



2018 TRIPLE BOTTOM LINE REPORT
CASCADE ENGINEERING
FAMILY OF COMPANIES

Our Triple Bottom Line Report

Introduction

Our 14th annual report's theme is integration. With special attention to the purpose, vision, strategic direction, culture, and values that inter-twine our company. We also focus on the diverse business units that make-up our Family of Companies. A business environment usually measures itself on financial performance, we're proud to follow principles that maximize People, Planet, and Profit—the defining components of our TBL philosophy. This report provides insight to how our principles drive our actions. We want to begin by sharing what each of them mean. These are the ideas that shape the culture across our Family of Companies.

Purpose

To have a positive impact on society, the environment and to be financially successful.

Vision

Our vision is to be the highest value partner to our customers, by shaping ideas in plastics.

Strategic Direction / Capabilities

We are driving toward operational excellence and industry 4.0 (digital transformation of smart factories). As one of

the premier large tonnage plastic injection molders in the world, we are focused on having world-class operations and value-added services. As for people, we are on the journey of being an Employer of Choice, where we will attract, retain, and engage diverse top industry talent. Then, we surround them with an excellent culture, one that makes them the safest and healthiest, with unlimited opportunities in personal development.

Strategic Direction / Customers

Using a customer intimacy strategy, we choose like-minded partners and develop long-term relationships. Our core markets include automotive, truck and bus, power sports, furniture, solid waste, agriculture, industrial, material handling, material development, and RFID technology. We leverage relationships in these diverse areas to generate customer-driven innovation.

Competitive Differentiation

In order to bring the latest and greatest solutions to the market, we will invest in innovations for natural extensions of products, materials, and processes. Then, we will protect those innovations through various IP methods in order to carve out differentiation in an increasingly competitive global landscape.



Board of Directors & Office of the President



Culture

The Cascade Engineering Family of Companies is a family-owned business, committed to fostering an inclusive, employee-centered work environment. We have found that a culture based on inclusion unlocks each employee's full potential and makes them an integral part of our shared success. As a diverse organization, we thrive on collectively solving difficult challenges that will improve our community, our environment, and our financial prosperity.

Triple Bottom Line

Our history and track record show that a business focused on People, Planet and Profit – rather than profit alone – is more innovative and sustainable. Our goals are to solve difficult problems with our stakeholders and strive toward operational excellence, so this philosophy continues to thrive.

Empowered People

Using courage and consideration, we strive to create an inclusive work environment where everyone knows they are valued as a human being. We empower employees and treat each one with dignity and respect, regardless of racial, cultural or individual differences. Our goal is to be an Employer of Choice that successfully attracts, retains and fully engages diverse employees and stakeholders. We will accomplish this by continuously identifying programs, training, and resources that support the career development and individual growth of our people.

Trust

For our employees, customers, suppliers, shareholders, and stakeholders, we will be transparent and honest in all of our actions and communications, understanding that trust is the basis of any strong culture. We believe that people are innately good and our expectation is that all of our employees will act with the highest level of legal, ethical, and moral integrity.

Innovation

We understand that innovation is vital to our long-term growth and is an integral part of our culture. By encouraging entrepreneurial thinking and experimentation without the fear of failure, we discover better solutions for our internal and external customers. Embracing this process, we will continue providing value by creating unique and sustainable processes, programs, products, and services.

Excellence

By seeking the best talent, skills, and equipment, we will achieve excellence in everything we do. We will attract world-class talent and focus on continuous improvement. Our lean culture is driven by our Cascade Enterprise System, which is pervasive across our Family of Companies. We will invest in our equipment in pursuit of operational excellence and cutting-edge manufacturing.



Fred Keller
Founder & Chair



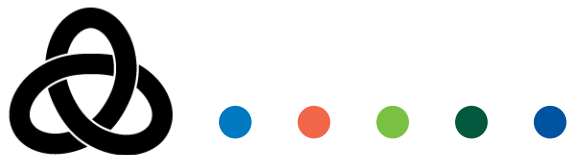
Christina Keller
President & CEO



Kenyatta Brame
Executive Vice President



The graphic displayed here and on the cover is called a “Trefoil”. It is an object that interconnects with itself. A perfect visual metaphor of how our company embraces a Triple Bottom Line philosophy. It has 3 distinct rings, which in this case, represent People, Planet & Profit. They’re all equal parts and overlap, while harmoniously interconnecting. This shape inspired the design for this edition of the TBL Report.



