

EnviroScience, Inc.

2015 Communication on Progress

Prepared for:

United Nations
Global Compact Membership



UNITED NATIONS

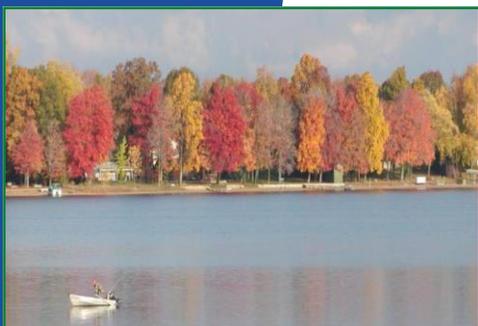


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Date: October 28, 2015

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2015 Communication on Progress



Dear Friends and Stakeholders,

EnviroScience is pleased to present our second annual progress report on our efforts and gains in our support and membership of the United Nations Global Compact. In 2013, EnviroScience became a member of the world's largest voluntary corporate sustainability initiative and joined with more than 12,000 other businesses and key stakeholders from 145 different countries. As an organization, EnviroScience (ES) takes this opportunity to continue the process of officially aligning our operations and strategic planning goals with the universally accepted principles; human rights, labor, environment, and anti-corruption as detailed in the United Nations Global Compact.

From our inception, EnviroScience, Inc. has always personified many of these core values. As our company has grown, our corporate culture of innovative thinking and staff latitude has helped to grow, develop and continue to define our organization. The ES social conscious was enhanced in 2012, with the founding of our internal volunteer group called the Corporate Responsibility Committee (CRC). The establishment of the CRC is a staff-led initiative to help formalize our continued outreach in the areas of education, women and children (human rights), the environment, health, and sustainable practices. We are embracing the opportunity the UN Global Compact provides by aligning ourselves with other progressive thinking and socially conscious world citizens all focused on improving the global social, economic and environmental conditions of the world.

Although this is the second report presented to the United Nations and our stakeholders, we have a number of milestones and awards to build upon for our future UN communications on progress.

Thank you,

A handwritten signature in blue ink, appearing to read "Martin A. Hilovsky".

Martin A. Hilovsky, CEO

EnviroScience, Inc.

About the United Nations Global Compact

The United Nations Global Compact provides guidelines and universally accepted principles by which members are able to review, define and plan for long range strategic goals. EnviroScience is embracing the opportunity to review, redefine and grow our policies and procedures as they relate to the Global Compact. Presented are the United Nations ten defining principles of the Global Compact.

Human Rights

- [Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights; and
- [Principle 2](#): make sure that they are not complicit in human rights abuses.

Labor

- [Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- [Principle 4](#): the elimination of all forms of forced and compulsory labor;
- [Principle 5](#): the effective abolition of child labor; and
- [Principle 6](#): the elimination of discrimination in respect of employment and occupation.

Environment

- [Principle 7](#): Businesses should support a precautionary approach to environmental challenges;
- [Principle 8](#): undertake initiatives to promote greater environmental responsibility; and
- [Principle 9](#): encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- [Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.

Labor and Human Rights

EnviroScience has been undergoing a number of large-scale structural changes over the last couple years. In 2015, ES's CEO Dan Dunstan went into semi-retirement and founder Marty Hilovsky assumed this role. The staff size had nearly doubled over the past two years. The company has opened two other offices in the eastern U.S. and looks for more to come. As an organization we look to the expertise of our staff and the innovative thinking that has always defined and grown ES into the organization we are today.

As an organization we provide paid time off, a complete benefits package for the long term planning and success of our staff, fair compensation packages and a safe and satisfying work environment. ES is grateful to our staff and the long term success our organization has experienced continued growth. We have grown because of the innovative thinking of our staff and the latitude the company provides to develop a new idea or direction. From the top down, ES believes that we have a responsibility to serve our community by maintaining our reputation for top quality science and ethical business practices. We annually continue to be named one of the regions "Top Work Places" and "Fastest Growing Businesses".

As ES grows and continues to develop, we rely on the input from the executives, board members and staff to help develop this new chapter of our history. With the support of the Board of Directors, ES's Corporate Responsibility Committee (CRC), a staff-led initiative for community enhancement and support, became a formal part of the ES culture in 2012. Since then CRC has helped to shape the directions of support for the underserved in our region. To that end, the CRC took the end of 2014 and beginning of 2015 to review each of the United Nations 10 principles of the Global Compact, our membership in the global compact, and the relationship of those principles with the daily business operations here at ES. As could be expected of an aquatic biology company, the environment emerged as the most important issue for the CRC. Also important were safe and adequate housing, food and access to education. Overall the community at ES is driven by a belief that basic needs, including adequate food, housing and safety, need to be met for people to thrive. The CRC members have been taking a deeper look into ways we can impact the lives of underserved individuals living in the greater Akron community.

As a committee and a company, we choose carefully where we spend our money and who we support; we feel that these choices are a direct reflection upon ourselves. Supporting charities having excessive low overhead and operating costs is important to the CRC. We generally do not fund religious or political organizations, but can fund groups in a religious organization should the mission meet the definition of the groups' goals. A church that offers food bags to its neighbors (who may not be members of the same church community) would be an example of a faith based charity we fund, but we do not fund or endorse the church in its mission.

Environment

The ES CRC has been able to serve the needs of the community, engage the passions of our staff and help to enhance the meaning of the Global Compact here in our community with a three step process. First, to support of the environment, we have begun helping to fund some climate change research in the rainforests of Brazil. We continue to fund our Ben Foote Endowment Fund at Kent State University for the support and enhancement of graduate education in the natural sciences. We continue our commitment to support local schools by participating in on-site field trips to explore the soils, fluvial systems, and wetlands. One addition has been to reach out to more schools in underserved districts and the regional Science, Technology, Engineering and Math (STEM) schools (girls programs in particular). The staff at ES also provides countless hours participating in school events from elementary school through graduate school programs. We offer our expertise at local science fairs, career fairs, science days, poster contests, and our internship programs for local high school students.

