

FROM

# ASPIRATION



THE CLARKE 2013 SUSTAINABILITY REPORT





TO ACTION





Dear Friends,

In February of 2012, we invited all of our employees and a diverse group of customers, suppliers and key partners to join together for Clarke+, our first Sustainability Summit — a three day event to discover our strengths, dream about our future, and develop and deploy prototypes and action plans to accelerate a sustainable Clarke. The ideas that emerged from this event were incredibly aspirational.

We envisioned Clarke as a **bold catalyst for change** — inspiring our industry and others to explore opportunities to reduce their own environmental impact. We replaced our waste reduction goals with a commitment to **zero waste**. Our health and wellness efforts became a call for **extraordinary health and happiness**. We imagined **transformational energy** initiatives to further eliminate our greenhouse gas emissions and reduce our dependency on fossil fuel. And we aspired to create a **campus of the future** for our corporate and research staff that would foster transparency, innovation and collaboration.

In 2013, our focus shifted from aspiration to action as our employees, customers and dedicated partners implemented plans and programs to support each opportunity area from Clarke+. With passion, enthusiasm, innovation and hard work, we made significant progress — exceeding our goals for carbon reductions, renewable energy generation, waste reduction and volunteerism — and demonstrating once again that sustainability pays. We calculate an annual savings of just over \$300,000 as a result of increased efficiencies, reductions in process and paper waste and improvements in our facilities.

The stories of our progress are detailed in this, our fifth, Sustainability Report.

We begin with aspiration. We progress with action.

A handwritten signature in dark ink, appearing to read 'J. Lyell Clarke', with a stylized flourish at the end.

J. Lyell Clarke, President and CEO



## CEO LETTER

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# >>> ABOUT THIS REPORT



J. Lyell Clarke, President and CEO of Clarke

## Report Scope and Boundary

This sustainability report, *Accelerating a Sustainable Clarke—Aspiration to Action*, shares the progress we made during the 2013 calendar year. It is our fifth annual sustainability report, detailing Clarke's environmental, social and economic performance across Clarke's global operations and subsidiaries including 17 global offices, facilities and work projects.

As with our 2012 report, Clarke adheres to the Global Reporting Initiative (GRI) G3.1 guidelines to ensure high quality reporting. GRI has verified that this report meets the criteria for Application Level B.

We have no restatements of information from Clarke's previous 2012 report, nor have we experienced any significant organizational changes in ownership or scope. This report, along with previous sustainability reports, is available in downloadable PDF format at [www.clarke.com](http://www.clarke.com).

## Measurement and Transparency

At Clarke, we measure progress on our goals and initiatives through our sustainability dashboard, quarterly Sustainability Advisory Board meetings, management and initiative committee meetings, employee performance management

systems and our corporate bonus structure, which includes a requirement for volunteerism and employee engagement in sustainability initiatives.

Results are posted to the company's electronic communication board quarterly, and formally reported in this annual sustainability report, published for all internal stakeholders and key external stakeholders. The data included in this report is measured and calculated according to the relevant GRI Indicator Protocols.

J. Lyell Clarke, the company's President and CEO, provides updates on Clarke sustainability efforts and initiatives, and reports on the progress that we are all making toward our Sustainability Goals during his quarterly company review to all employees.

## Feedback and Contact Information

Questions about this report can be directed to Julie E. Reiter, Vice President, Human Resources & Sustainable Development at [jreiter@clarke.com](mailto:jreiter@clarke.com).