“BEST FOR THE WORLD”

CE Achieves an honor reserved for the top 10 percent



B Lab is a nonprofit organization that serves a global movement of people using business as a force for good. There are over 2,400 certified B Corporations in the world, but only a few are worthy of being called “Best For The World.” In 2018, Cascade Engineering became one of them.

Cascade Engineering is honored in the Best For The World Overall list, among businesses that earned scores in the top 10 percent of more than 2,400 Certified B Corporations across all categories on the B Impact Assessment. The assessment measures a company’s positive impact on its workers, community, customers and the environment. The 226 Best For The World Overall honoree companies come from 92 different industries and 30 countries.



Cascade Engineering made the list thanks to exceptional practices like our Welfare to Career and Returning Citizens programs. “We have tremendous respect for B Lab and we are honored to be an overall honoree along with these like-minded organizations,” said Christina Keller, President and CEO of Cascade Engineering.

“With the rise of anger at a system that feels rigged, people are hungry for companies like Cascade Engineering, who are changing the system by building businesses that seek to create the greatest positive impact,” says Jay Coen Gilbert, co-founder of B Lab. “Best For The World is the only list of businesses that uses comprehensive, comparable, third-party-validated data about a company’s social and environmental performance. As consumers, talent and investors increasingly demand transparent, values-aligned businesses to buy from, work at, and invest in, companies will need to not just be the best in the world but the best for the world. Not just to be nice—but to be the most successful.”

Fred Keller founder of Cascade Engineering stated, “We have tremendous respect for B Lab and we are honored to be an overall honoree along with these like-minded organizations. Our goal has always been; to be good for our associates, good for our community, good for our customers and good for our stakeholders - socially, environmentally and financially”.

Kenyatta Brame, our vice president at, Cascade Engineering, spoke about the importance of businesses addressing community issues at an event in Lancaster this past December. Lancaster County is already home to 12 B Corporations, meeting rigorous standards of social and environmental performance, accountability and transparency.

Brame highlighted that it is in the enlightened self-interest of businesses to think and act this way. “The company came to the realization that they could only outperform their community for very long.”

Eventually, if the business kept growing, but the community did not keep the pace, then the business would begin to falter. Employees would be harder to find, civil unrest could upset work-flow and productivity, and local customers would not have the financial resources to continue buying its products.

We recently went through a B-Corp Recertification. Our assessment score was 141. The highest possible scores vary from year to year but are usually between 160-170. Average scores veer closer to the 80-90 range. Now the focus isn’t acquiring the best score, but this is a representation of all the effort our company has put forth.

Cascade Engineering is extremely proud of this honor. And we’ll continue doing the type of work it took to earn it. There is still a tremendous amount of work to do.





PEOPLE

At Cascade Engineering, there's a Family of Companies, but also a much larger family of people. Our purpose, philosophy, and reason for existing comes back to these valued individuals, but they also encompass millions more, including the customers we serve, the partners we work with, and people from around the world we'll never have the chance to meet.

That's what we mean by "having a positive impact on society," as our purpose states. We're referring to all of society, for this and future generations. It's a daunting task, but we believe that when you empower a passionate, forward-thinking group of people, good things are bound to happen.



EMPLOYEE SPOTLIGHT

Griselda Munoz

Griselda is the Human Resources Manager at our CK Technologies facility in Brownsville, Texas. She's amazingly bright and talented, but what differentiates Griselda is her unstoppable work ethic.

Griselda was born in Brownsville, Texas, but spent her formative years in Mexico. At the age of 16, Griselda returned back to the United States, to begin attending the Gary Job Corps Center—an education and career technical training program for young people, administered by the Department of Labor (DOL) located in San Marcos, TX.

