



*Ross Environmental Services, Inc.*

*Ross Incineration Services, Inc.*

*Ross Transportation Services, Inc.*

*Members of The RossWay Group®*



**2016**

# **Sustainability Progress Report**



Family Owned, Future Focused®



## About the Ross Group of Companies

The Ross Group of companies, Ross Environmental Services, Inc., Ross Incineration Services, Inc. and Ross

Transportation Services, Inc., are proud to present their Sixth Sustainability Progress Report. The companies are committed to sustainability and continue to monitor performance in terms of the triple bottom line of economic, environmental and social impacts. This report summarizes the results of the Ross Group's Sustainability Programs in 2014 and 2015.

During the past two years, the Ross Group has made significant progress towards becoming a resilient, sustainable organization that is committed to continual improvement.

The companies continue to monitor and track key indicators to benchmark sustainability progress. At the same time, the Ross Group continues to implement sustainability programs in the areas of supply chain accountability and purchasing. The companies have also embedded sustainability practices into project management and enterprise risk management systems. These processes are designed to help mitigate risk, create new opportunities and ensure that the companies remain sustainable into the future.

The companies are also demonstrating their commitment to sustainability through their support of the Biomimicry program at the University of Akron. Biomimicry (from bios, meaning life, and mimesis, meaning to imitate) is a scientific discipline that studies nature's best ideas and then imitates these designs and processes to solve human problems. During 2014 and 2015, the companies continued their partnership with the University of Akron's biomimicry research fellowship and expanded involvement with Great Lakes Biomimicry. A University of Akron doctoral candidate with a specialization in biomimicry continues to work with Ross Incineration to explore ways to apply biomimicry principles as a problem-solving tool within the company's operations.



The Ross Group provides a broad range of environmental management services to customers. The companies help customers meet their sustainability goals by enabling them to maintain compliance with environmental laws and regulations. We provide environmentally sustainable services, including transportation and incineration of hazardous and non-hazardous waste materials, which are vital to the protection of the environment and human health.

Dedicated to our community, the companies have been family-owned and located in Lorain County, Ohio since their founding in 1949.

Our commitment to sustainability is embodied in our motto of "What We Do Matters." It is also captured in our values, which express our commitment to improve the economic, environmental and social conditions within our community:

- Safety
- Employer of Choice
- Environmental Protection
- Community Involvement
- Customer Service
- Continuous Improvement
- Compliance
- Cost Creativity

This report provides a summary of the efforts of the associates at the Ross Group of companies who positively contribute to the present and future in the areas of environmental, social and economic impacts. While we have chosen not to utilize the Global Reporting Initiative (GRI) framework, we monitor relevant milestones in each area of impact.

## Who To Contact

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WHAT WE DO MATTERS®



## Minimizing Environmental Impacts & Maximizing Environmental Opportunities

The mission of the Ross Group of companies is to safely and profitably serve our customers by providing the incineration, transportation, treatment and related

services required to meet their environmental management needs and protect the environment.

As companies that are dedicated to environmental protection, we are committed to assisting our customers in meeting their environmental goals and to protecting the environment. Here's a look at how we worked to maximize opportunities and reduce environmental impacts during 2014 and 2015.

### Ross Incineration Services, Inc.

Perhaps the greatest way that Ross Incineration helps to protect the environment is through its primary service: the treatment of hazardous and non-hazardous waste by high temperature incineration. Ross Incineration utilizes incineration to reduce the volume and toxicity of waste received from its customers.

As a result, Ross Incineration prevents thousands of tons of hazardous and non-hazardous wastes from going into the environment. The impact upon the environment is further reduced by the usage of the ash management, metals reclamation and recycling systems in place at Ross Incineration.

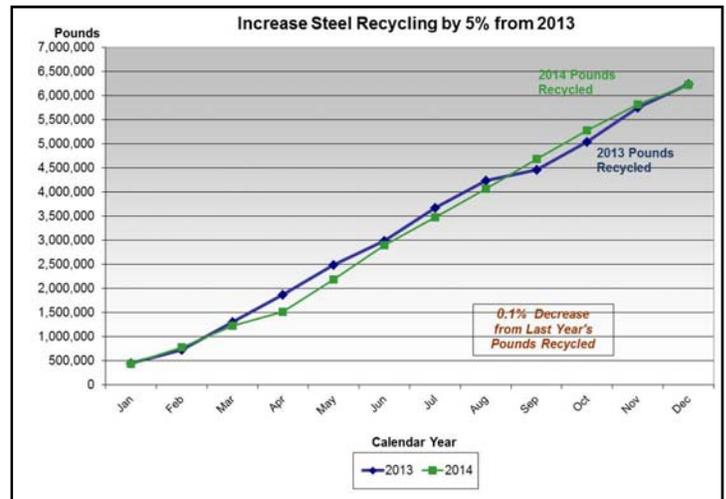
Ross Incineration Services establishes its goals and tracks its progress on environmental performance through the utilization of the ISO 14001:2004 Environmental Management System. The company was certified to this standard in 2011 and successfully completed its recertification audit by third party auditor, CCAS Americas, in 2014.

