Chief Operating Officer
L-G2	Increase our volunteering efforts at Anguil	Evaluate existing volunteer efforts and opportunities available within the community, roll out formal program	Annually	Human Resources
L-G3	Improve accessibility and visibility of Anguil's benefits and wellness program	Develop communication plan and create one point of access for information	Annually	Human Resources
E-G1	Continue managing our supplier sustainability efforts	Develop step by step implementation plan, establish supplier expectations, communicate expectations to suppliers	Annually	Director of Operations
E-G2	Reduce Anguil's environmental footprint with defined subgoals	Take action on identified opportunities in 2015, develop list of sub-goals and roll out implementation/communication plan	Annually	Director of Operations
E-G3	Produce annual sustainability report	Create action plan to implement sustainability goals, monitor progress toward obtaining goals	Annually	Director of Operations

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A Note About The Numbers: The data contained in this report represents the first time Anguil has attempted to track these metrics. This data was used to identify areas of opportunity as we established the sustainability goals outlined in this report and has inaugurated a statistical baseline from which we will aim to improve in coming years as we strive to meet these goals.