While attending Job Corps, Griselda realized she needed to master the English language in order to succeed. She enrolled in the English Language Learning (ELL) Program. She requested that her required work-based learning (WBL) program take place in an English-speaking facility.

Griselda's career took off. She was hired at Trico Products, a supplier of windshield wipers and automotive components. While working full-time, she earned her Associates degree. She then joined Curves – at one time the largest fitness chain in the world – as the Human Resources supervisor, where she worked directly with its co-founders.

Griselda received her Bachelor's degree in Business Administration, and shortly thereafter she was hired as the Human Resources Manager for CK Technologies' new Brownsville facility. According to Griselda, it was “an incredible opportunity for personal growth.”

Griselda has boundless energy. Recently, she secured a \$361,033 grant from the Texas Workforce Commission Skills Development fund for CKT. She recently completed her Master's degree while staying fully dedicated to her twin boys – Christian and Dominic – who recently celebrated their 13th birthday.

“Griselda is an integral part of the Brownsville team. Her dedication to CK and its employees is second to none. She puts her strong work ethic to use outside of the plant as well by continuing her education and professional expertise. Griselda is a key face of CK in the community and has formed strong partnerships with local high schools, colleges, trade schools, and professional organizations within Brownsville and the surrounding areas. Griselda has been with CK in Brownsville from the start and without her, we wouldn't be where we are now. It is my great pleasure to have her as a team member in the HR Operations group!”

~ Jami Farkas - Director of Human Resources



POWER OF STOP

The Harmony of Safety and Observation

Keeping our employees safe is our top priority. That's why, in FY 2018, we instituted DuPont™ STOP®—an award-winning behavior-based training program—throughout our North American operations.

The program helps to increase safety awareness and to have conversations with others regarding safety. Teaches managers, supervisors and team leaders how to observe people as they work. The acronym STOP (Safety Training Observation Program) provides a path to workplace safety excellence by making safe behavior an integral part of everyday culture.

STOP® programs are based on tested and proven safety principles, including:

- All injuries can be prevented.
- Employee involvement is essential.
- Management is responsible for preventing injury.
- All operating exposures can be safeguarded.
- Training employees to work safely is essential.
- Working safely is a condition of employment.
- Safety observations are a must.
- All deficiencies must be corrected promptly.
- We will promote off-the-job safety for our employees.

Once the initial training of STOP for Supervision was completed, we introduced STOP DataPro®, a web-based application that all leaders, managers, supervisors and team leaders use to record two monthly STOP observations. Soon after, we rolled out STOP for Each Other, which trained the balance of employees to complete one monthly STOP Observation using the same application.

It's safe to say the results were outstanding.

Since we started the program in August 2016 for all FoC leaders, and July 2017 for employees, we are proud to report that 53% of our Family of Company employees have completed STOP training and they have made 5,824 observations, with an on-time observation recording of 88% during FY 2018. During that same time frame, our Grand Rapids Campus saw a reduction to their significant safety rating of 24%, ending the year at 1.14, against an industry average of 3.8. We continue rolling this out to all facilities and strive to improve these numbers across the board.

STOP

GET SAFETY GOING.™



BEST AND BRIGHTEST

National Elite Award Winner



The Best and Brightest Companies to Work For® competition identifies and honors organizations that display a commitment to excellence in their human resource practices and employee enrichment. Organizations are assessed based on categories such as communication, work-life balance, employee education, diversity, recognition, retention and more. All participating companies receive a complimentary assessment report and benefits throughout the year. Winning companies are invited to celebrate in one of our many event regions. Cascade Engineering was recognized as one of 148 West Michigan companies as a great place to work. In addition, we also received an Elite award as the large business “Best of the Best” companies to work for in the West Michigan region.

In 2018 we were recognized as one of the - The Best and Brightest Companies to Work for in the Nation and the National Elite award winner for Compensation, Benefits and Employee Solutions.