In the 25 years ES has been in operation we have seen relatively little diversity in the scientists over the years. Although women are well represented among our staff and managers, the Board and Executives of EnviroScience is reviewing and discussing the role of women in top leadership at ES. In our hiring practices, we find very little ethnic diversity seems to exist within the face of the scientists. ES has developed elementary and junior high school outreach and continues to develop a more intensive high school intern program. Our goal is to help expose students and their parents to the options of a natural science degree and career options resulting from it. There are countless possible career paths, and waiting until the second year of college to decide can often be too late.

EnviroScience is also striving to broaden our approach to supporting the environment and furthering outreach and education on all levels. In 2016, ES will likely become a supporter of the local National Public Radio affiliate, in particular as a sponsor of WKSU's Exploradio, a weekly segment dedicated to the support and understanding of science. "WKSU is one of those rare places where creativity and technology come together to create a product that touches your intellect and your soul-"Jeff St. Clair producer of Exploradio. We feel the reach of the audience and the support of this and other environmental programming will help advance the understanding and improve local policy for the betterment of the future generations.

We continue to self-police and find our own areas of improvement, our fleet being one of our largest environmental offenders. Our work requires use of large trucks and boats as well as computers all of which are a huge drain for fuel and energy. We have yet to find a reliable and sustainable source for fleet fuel for power the cars, trucks and boats. Staff recycling habits are spotty at best and increasing attention to this issue has begun. Conversation, self and co-worker policing have made some minor improvements in the

short term. Continued improvements in efficiency for the fleet and the buildings are under constant scrutiny and review. Change can come quickly in a smaller company such as ES, we are never afraid to try and improve our standard operating procedures.

The second part of our three part approach is to help end the growing socio-economic gap in our region and nation. We believe that we have a role and responsibility to help expose children to the wonders and opportunities that a degree and career in science can provide. We believe that by doing so we can help some of them avoid the struggle of poverty that afflicts much of our inner city community. We recognize that this is a long term process and it will take a generation or more to see that turn around. In the meantime, ES also works to support safe and affordable housing for all with our participation and support of Habitat for Humanity. Our staff helps support the construction (a favorite day among the ES Staff), donates as they deconstruct and repurpose materials from structures to be demolished and donates and attends Habitat fundraisers. In 2015 we strengthened our commitment to North Coast Community Housing (NCCH), whose mission is to build safe, high quality, affordable and healthy homes to create a better quality of life for those with disabilities and other special needs. ES was the first corporate environmental teaming partner, helping to secure a grant to provide residents with tools and supplies to work in their gardens as well as a stipend for their work. These gardens not only provide fresh produce for the residents and the members of their community (which are often located in 'food desserts' within the city), but they also provide the residents with a purpose and the responsibility and enjoyment that comes with tending to tend to something and watching it grow and flourish. EnviroScience's CRC purchased, designed and helped to install rain barrels in all their identified homes. This helped to provide a bright spot of color, improve the storm water quality of the region, and provide the residents with a convenient watering source for their gardens. The CRC continues to find ways to help NCCH support their residents' lives as many in our community have transitioned from homelessness to stable housing.

The third prong of our three part plan is to develop more participation in the areas CRC rated as our highest priorities. We are always looking at various ways to engage our staff in opportunities to learn about a group or charities mission. Attending or working at a fundraiser, offering a day's labor, riding a bike, walking, or running for a cause are all ways ES helps to build organizational comradery with a purpose. To that end, we have ES staff members who have found areas they felt passionate about and joined boards, developed their own fundraisers, began their own 501© 3 organizations, and others have enhanced their existing volunteer commitments. ES with the support of the members of the CRC have created new opportunities for our staff to learn, participate, and grow.

Food and family are both very important at ES. When we refer to the ES family, we really mean it. From helping a staff move or celebrating a new baby, ES is always there for our staff and we are always sharing meals and drinks together. We work hard to create a fun

and supportive work environment. The ability to eat and drink as we choose does not go unnoticed by any of us, and often we are reminded of those who are not so fortunate. ES has an ongoing series of pot-luck lunches, each with a purpose or cause in mind. Quarterly or as wanted/needed, different CRC members plan a themed lunch for a charity of their choice. That person engages the help of other co-workers to cook, set-up and clean-up. The lunch is open to the entire staff, who all make a \$5.00 contribution for their lunch with a message about how their money will help. In the past few years, the company has come to love the Oktoberfest, Cook Offs, and Cheesecake Day themed pot lucks. The proceeds of the lunches have gone to supported animals, animal habitats, food shortages, cancer research and camp for children living with cancer, housing and holiday fun for deserving children.

While these efforts won't end poverty in our region, they do provide an opportunity for education and awareness of local problems, and help raise the profile of the charities' in our region whose mission it is to help end the suffering. ES is proud of our tradition of intelligent and meaningful conversation and the response of our staff for the calls to action. We are never surprised at the power of a person or their infectious compassion, as we have seen it time and again.

Anti-Corruption

EnviroScience maintains its zero tolerance policy for corrupt and unscrupulous activities and finds that type of behavior grounds for immediate expulsion and a review of all files that staff member contributed on. The company maintains its ethics email for a private means to communicate any issues or concerns a staff member may have. Our principle executives keep an "open door" policy and are always available and willing to stop and meet with a staff who has concerns.