Ross Incineration established environmental goals for 2014 and 2015 as part of its ISO 14001:2004 program and tracked progress toward these goals. Here are the goals and the results.

**Goal: Increase steel recycling by 5% over the previous year.**

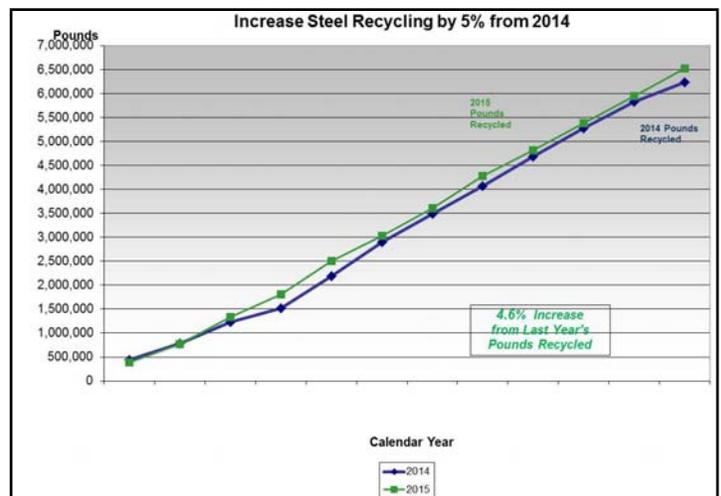
#### 2014 Results:

During 2014, Ross Incineration finished the year slightly under its goal for steel recycling. The company recycled 0.1% less steel than 2013. The primary reason for the slight decrease was related to the steel marketplace. The price of steel dropped and there was less marketplace demand for recycled steel as a result.



#### 2015 Results:

During 2015, Ross Incineration finished the year ahead but was slightly below its goal for steel recycling. The company recycled 4.6% more steel than in 2014. Increased steel throughput, enabled the company to exceed its goal for the year.

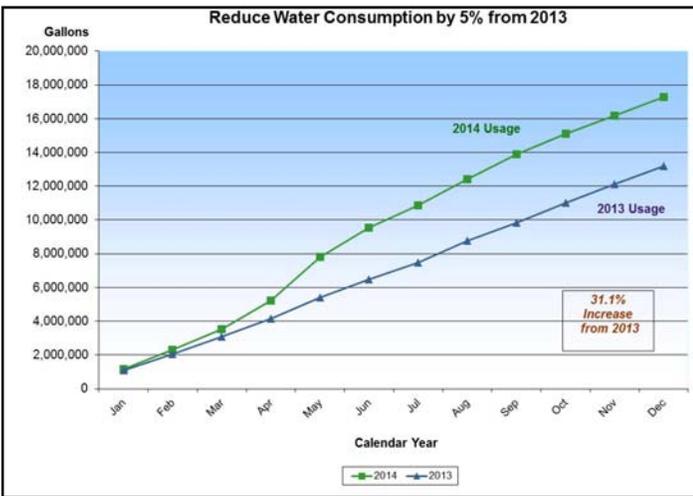


**Goal: Reduce city water consumption by 5% under 2013 levels.**

The ISO team at Ross Incineration continues to evaluate ways to reduce usage of water from the public utility and to more efficiently capture and use rainwater. The team has chosen to use 2013 as the baseline for tracking its progress on this goal.

