



2017: YEAR-END SUSTAINABILITY REPORT

TABLE OF CONTENTS

OVERVIEW	3
Section 1: ENVIRONMENT	4-11
Section 2: SOCIAL RESPONSIBILITY	12-17
Section 3: EFFICIENCY	18-21
SUSTAINABILITY POLICY	22-23

FROM THE PRESIDENT

In today's day and age, reducing our carbon footprint and implementing corporate sustainability practices is not a concept we take lightly. Not only do we feel a sense of obligation towards the care of our planet and its resources, but it is just good business. We hold ourselves to the highest of standards and constantly strive to make ourselves a worthy partner not only in our operational processes and end products but in all the decisions we make along the way.

This report documents the steps taken by OMT-Veyhl in 2017 toward positive and lasting environmental and social change. In the spirit of continuous improvement, we pledge to increase our efforts in the years to come as we strive to set an example in our industry.



Lars Reuter, President



Section 1:
ENVIRONMENT



PAPER USAGE

Payroll has transitioned to a fully paperless system, saving approximately 9,600 sheets of letter-sized paper per year.



CARDBOARD

Our box-making machines allow us to form our own corrugated packaging, both decreasing our need for non-recyclable and/or plastic materials and allowing us to make only what we need when we need it. Much of the scrap corrugated from these machines is shredded and used for extra packaging, reducing the amount that is being compacted and recycled.



RECYCLING

We have installed clearly labeled recycling stations throughout our facility for the recycling of steel, paper, plastic, batteries and anything in between.



AIR FILTRATION

Extensive air filtration systems throughout our facility have improved the air quality both within the machines themselves as well as in the surrounding employee work areas. Intake and outtake units on opposite sides of the building keep the internal pressure equalized so that all filtration systems are functioning at optimum efficiency.





WASTEWATER

In the past, our wastewater had to be collected and transferred offsite by a third party for disposal. Now, due to new processes we have implemented, our powder coat lines are classified as phosphate-free which means that the wastewater PH levels are in compliance with city ordinances, enabling us to drain our water normally.



AUTOMATED LIGHT SWITCHES

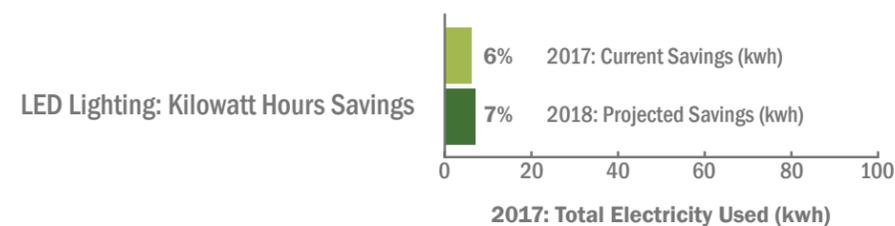
All of the lights in our facility are motion-activated to only be on when necessary.



EFFICIENT LIGHTING

We use all energy-efficient lighting throughout our entire facility.

Out of our 220,000 total square feet, 105,000 is lit by T5 electronic ballasts and 115,000 is lit by LED bulbs. Our goal is to have the entire facility lit by LED bulbs by 2019.





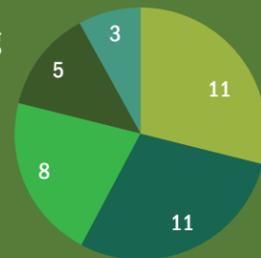
AIR LEAK STUDY

An air leak study pinpointed areas where we lost air pressure prompting us to re-seal all line connections in our facility, thereby reducing inefficiencies with our compressors and saving 5% of our energy use per year.

Number of Leaks per Decibel Reading

- 20-29 Db
- 30-39 Db
- 40-49 Db
- 50-59 Db
- 60-69 Db

TOTAL LEAKS: 38



We found 38 leaks under 68 decibels. This is significant, since these leaks are hardly noticeable—in fact, the average sound of all the leaks combined was less than that of a household refrigerator. However, these leaks added together equal 5% of our energy use per year, showing that even the smallest details matter.

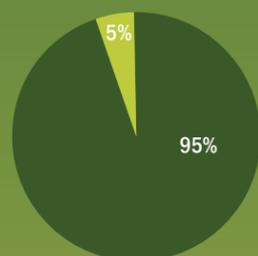


MONITORING CONSUMPTION

By closely monitoring our monthly gas, water, and electric utilities, we use the data to help reduce energy consumption and create obtainable reduction goals. Our utilities are less than 1% of our total sales.