# >>>ABOUT US

## Who We Are

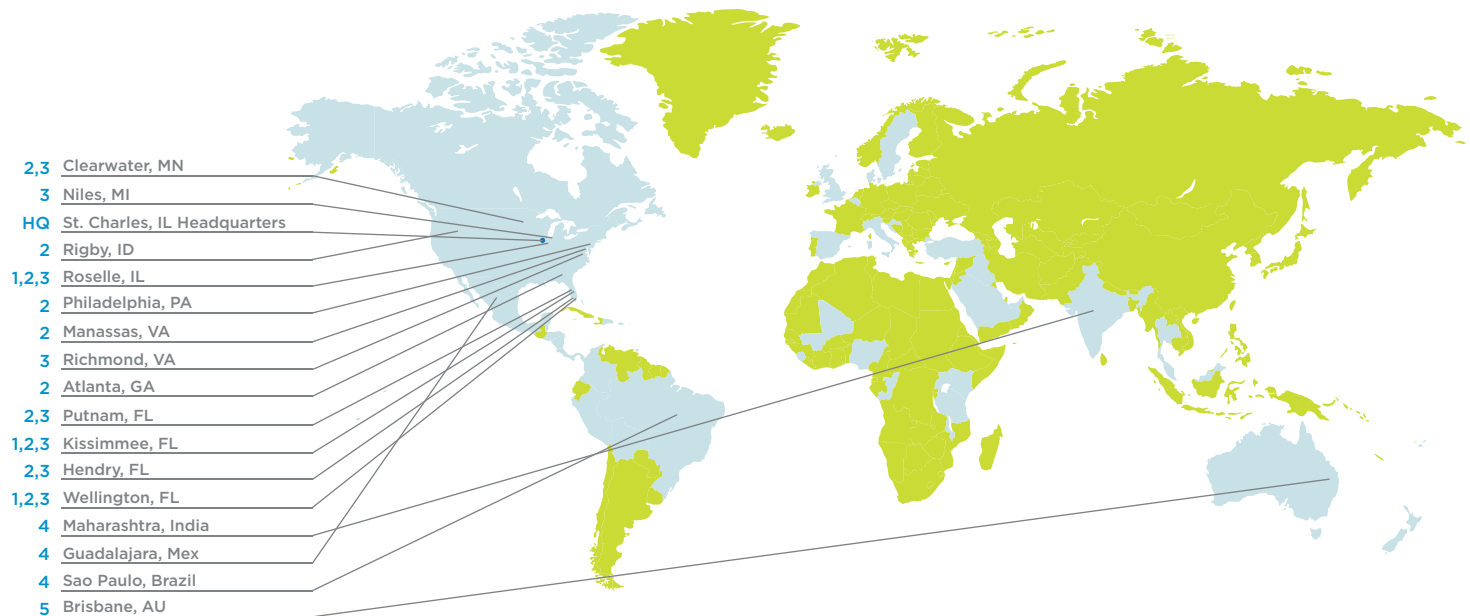
Clarke is a privately-held global environmental products and services company. We make communities around the world more livable, safe and comfortable by pioneering, developing and delivering environmentally responsible public health mosquito control and aquatic services. Our services help prevent disease, control nuisances and create healthy waterways. Clarke strives to pioneer and deliver the most advanced environmentally responsible mosquito control and aquatic services available. Our customers include governments, commercial and residential groups, and international institutions such as UNICEF and U.S. AID.

Clarke is a global solutions provider, growing and evolving from a small family business established in 1946. The Clarke Group, Inc. and its core business units serve the spectrum of market needs from mosquito control products and services, to aquatic habitat services, and application equipment and technology.

## What We Do

1. **Clarke Mosquito Control Products, Inc.** provides public health mosquito control products and equipment with headquarters in St. Charles, Illinois and sales offices throughout the United States.
2. **Clarke Environmental Mosquito Management, Inc.** provides public health mosquito control services to government, commercial and private entities with 10 locations in the United States.
3. **Clarke Aquatic Services, Inc.** provides professional aquatic solutions for weed and algae from 8 locations in the U.S.
4. **Clarke International, LLC** provides public health mosquito control products and equipment with offices in Mexico, India and Brazil.
5. **Pacific Biologics, Pty., LTD** distributes public health mosquito control and animal health products in Australia, New Zealand and the Pacific Islands.

## Where We Operate





## Governance and Ethics

Clarke is governed by a two-person board of directors comprised of Clarke family members. Day-to-day management and long range direction is led by our executive leadership team with guidance from an external advisory board of independent business leaders. Advisory board members provide representation from the legal, business, banking, consulting and industry arenas, vetted through an internal review process. They act in accordance with the policies that guide the Clarke organization.