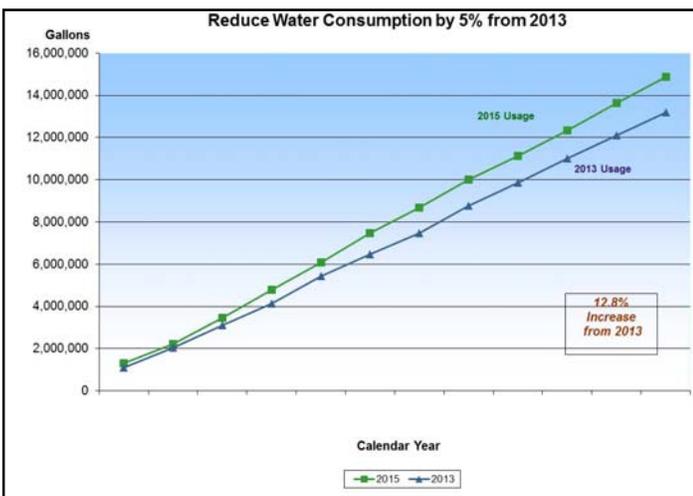
**2014 Results:**

During 2014, Ross Incineration saw an increase in the usage of city water as a result of the severe winter weather and the discovery of an underground water leak. During the winter months, the company had to use more water to prevent pipes from freezing.



**2015 Results:**

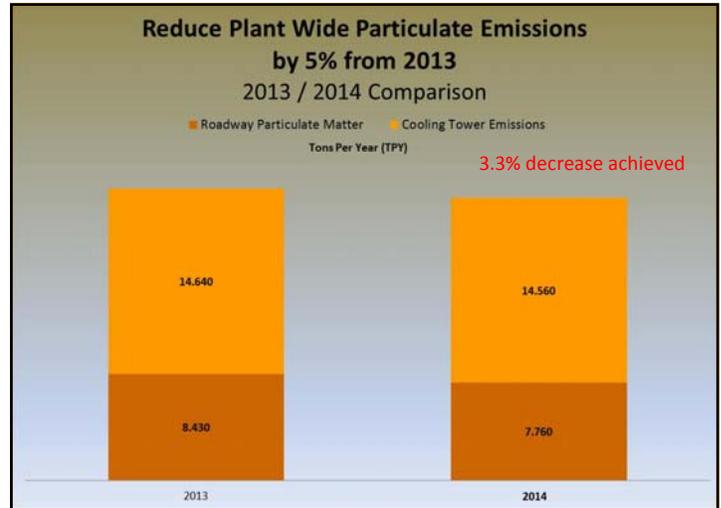
Another harsh winter made this goal a challenge for Ross Incineration. The company made positive progress, and reduced usage as compared to 2014, but still saw an increase in the usage of city water as compared to 2013. They also used more water from the local utility company to better manage the air pollution control system. Finally, the repair of an underground water leak did help to improve their performance compared to 2014 usage levels.



**Goal: Reduce plant-wide particulate emissions by 5% under previous year.**

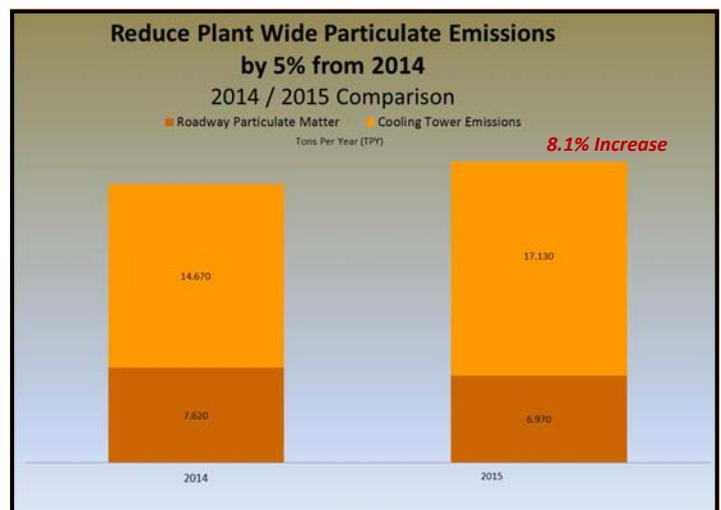
**2014 Results:**

During 2014, Ross Incineration achieved a 3.3% decrease in plant-wide particulate emissions. This includes roadway particulate matter and cooling tower emissions. Continued capital improvements made at the facility over the past few years, including refinements made to the cooling towers and the installation of concrete roadways throughout the facility, contributed to an overall reduction in plant-wide particulate emissions.



**2015 Results:**

During 2015, Ross Incineration saw an 8% increase in plant-wide particulate emissions. This includes roadway particulate matter and cooling tower emissions. While the roadway particulate matter decreased in 2015, the particulate matter from cooling tower emissions increased. This was the result of higher production at the plant which led to increased usage of the cooling towers to recycle the water for the air pollution control system.