MiCAREER QUEST

An Innovative, Hands-On Career Event

May 23rd a group of Cascade Engineering employees participated in a Career Exploration Event called Michigan Career Quest. MiCareerQuest is not your average Career Fair. In fact, it's not a career fair at all. It's a career exploration experience. During MiCareerQuest, students rotate through quadrants highlighting four high demand industries: Advanced Manufacturing, Construction, Health Services, and Information Technology. Students engage with professionals and participate in activities that showcase various high-growth occupations, opening their eyes to opportunities for great careers in West Michigan. Additionally, representatives from educational institutions help students make the connection between training, education and careers. Our industry quadrant was full of tool designers, metal works, welders, computer components and of course injection molders like us.

Over 9,000 students gathered in DeVos Performance hall to engage with employers in a variety of industries. Cascade Engineering employees worked together to create a hands-on exhibit that introduced students to the wealth of careers within the manufacturing industry.

Survey results showed:

- 94% of educators said this learning experience helped fill a current need in the school district.
- 99% said it was a valuable career education activity for their students.
- 83% of students felt they learned about employment or training opportunities they didn't know prior to the event.





PLANET

Business is one of the greatest forces in existence, and with that comes an incredible responsibility. The manner in which we use our resources has an incredibly profound impact.

We take very intentional steps to protect our environment and ecosystems. This not only goes for the actual products we manufacture, but also for the strategies and systems which support them. We've taken incredible strides to produce less waste and manufacture with more recycled materials.

We're still reaching goals while setting new ones.

CASCADE CART SOLUTIONS

Received Recognition by MDEQ Recycling Program

Cascade Cart Solutions was selected for special recognition by the Michigan Department of Environmental Quality's Recycling Program. Cascade has worked diligently to become an outstanding partner to the DEQ and many Michigan communities, recognized for consistently going above and beyond to help increase recycling across the state. "Starting a new state-wide program is a challenge – and it's been possible only through support from committed partners like Cascade Cart Solutions," said Emily Freeman, MDEQ Recycling Specialist, while presenting the recognition at the Michigan Recycling Coalition's Annual Conference.



INVISIBLE WASTE

Acquired by Valet Living

On Friday, June 22nd we met with all IWS employees in Orlando, Florida to inform them that Invisible Waste Services (IWS) was acquired by Valet Living - headquartered in Tampa Bay, Florida. All IWS employees are now employed by Valet Living. IWS employees were informed that they will retain their current position, compensation, and daily duties and all IWS dates of hire will be honored as seniority for Valet Living. We are pleased that Valet Living benefits are commensurate with Cascade Engineering and they also share similar people centered values.

At Cascade, we consider our TBL principles with every decision we make. We ask ourselves, "will this decision have a positive impact on people, planet and profit", and the sale of IWS was not an exception. As market leaders in the valet service space, Valet Living will provide IWS employees exceptional opportunities for personal growth and advancement.

Founded in 1995, Valet Living services over 1.2 Million apartment homes in 38 states with over 5000 employees. They have expanded their valet services well beyond doorstep collection and recycling. Most important to us, Valet Living nurtures a values based culture. They were recently recognized for the second year in a row by the Tampa Bay Times as a "Top Workplace".



Here are Valet Living Leadership Standards:

1. Being Better Tomorrow
2. Embracing Servant Leadership
3. Developing Our Talent
4. Driving Growth and Stability

We thank all IWS employees for their contribution to Cascade Engineering and wish them continued success, personal growth, and prosperity with Valet Living.

ENVIRONMENTAL AUDIT

ISO14001 Re-Certified

ISO 14001 is an international standard that specifies requirements for an effective environmental management system (EMS). It provides a framework that an organization can follow, rather than establishing environmental performance requirements.

In Spring of 2018 the GR Campus completed its surveillance audit for ISO14001. The auditor found no non-conformance (no majors, no minors), but did have a few ideas for continuous improvement.

Thank you to everyone who has made this a priority. Each of us plays a part in maintaining our environmental management system. Our goal is to be a zero waste to landfill company, across the entire family of companies.