Energy Consumption

- Fixed Leaks
- Electric Usage



We are now able to save 5% of our total electric consumption per year by fixing leaks in air lines.



RE-USING HEAT

Our powder coat lines and air compressors all generate enough heat to redirect back into the manufacturing facility, significantly supplementing our heating system during the cooler months. Our furnace is located inside the building to maximize air intake efficiencies.





Section 2:
**SOCIAL
RESPONSIBILITY**



COMPASSION INTERNATIONAL

Our company and employees partner with this organization to sponsor children in poverty situations so that they can have food, access to medical care, education, mentoring, and a safe environment.



MOBILITY WORLDWIDE

Mobility Worldwide is an organization that builds hand-pedal carts for individuals across the globe who do not have use of their legs. We are proud to contribute to this organization by manufacturing and donating the frames for these mobility carts.



TOYS FOR TOTS

During the holiday months, our employees collect and donate toys and gifts for the US Marine Corps Reserve Toys for Tots program.



EVERGREEN COMMONS

We support Evergreen Commons, a community gathering place that provides people age 50 and over with opportunities for education and exercise, service and socialization.



CUT FOR A CAUSE

This employee-led fundraiser was held with the goal of raising money for a fellow employee who was fighting cancer. Fifteen people voluntarily surrendered their hair, and our team was able to help alleviate a portion of the financial burden on our family member.





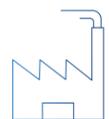
GENERATING JOBS

Generating local jobs and career advancement opportunities is a positive by-product of a growing company. We have created a robust co-op and internship program and collaborate with local universities to help train the next generation of our country's workforce. Part of this internship program includes reaching out to high schools and tech centers to give opportunities to students who are not pursuing college. We train on site and help them develop life long skills.



INCLUSIVENESS PROGRAM

A variety of cultures and experiences enrich our company. OMT-Veyhl promotes an inclusive work environment where each member is valued. We create an environment of equal opportunity for all individuals so that they may develop themselves for success.



ETHICAL SUPPLIERS

We visit all of our suppliers and know where and how our materials are produced. We partner with suppliers who share our ethical standards and who sign an ethical practice document.





Section 3:
EFFICIENCY



CELLULAR MANUFACTURING

We have placed specific machinery in strategic locations, creating a flow that increases throughput times and decreases extra transport and handling of materials. This gives an employee the ability to manage more than one task simultaneously.



SECONDS SAVED PROGRAM

We place an emphasis on the value of each team member and have created the Seconds Saved Program to encourage employees to submit ideas about how to save seconds within a process, making us more efficient one second at a time.



PROCESS AUTOMATION

Automated machines and processes reduce manual labor and the amount of times a part is touched, lowering energy consumption and shortening manufacturing time. We strive to remove all forms of waste from our processes wherever we can.



QUALITY CHECKS

Implementing and utilizing quality checks and go/no-go gauges at every manufacturing step reduces our scrap rate by identifying parts that fail to meet our standards as early in the process as possible.



CORPORATE MISSION

Our mission at OMT-Veyhl USA is to create safer, healthier and more efficient work environments through ergonomic, state-of-the-art workspace components. We strive to lead our industry in quality and service while maintaining a superior level of integrity in interactions with our business partners and team.

CORPORATE SUSTAINABILITY POLICY

Kaizen is a Japanese philosophy meaning “continuous improvement” and we live and breathe Kaizen in everything we do. Kaizen is directly correlated to the environmental sustainability we practice in the office and the plant. Whether we are designing a new product or improving a manufacturing process, we are constantly improving each step by incorporating environmental, social, and economic sustainability practices.

To uphold our commitments outlined within, we will ensure that all OMT-Veyhl team members are fully aware of our Corporate Sustainability Policy and are committed to helping implement and improve these policies. This includes our effort to review, annually report, and work to continually improve our sustainability performance.

ENVIRONMENTAL POLICY

OMT-Veyhl is committed to operating in an environmentally responsible manner by implementing business practices that prevent pollution; incorporating life-cycle thinking into the design, manufacture, use, and the end-of-life management of our products; and continually monitoring, measuring, and improving on our environmental performance by establishing relevant objectives and targets identified through engagement with company stakeholders and documented as part of our Sustainability Management System (SMS). Our environmental policy and related goals are outlined through our Core Environmental Pillars below.