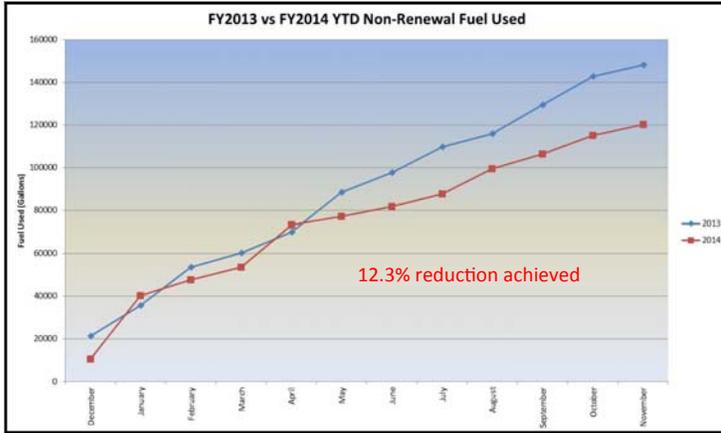


**Goal: Reduce the usage of non-renewable fuels.**

Ross Incineration has implemented a number of projects to reduce its usage of non-renewable fuels.

**2014 Results:**

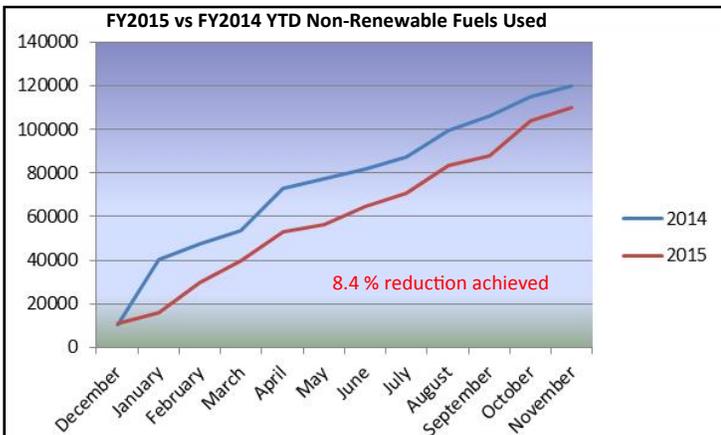
During 2014, the company set a goal to reduce its usage of non-renewable fuels by 20% compared to its usage in 2013. While it missed its goal, the company successfully reduced its usage of non-renewable fuels by 12.3%. The company continues to evaluate new projects and alternate fuel sources to help drive down its usage.



**2015 Results:**

During 2015, the company set a goal to reduce its usage of non-renewable fuels by 10% compared to its usage in 2014. At year end, they had reduced the usage of non-renewable fuels by 8.4% compared to the previous year.

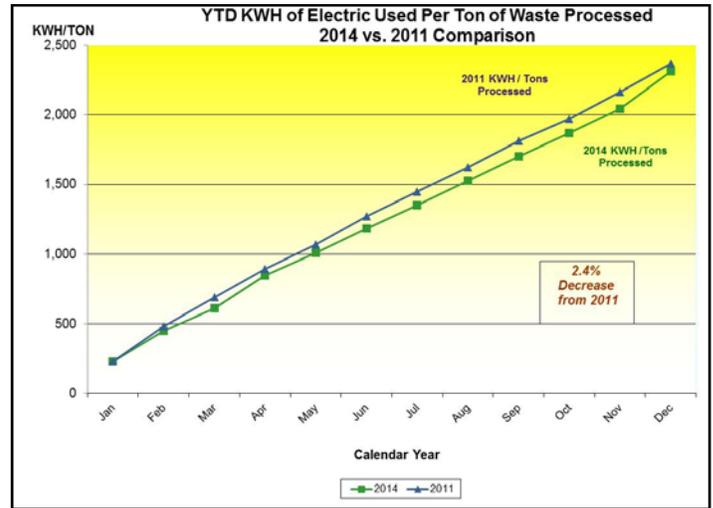
During 2015, the ISO team at Ross Incineration evaluated the usage of non-renewable fuels to determine how these fuels were used throughout the year. They found that non-renewable fuels were often used as a result of power interruptions at the plant. During 2015, new technology was installed that enables the company to better manage power interruptions which will continue to help reduce the usage of non-renewable fuels. In addition, several computer programming initiatives are contributing to improvements in this area.