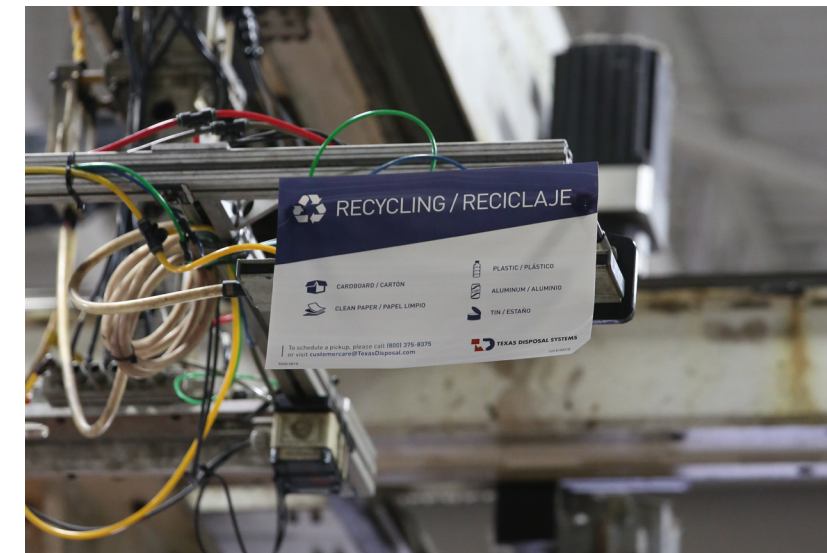
SUSTAINABILITY

How We Manage

Our Environmental Management System (EMS) is the tool we use to manage the impact of our business activities on the environment. EMS provides us with a structured approach to planning and implementing our environmental protection measures. We continually monitor our environmental performance and integrate environmental management into our daily operations, long term planning and our quality management system. Our environmental statement specifies the following three goals:

1. To protect the environment by continuously working toward the reduction of waste with the ultimate goal of minimizing all negative impact on natural and man-made resources.
2. To evaluate our environmental management programs and systems to ensure continuous improvement in the areas of waste and accident identification, reduction and elimination.
3. To fulfill legal requirements and understand every phase of the life cycle of our products – from raw materials and production to use and recycling – thereby contributing to the sustainability of our company and our community.

With these objectives in mind, we continue to design and implement programs to reduce waste to landfill, manage energy and water consumption and promote the use of recycled materials in our products.





PROFIT

As a chair cannot stand on two legs, Profit is a critical and equal component supporting our TBL philosophy. With this in mind, we create value for our employees, customers, and the communities we serve, while staying true to our guiding principles.

Our vision is to be a sustainable and capable partner to our customers. Year after year, we achieve this by doing good work, solving meaningful business problems, and pushing the boundaries of what's possible for manufacturing.



CKT BROWNSVILLE & TEXAS SOUTHMOST COLLEGE

Receive Skills Development Fund Grant

CK Technologies and TSC are using a \$361,033 grant from the Texas Workforce Commission Skills Development Fund for job training to fill gaps in the company's workforce.

Julian Alvarez, TWC commissioner representing labor, presented an oversized check at a ceremony on Monday at the TSC Performing Arts Center that attracted dozens of state and local elected officials, TSC leaders and economic development officials from around Cameron County.

CK Technologies, which manufactures injection-molded fairings for semi-trucks, opened in the former Titan Tire building on Paredes Line Road in 2011. CK started with 50 employees and now has more than 250 (even more including temps), exceeding hiring expectations by about a 150 employees, according to Eric Martz, the company's associate director of manufacturing in Brownsville.

He said the plant has had some difficulty finding technically skilled workers to fill certain jobs involving injection molding, painting and robotics. Some employees have been sent elsewhere for training and some have been trained in-house, Martz said. The new training through TSC has already begun, much of it focusing on equipment maintenance training, he said.

"Along with that equipment you've got to have the proper maintenance," Martz said, adding that the TSC grant is "definitely going to help us."

"This is a wonderful opportunity for our employees," he said.

Melinda Rodriguez, TSC vice president of institutional advancement and workforce training, wrote the grant, a process that took about two years and much engagement between CK and TSC to assess the company's actual needs and make sure the grant application reflected that TSC would satisfy them, she said.

"We didn't just write a grant to get money," Rodriguez said. "We immersed ourselves in understanding the company."