In addition to our board of directors and advisory board, Clarke has a corporate compliance committee. This committee includes key members of the management team and provides oversight and direction regarding regulatory, environmental and workplace compliance in all Clarke operations and activities. The corporate compliance committee also provides guidance on Clarke's Code of Conduct and Ethics policies. We have established an Ethics Hotline as a confidential resource for employees to access should they have an issue to report. We monitor feedback submitted through the hotline and follow-up immediately on any reported issues.

The Company has established a robust program for business planning and regular review and monitoring of operational and financial performance — including an annual Long Range and Strategic Planning retreat, Quarterly Strategic Initiative Review, and regular Executive Team and Business Unit meetings to review key performance metrics.

## Sustainability Governance

Our sustainability progress is measured and guided by a Sustainability Advisory Board (SAB) made up of our executive leadership team, senior management from Regulatory Affairs and Human Resources and employee representatives from each focus area. Established in 2011 as part of our Project Greater Purpose initiative, the Sustainability Advisory Board meets quarterly and monitors progress towards our sustainability goals.

## Our Mission

Together, we help make communities around the world more livable, safe and comfortable.

We are doing this by:

- Pioneering, using and championing the most eco-responsible and advanced products, services and business practices possible
- Providing support to as many communities as we can through the Clarke employee volunteer programs and through the Clarke Cares Foundation
- Living our mission through our words and actions
- Supporting our customers, partners and each other in this endeavor, and inspiring others to join us

## Our Values

Clarke's core values guide all our steps:

- **Caring for the Planet** - In every aspect of our behavior and actions, we hold ourselves accountable for making responsible decisions and finding ways to lessen our impact on Earth.
- **Caring for People** - We are respectful and considerate of one another, our customers and our partners, and do all we can to positively impact and enrich the lives around us.
- **Being Passionate about What We Do** - We work hard because we love what we do. We take pride in our work and the difference we make in the world.
- **Doing the Right Thing, Even When It's Hard** - Honesty and integrity drive our everyday actions and are reflected in our common belief to do what's best for our industry, and the people and communities we serve.

## Our Vision

Create an organization that reaches around the world to help make the lives of more than 660 million people more livable, safe and comfortable.

# >>> GOAL UPDATE



## Sustainability Goals and Performance

In 2009, Clarke established a set of ambitious goals to be achieved by the end of 2014. These goals influence every aspect of our business — from product development to supply chain management, to the vehicles we drive and the buildings in which we work.

2014 Goal	Goal Update	Status
Reduce our carbon footprint by 25% <sup>1</sup>	27% reduction since 2008	ACHIEVED
Acquire 20% of our energy from renewable resources	48% of our energy consumption is offset by green power contracts and 1% comes from on-site solar	ACHIEVED
Reduce waste stream by 50%	57% reduction since base year 2010; 78% recycle/repurpose rate, 81% diverted from landfill	ACHIEVED
Generate 25% of revenues from products ranked as “NextGen” on the Clarke Eco-Tier-Index	16% of our total 2013 revenue came from products and services classified as “NextGen”	IN PROGRESS
Incorporate a cradle to cradle design philosophy in all of our product/service development efforts	Our most challenging goal! Progress has been slow due to cost considerations and logistical implementation challenges.	IN PROGRESS
Attain LEED certification at all new facilities	Initiated renovation for the Clarke Campus with the intent to apply for LEED certification in 2015	IN PROGRESS
Donate or volunteer 2,080 employee hours to assist the communities in which we work	In 2013, 3,591 hours were donated through employee volunteerism (valued at \$91,698)	ACHIEVED



# >>>PROJECT GREATER PURPOSE

In 2011, we established Project Greater Purpose — designed to establish a formal structure around our sustainability efforts and to create processes that enable progress in key environmental and social priorities. Project Greater Purpose is made up of a Sustainability Advisory Board and five committees: Communication, Education & Awareness, Extraordinary Health & Happiness, Social Responsibility, Good Earth, and Sustainable Business.