**Goal: Reduce plant-wide electricity consumption by 3% compared to the baseline year of 2011.**

**2014 Results:**

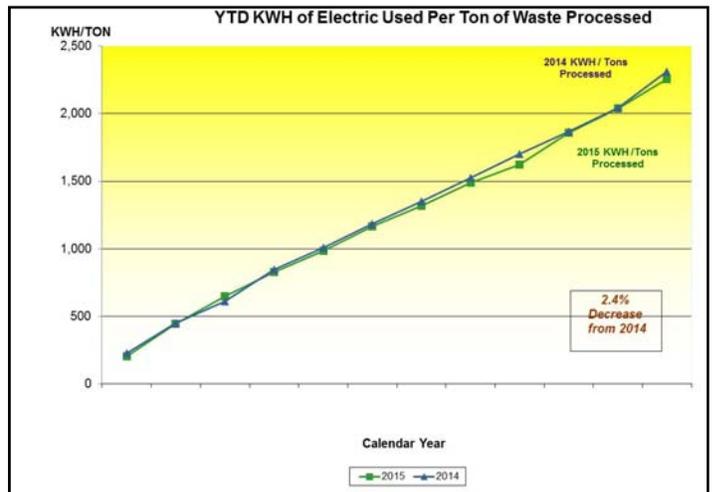
The Ross Incineration ISO team continues to evaluate ways to reduce electricity consumption. The goal for 2014 was to reduce electricity usage by 3% less than the amount used in the baseline year of 2011. They came close to reaching this goal and reduced electricity consumption per ton processed in 2014 by 2.4% compared to 2011.



**2015 Results:**

Ross Incineration’s goal for 2015 was to reduce electricity usage by 3% under that of 2014. The company again came close to reaching this goal and reduced electricity consumption per ton of waste processed in 2015 by 2.4%.

In addition, during 2015, the company implemented a successful trial of LED lighting which prompted the purchase of a complete set of new lights that will be installed as old lights burn out. The ISO team anticipates that this significant lighting change will lead to a substantial reduction in energy usage over time.



## Ross Transportation Services, Inc.

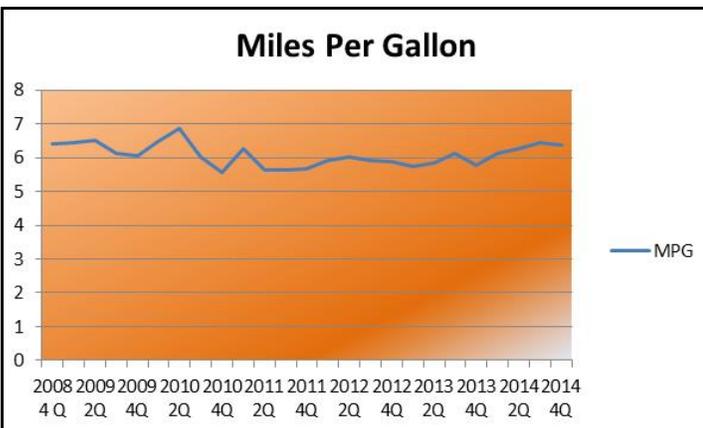
### Goal: Improve Fleet Fuel Efficiency

Ross Transportation invests in new truck technology and maintains its vehicles in order to increase the fuel efficiency of its fleet. Driver training is also an important component of the effort to increase fuel efficiency.

During 2014, Ross Transportation Services developed a Sustainability Management System. As a component of this Sustainability Management System, the company began setting annual environmental and social management goals and measures. Beginning with this Progress Report, the company will report on these goals and measures annually.

### 2014 Results

Although the company did not establish a formal goal, during 2014, Ross Transportation continued to track Miles Per Gallon on a quarterly basis as an indicator of fuel efficiency of its fleet. Results for the past several years are shown below.



### 2015 Results:

Under the Sustainability Management System, Ross Transportation has set a fuel efficiency goal for its fleet of trucks. For 2015, the company set a goal of 6.5 MPG average for the fleet. Ross Transportation came close to reaching that goal, achieving a 6.25 MPG fleet average for the year.

One area that Ross Transportation focused on, in order to reduce fuel usage, was reducing the amount of time that the trucks idle. They tracked idle time for the year and found that during 2015, there was a 33% reduction in idle time compared to 2014. Ross Transportation will continue to focus on training drivers and communicating ways to reduce idle time in order to help move the fleet closer to its goal of 6.5 MPG.