CASCADE CART SOLUTIONS

30 Millions Carts Sold!

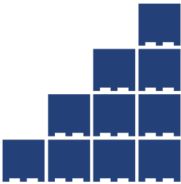


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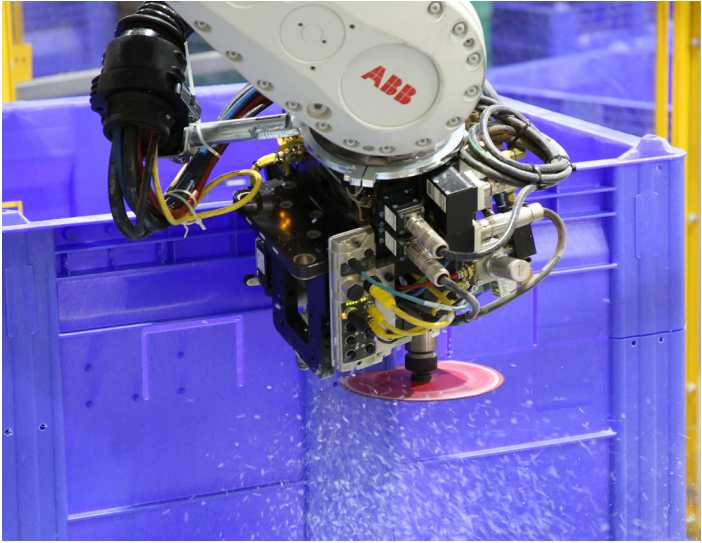
DECADE PRODUCTS

Our New Equipment Pays Off



Decade Products is ramping up for its South Western Agricultural season. With new orders coming in from True Leaf Farms and Rio Valley Chili, our customization department will be busy with new orders. Both accounts utilize a customized bin. True Leaf Farms uses an extended height MACX bin with the runners bolted on with stainless bolts. Rio Valley Chili uses a shortened MACX Ace that is cut down and caps put on the corner posts. We purchased an ABB 7 axis robot that will help assists with repeatability in our customization department.

Decade Products will be able to provide both customers with a bin customized to their exact needs – as each bin can be cut, welded and assembled to precise specifications.



NOBLE POLYMERS

Preparing for Growth



FY18 was about preparing for growth for Noble. We enjoyed our 4th year of over 1MM EBIT and began to focus on what we needed to do to grow our external footprint.

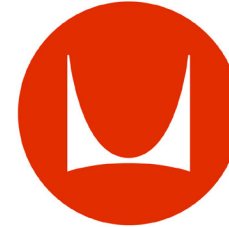
Our Production Line 1 was upgraded to make it more like Line 2. The improvement would help with increasing capacity and make sure we can run all products on both lines.

We hired a new Sales Manager, Logan Crandall, to focus on bringing in new customers, manufacturers and markets, external to FoC business. The new sales hire opens up resources to focus more intentionally on strategy and sustainable material initiatives.



INNOVATIVE PLASTIC TECHNOLOGIES

Herman Miller Awards Gold Supplier Status



We were recently honored to receive Herman Miller Gold Supplier recognition for the second consecutive year. Recognition as a Gold Supplier allows us the opportunity to be awarded future business. In a letter of recognition, Jeff Krass, Herman Miller Director Supply Chain, stated the following:

“Congratulations on your achievement of being a Herman Miller Gold Supplier this past fiscal year! We sincerely appreciate your partnership and vested interest in helping us win new customers and continue to delight the ones we already have.

On behalf of Herman Miller and our Supply Management organization, let me say “THANK YOU” for the hard work, attention to quality, and giving the extra effort to help meet our customer dates. We value you and your organizations and wouldn’t be where we are without your partnership.”

Scott Zylstra (left) and Steve Shamery (right) accepted the award at the Gold Supplier Celebration held at Herman Miller on October 18th. It has been an incredible partnership between Herman Miller and Cascade Engineering.