The Sustainability Advisory Board (SAB) provides guidance and direction to the committees and project teams, reinforcing Clarke's commitment to its sustainability goals. Every Clarke employee is invited and encouraged, within the scope of their job and through personal bonus objectives, to participate on one or more of the five committees. In 2013, more than 60 unique projects were initiated under Project Greater Purpose and 70 percent of Clarke's employees actively participated in one or more sustainability activities.

In an effort to further engage our employee and to embed sustainability into our organization, the November meeting of the SAB was conducted as an all employee town hall meeting. Given the overwhelming success and positive feedback from employees, we have made a commitment to repeat this annually.

## MAJOR INITIATIVES

### Sustainable Business

- Carbon Footprint Tracking & Reporting
- Transformational Energy - Fleet
- Transformational Energy - Facilities
- Green Power
- Sustainable Packaging
- C2C & Design for the Environment
- Responsible Purchasing Policies & Vendor Programs
- Zero Waste

### Communication, Education & Awareness

- Sustainability Report
- Appreciative Inquiry Summit
- Speakers Program & Training
- Internal Communications — The CLOG
- Outreach & Education

### Social Responsibility

- Swing for Nets Golf Outing
- Volunteerism Events
- Day of Caring



### Good Earth

- Earth Day Events
- Composting, Rain Barrels & Recycling
- Solar Panels

### Extraordinary Health & Happiness

- Wellness Incentive Program
- Health Risk Assessment & Biometric Screening
- Health Care Benchmarking
- Health & Wellness Awareness
- Weight Watchers at Work
- Employee Safety Programs

## Accelerating a Sustainable Clarke:

# >>>ASPIRATION TO ACTION

In 2012, we conducted our first Appreciative Inquiry Summit (dubbed Clarke+). The participants at this event included all of our 130 employees and 60 external stakeholders. External participants were selected during our event planning process to ensure representation from all aspects of our business — customers, suppliers, key partners and sustainability thought leaders. Together, these stakeholders identified opportunity areas and developed practical actions plans to accelerate our efforts to become a more sustainable company.

Throughout 2012, we continued to involve the Summit participants through a series of post-summit review sessions and continuing communications. In 2013, we engaged our internal stakeholders (employees) through committee activities, quarterly progress meetings and reports and articles posted to our intranet communication board. We share information about our sustainability programs and report our progress to external stakeholders through customer and supplier meetings and workshops where feedback about our programs is invited.

## Opportunity Areas:

<b>Radical Partnerships &amp; Bold Catalyst for External Change</b>	Efforts to influence a paradigm shift within our industry and our communities related to sustainability and environmental stewardship
<b>Transformational Energy Solutions</b>	Operations, fleet and facility improvements to reduce carbon footprint, energy costs and increase efficiencies
<b>Net Zero Waste</b>	Waste stream initiatives to reduce total waste and achieve zero waste to landfill status at 20 percent of our locations by the end of 2014
<b>Water Resource Management</b>	Develop and integrate sustainable practices into the operational protocol for our aquatic services offering
<b>Accelerate Next Generation</b>	Processes to foster more rapid discovery, development and commercialization of NextGen products and services
<b>How Clarke Cares</b>	Initiatives that demonstrate our commitment to caring for people and caring for the planet, both at home and abroad
<b>Extraordinary Health &amp; Happiness</b>	Policies and programs with a focus on the health and well-being of all Clarke employees

## Appreciative Inquiry

Appreciative Inquiry (AI) is a change management methodology that identifies what works within an organization and uses that knowledge to intensify energy and vision for the future. AI is a strengths-based approach to organizational change management. Pioneered by Dr. David Cooperrider and Dr. Ronald Fry of the Case Western Reserve University Weatherhead School of Management, AI engages the “whole system” including employees, customers, suppliers, community members, regulators, and others in exploring strengths and discovering possibilities for the future.

In 2013, as employees embraced the aspirations of Clarke+, we moved to action — developing and implementing tactical action plans to reduce our waste stream, eliminate carbon emissions from our operations, enhance our culture of Extraordinary Health & Happiness, increase our philanthropic efforts and act purposefully as a catalyst for change within our own industry.