## Ross Environmental Services, Inc.

### Goal: Obtain a 2% reduction in water usage during FY 15 over FY 14 levels.

During 2015, Ross Environmental set a goal to reduce the amount of water used by associates at its Business Center below the amount used in 2014 by 2%. A number of initiatives were implemented to reach this goal, including a program to educate associates about ways that they can reduce their water usage.

Ross Environmental associates far exceeded their goal for the year and achieved a 24.86% reduction in water usage during 2015.

Believe it or not, better management of coffee cups and reduced usage of the dishwasher contributed greatly to the reduction in water usage. This is a great example of how making small changes can yield big results.

### Goal: Support the Willow Creek Watershed water quality assessment.

During 2015, Lorain County conducted an evaluation of the water quality in the Willow Creek Watershed area. The property in Eaton Township where Ross Incineration and Ross Transportation are located is within this watershed area. In addition, several companies that are affiliated with the Ross Group of companies own property within the watershed.

Ross Environmental represented the Ross Group of companies (and other affiliated companies) while participating in the water quality evaluation in cooperation with Lorain County, Eaton Township and the Ohio Environmental Protection Agency.

At the conclusion of the evaluation, Lorain County applied for federal funding to implement a water quality enhancement project at an Eaton Township public park. The project did receive the grant funding and is being implemented in the Fall of 2016. This project will benefit the park users and the township.

### Goal: Complete Purchasing and Vendor Network Assessments

A sustainable vendor network is critical to ensure the sustainability of the Ross group of companies into the future. During 2014 and 2015, the Purchasing Department at Ross Environmental continued its implementation of a vendor assessment project to measure traditional performance, long-term purchasing opportunities, and

other long-term considerations with vendors, especially those who provide key commodities.

As a result of this process, they were able to identify and utilize several new vendors to sustainably provide key commodities and services to the companies.

The Purchasing Department also contributed to Ross Incineration's ability to utilize recycled materials in its processes. They identified new sources for recycled commodities that are commonly used by the Ross companies including items such as drums and pallets. They also assisted with the identification of key vendors to provide recycled fuels. Additionally, they helped to identify and develop business relationships with recycled caustic vendors that resulted in the replacement of 90% of the virgin caustic solution over the past two years.

### Sustainability Evaluation of Capital Projects

During 2013, the companies established the Sustainability Documentation Checklist to ensure that economic, environmental and social impacts are considered in all capital projects in any of the Ross companies.

During 2014 and 2015, the companies continued to utilize this checklist and found that it was extremely

valuable. Use of the checklist has raised awareness of potential sustainability impacts with project managers and teams working on capital projects during both the design and implementation phases.

### Sustainability Visioning Project

During 2014, the Sustainability Team for the Ross Group of companies completed a Sustainability Visioning Process.

The goal of this process was to evaluate the sustainability practices of the Ross Group of companies to ensure that they are considering the potential environmental, social and economic impacts of their operations.

As a result of the visioning process, the team recommended the creation of a Sustainability Management System at Ross Transportation Services. Consequently, this system was created during 2014 with goals set for 2015.

The visioning process also enabled the companies to incorporate sustainability guidelines into the process utilized to evaluate new business development opportunities and organic growth.



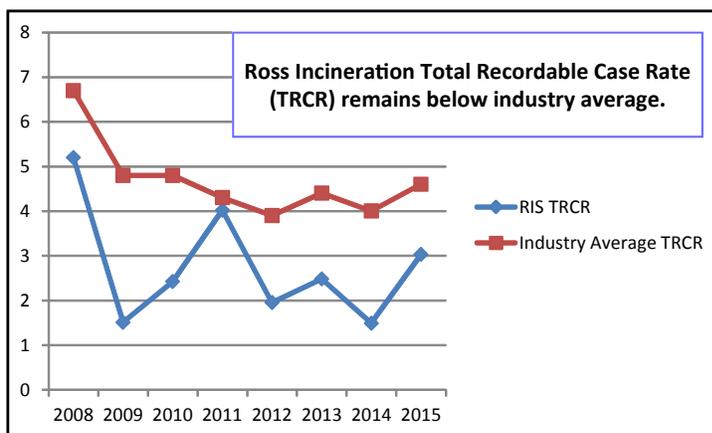
## Enhancing Social & Economic Impacts

Measuring the social and economic impact of the Ross companies means looking at our most valuable asset, our human resources.