PEOPLE

- 1 Safety is our number one priority. We are proud to report that we come in below the national average of 3.8% and strive to decrease this rate year after year.
- 2 We value every human being at Cascade Engineering. Our Welfare to Career Program has allowed many employees to build successful careers.
- 3 We believe that business has the opportunity to make a positive impact on society. We are proud to contribute to our community.

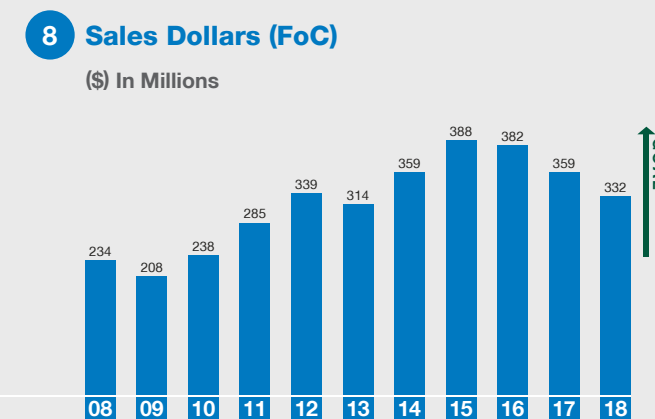
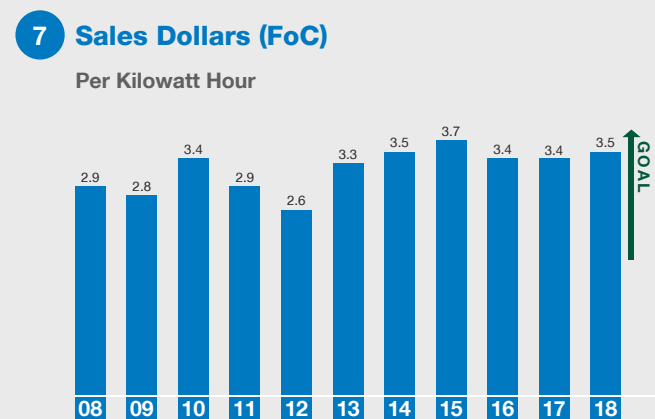
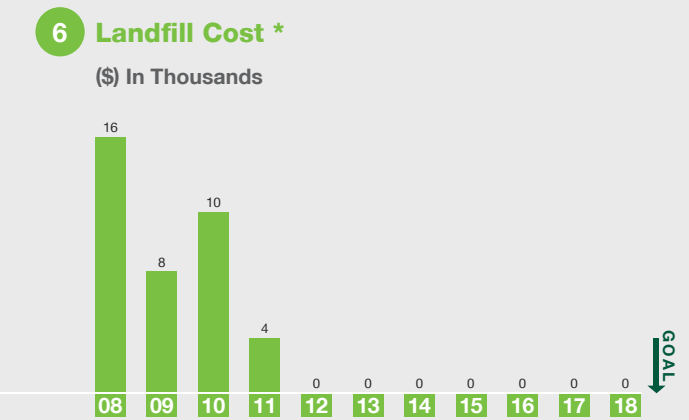
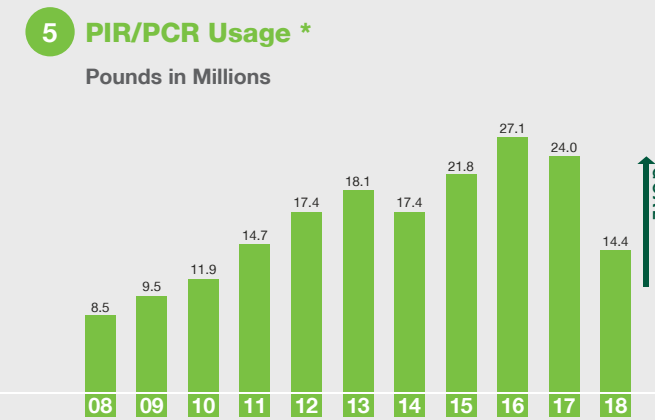
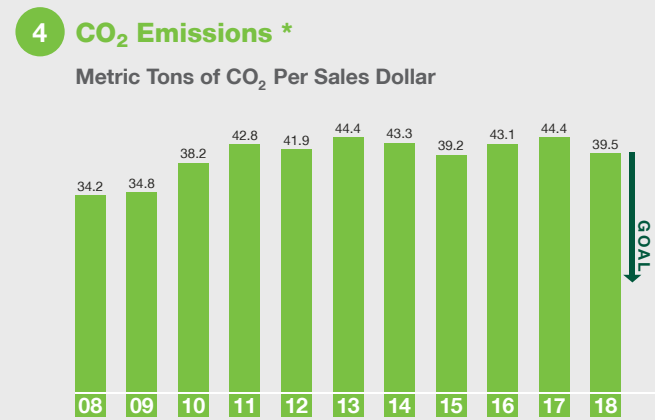
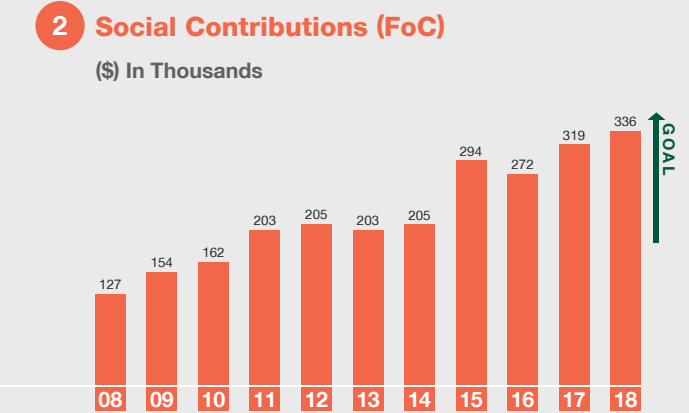
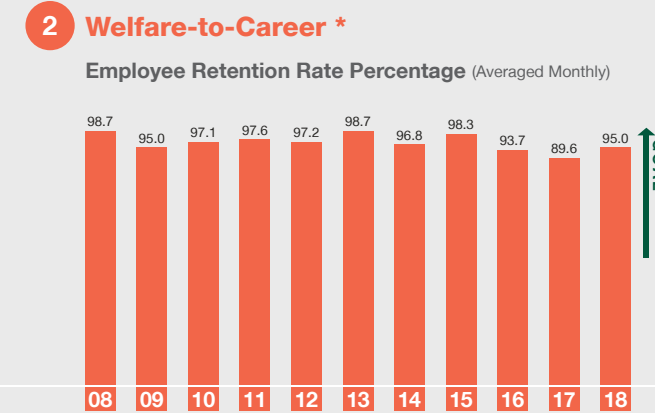