CORE ENVIRONMENTAL PILLARS

Design for Environment

OMT-Veyhl considers the impact that our products have on the environment and will adopt strategies for design that maximize their sustainability. OMT-Veyhl believes that waste is unethical. OMT-Veyhl will do its best to produce products that incorporate renewable, recycled, recyclable, and biodegradable materials; make design considerations to conserve raw materials, water, and energy used in the manufacturing process; and, address the end of life management and recovery options for the materials that make up our products.

Solid Waste Management

It is OMT-Veyhl's goal to divert 100% of non-hazardous solid waste generated by our factories, specifically from fabrication and/or assembly of product components, by fiscal year 2020.

Design for Durability / Upgradeability

OMT-Veyhl will design and manufacture products that have a long useful life; can withstand repeated service, repair, and handling; and utilize standardized product parts and components available to facilitate maintenance, servicing, reassembly, and/or replacement if deemed necessary.

Energy Conservation

Efficiency in all aspects of business is key to OMT-Veyhl's mission. It is company policy to minimize the embodied energy in its raw materials, to conserve energy in its manufacturing processes, its products, and its transportation. Through our Sustainability Management System (SMS), we will set objectives and targets directly related to energy conservation. To hold ourselves accountable to our long and short-term goals, we will send out monthly performance metrics, communicating our performance to our stakeholders, both internally and through publicly available reporting methods.

Harmful Chemicals

OMT-Veyhl will work to identify, reduce, and/or eliminate chemicals that are known to be hazardous to human and ecosystem health throughout our facilities and in our products; from our supply chain, our manufacturing, finishing, and assembly operations, and in the use of janitorial cleaning products in our facilities. We currently do not use any chemicals on the RED list. This commitment includes regular evaluation of how chemical management is addressed within the Sustainability Management System (SMS).

SOCIAL RESPONSIBILITY & BUSINESS ETHICS POLICY

OMT-Veyhl is committed to conducting its business in a competent, fair, impartial, and efficient manner when dealing with our customers, employees and our manufacturing partners and to contribute positively to our communities in ways that are relevant to their needs. All supervisory and management employees, including all officers and directors of the company, have a special responsibility to lead according to the standards in this policy in both words and action, while all of us have an obligation to adhere to this policy and encourage others to do the same.

CORE SOCIAL RESPONSIBILITY PILLARS

Equal Employment Opportunity

OMT-Veyhl recognizes the benefits of an inclusive workforce and is proud to be an equal opportunity employer that makes employment decisions based on merit. Company policy prohibits unlawful discrimination based on race, color, creed, gender, religion, marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful. The company will not retaliate against any employee for filing a complaint and will not knowingly permit retaliation by management employees or coworkers.

Corporate Ethics

Transparency is very important to us and we strive to be transparent with our employees, customers, suppliers and ourselves so that we may create solutions that solve problems. OMT-Veyhl and its employees shall comply fully with all laws, rules, and regulations applicable to the conduct of our business. Education in corporate ethics and corporate social responsibility will be provided to management staff entrusted with oversight. Related policies will be posted and publicly available.

Receipt of Gifts

OMT-Veyhl employees may not give or accept gifts or favors of value relating to the conduct of business outside of generally accepted practice or national custom.

Insider Trading

OMT-Veyhl employees shall not trade in or acquire securities of, or have any other ownership interest in, a company that is targeted for acquisition or is being reviewed as an acquisition candidate or is being considered for or has just been awarded a material contract or relationship with OMT-Veyhl.

Labor and Human Rights

It is our policy to protect and respect the basic human rights of our employees and associates. All OMT-Veyhl personnel are employed on an at-will basis. OMT-Veyhl commits to providing decent work hours, wages, and conditions as well as upholding all local, national, and global regulations prohibiting forced, compulsory, and child labor.

Health & Safety

We believe that all accidents are preventable, and it is our goal to have a zero-accident rate. In compliance with Michigan law, and to promote the concept of a safe workplace, OMT-Veyhl maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees and/or employee representatives in the general manager's office.

Community Engagement

OMT-Veyhl will seek out activities that contribute to the communities in which we operate, in ways that are relevant to community needs. Activities may include volunteerism, donations, sponsorship opportunities, among others. We will make every effort to involve our employees in these decisions and encourage their participation.



Lars Reuter, President
January 12, 2018



11511 James Street
Holland, MI 49424
616.738.6688
omt-veyhl.com

© OMT-Veyhl 2018
v 021318