The safety of our associates and our community is our

highest priority. We focus on safety in all of the companies and track a number of safety metrics, as established by the Occupational, Safety and Health Administration (OSHA). These include the Total Recordable Case Rate (TRCR) and the Total Days Away from Work, Restricted or Transferred Cases (DART). Our goal is zero workplace accidents and injuries.

During 2014, all three of the Ross companies were below the averages for their industries for TRCR and DART rates. During 2015, all three companies remained below the industry averages for their DART rates.



### Safety Achievements in 2014 & 2015

All three companies in the Ross group finished 2015 with no Lost Time Accidents, which is a significant achievement.

Ross Transportation celebrated several incredible safety milestones in 2014 and 2015. In 2014, the company's drivers reached three million consecutive safe driving miles and surpassed seven years without a Lost Time

Accident. They surpassed these milestones in 2015, reaching four million consecutive safe driving miles and celebrating eight years without a lost time accident.

Ross Transportation was also recertified to Occupational Safety and Health Administration SHARP (Safety and Health Recognition Achievement Program) status in 2014.

One of the most effective ways in which Ross Transportation promotes safety efforts is through the driver incentive program.

The driver incentive program encourages truck drivers to drive safely, moderate their speed, minimize idle time in their trucks, and to take the most efficient routes. The program rates drivers based on five parameters:

1. No citations in a company vehicle.
2. No driver violations in a company vehicle.
3. No hours of service violations.
4. No driver-related Department Of Transportation inspection violations.
5. No preventable OSHA recordable accidents.

### Health & Safety Attitude Survey

Once again, during 2014 and 2015, the Corporate Environmental Health & Safety (EH&S) Department surveyed associates in all three of the Ross companies to get their feedback on health and safety programs.

The survey enables associates to provide input to the companies' health and safety programs. EH&S and management of the companies are able to make better informed decisions with this feedback and set organizational priorities.

The survey is, in effect, a communication tool that enables continual improvement in safety and health programs. Other EH&S communication tools include an Annual EH&S Open House for associates, newsletters, incentive programs, classroom and online training and emergency drills.

During 2014 and 2015, survey results showed that associates of the Ross companies see health and safety as a high priority. On a one to five scale (with one being the most negative and five being the most positive) associates rated the statement, "When I am working, health and safety is a high priority," at an average rating of 4.45 in 2014 and 4.46 in 2015.

Associates also indicated that they have a good understanding of safety rules and procedures. Associates

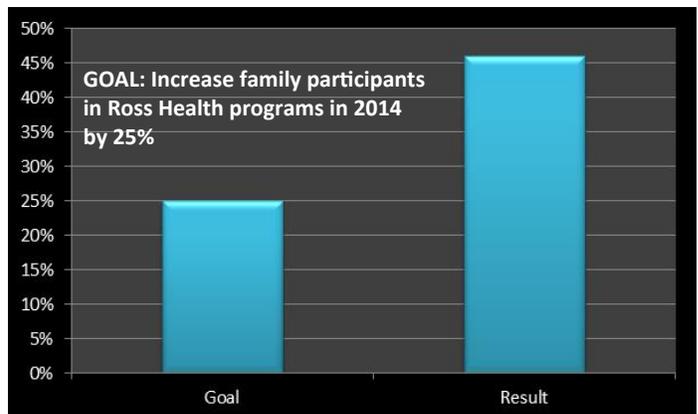
rated the statement, "I have received training on Ross company health and safety procedures" at an average rating of 4.56 in 2014 and 4.55 in 2015.

In addition to ranking these statements, associates are asked to provide specific feedback and suggestions on the safety and wellness programs.

### Ross Health

Ensuring the safety and wellness of associates is a high priority at the Ross group of companies. The Ross Health program aims at educating associates and enabling them to make healthy choices in their lives. The program includes a number of components: webinars; interactive lunch-n-learns; quarterly health consumerism meetings; healthy lifestyle and weight maintenance challenges; on-site exercise classes and a Health Fair attended by associates and their family members.