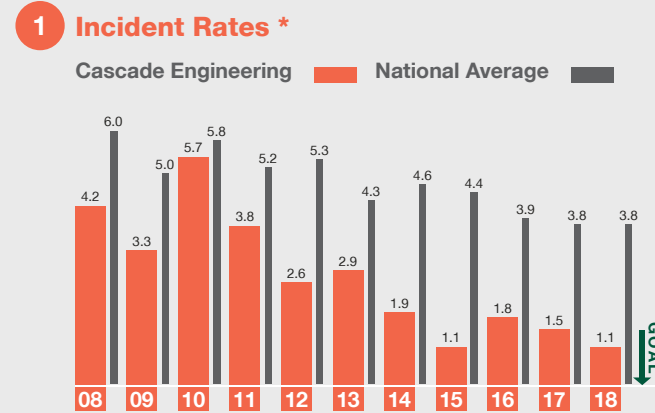
PLANET

- 4 We use this metric to measure our environmental footprint. We work at decreasing this number year after year.
- 5 We strive to increase our use of post-consumer and post-industrial recycled resin in the manufacturing of our products.
- 6 At Cascade Engineering, we take trash seriously. We have spent \$0 on landfill costs over the last seven years.

PROFIT

- 7 In fiscal year 2018 for every kWh of energy we used, we made \$3.50 per hour in sales dollars.
- 8 This graph represents our fiscal year sales for the entire Cascade Engineering Family of Companies over the past 10 years.

* = Grand Rapids Campus Numbers





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2018 Cascade Engineering