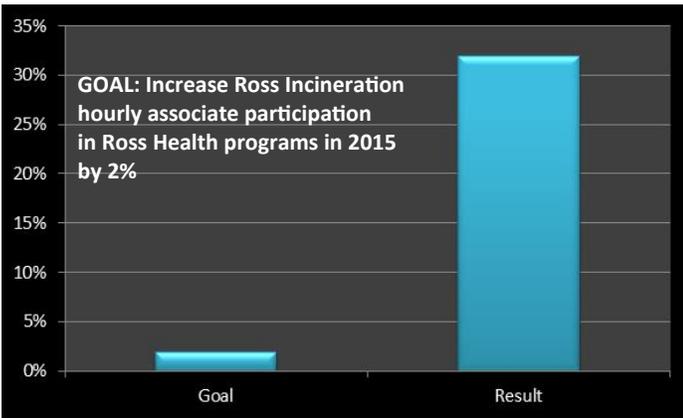
During 2014, the Ross Environmental ISO Team set a goal for increased participation by associates and their family members in the Ross Health programs. The 2014 Family Participation Goal (based on the number of spouse participants in Ross Health programs) was set at 25% for the year. This goal was exceeded, as spousal participation for 2014 reached 46%.



During 2015, the Ross Environmental ISO Team built upon the success of the Ross Health programs and set new goals for the year.

They focused on increasing the participation of hourly associate in the Ross group of companies in wellness programs. The team set a goal of a 2% increase in participation in wellness initiatives in 2015 by hourly associates. This goal was far exceeded in 2015 with a 32% increase in participation by hourly associates over 2014 participation rates.

In both 2014 and 2015, the attendance by associates and their family members at the Health Fair set new records.



### Ross University

Through Ross University, associates can take classes on a wide variety of topics. The course offerings in 2014 included: Ross 101, Sustainability, Project Management, Stress for Success and Generations in the Workplace.

During 2015, Ross University continued to provide high quality training sessions including: Ross 101, AMAZE for RES associates, Sustainability, a Leadership Series, and Workplace Violence & Bullying.

### C3 Program

The C3 (Continuous Cost Creativity) program enables associates to suggest ways to improve operations and reduce environmental impacts. In return, they receive financial rewards if their suggestions are implemented. This program continues to have a very positive impact on the companies in terms of sustainability, financial return and engagement.

During 2015, 11 suggestions were implemented. Since the program began in 2009, there have been 431 suggestions submitted and 103 awards presented to associates for a total of more than \$51,500 in rewards.

### Community Involvement

One goal of the Ross companies is “to positively contribute to the quality of life in our community through our actions and the example we set.”

We accomplish this in a number of ways. We are active in the United Way of Greater Lorain County through both a corporate commitment and associate giving campaign. We support Leadership Lorain County as one of their “Champions of Leadership” and by having an associate participate in the leadership class each year.

The companies and our associates make contributions of time and talent to a number of local organizations including Goodwill Industries of Lorain County, the Elyria

Rotary Club, Junior Achievement, the American Heart Association, the Karen P. Nakon Breast Cancer Foundation and Lorain County Children’s Services.

For several years, the companies have supported Goodwill Industries of Lorain County through an Earth Day clothing and household items collection drive. In 2015, associates donated more than 12,000 pounds of clothing and household items.

### Household Hazardous Waste Collections

Since 1992, the Ross Group of companies has conducted Household Hazardous Waste (HHW) collection events as a free community service for residents of Eaton Township and for associates of the Ross companies.

Since the inception of this program, the companies have collected and safely disposed of more than 122,870 gallons of HHW.

### Philanthropy

Since 1984, the Ross Foundation, Inc. has provided the Ross Group of companies and their principals with a centralized and distinct avenue for charitable giving.

The Ross Foundation provides grants to non-profit organizations in Lorain County and particularly within the geographical area encompassed by the Midview Local School District. In 2014 and 2015, the foundation awarded grants to the Grafton-Midview Public Library, University Circle, Inc., the Village of Grafton, Save Our Children, Inc. and the Children’s Developmental Center.

The foundation has had a commitment to the Midview Local School District since 1985 and has continued to fund a program called the Ross Challenge Grants. Since its inception, the Ross Challenge Grants have provided more than \$373,000 to implement innovative educational programs in the school district.

In addition, in 2015, the foundation provided the fourth installment of its five year commitment to the Midview Local School District for the sponsorship of Ross Field at Adelsberg Stadium. This grant provided \$350,000 to the school district for the replacement of the athletic field.

### Economic Impact

The Ross Group of companies has a positive impact on the economy locally and throughout the State of Ohio. The companies have close to 240 associates. As a major employer, annual payroll contributes more than \$15 million to the local economy.