## >>> Bold Catalyst for External Change

Coming out of Clarke+, we aspired to share the concepts of sustainability with our industry peers, partners and customers with the goal to become a “bold catalyst for external change.” Our hope was to engage others in a conversation about the value and opportunities of adopting a mindset of sustainability.

In keeping with this aspiration, we coordinated the first-ever industry symposium on sustainability held at the American Mosquito Control Association’s annual meeting in February 2013. The symposium included presentations on sustainability and a key note address by Andrew Winston, author of *Green to Gold* and *Green Recovery*.

In February, Clarke’s CEO and Vice President of Human Resources and Sustainable Development conducted a workshop on Sustainable Development with 10 members of the staff of the Metropolitan Mosquito Abatement District in Minneapolis, MN, one of the largest abatement districts in the U.S. In March, we coordinated and helped to sponsor an Appreciative Inquiry event for 70 employees and 25 external stakeholders of the Florida Keys Mosquito Control District. Facilitated by Dr. David Cooperrider, the focus of the event was to identify sustainability initiatives to preserve public health, the economy and the environment of the Florida Keys.

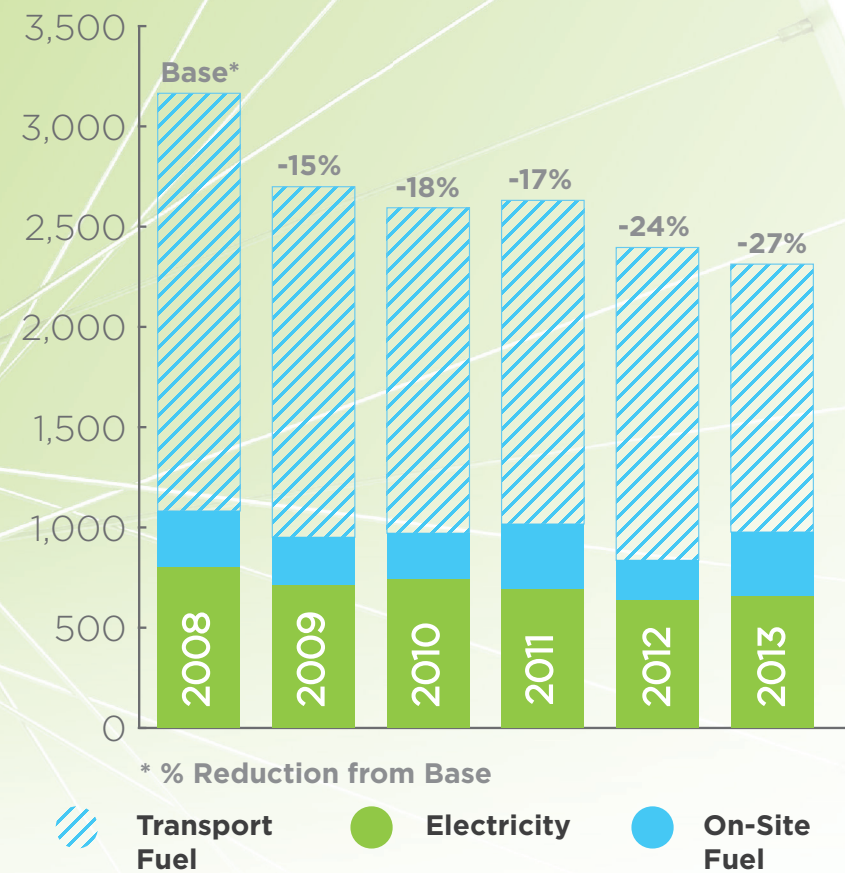
“Lyell and Julie really set the stage as MMCD began establishing its sustainability initiatives. Staff was very appreciative of the information they provided and really took their message to heart.”

**Jim Stark**  
*Director  
Metropolitan Mosquito  
Control District - 2013  
Minneapolis, MN*



# »»» TRANSFORMATIONAL ENERGY

**Carbon Footprint Reduction (Tonnes, CO<sup>2</sup>e)**





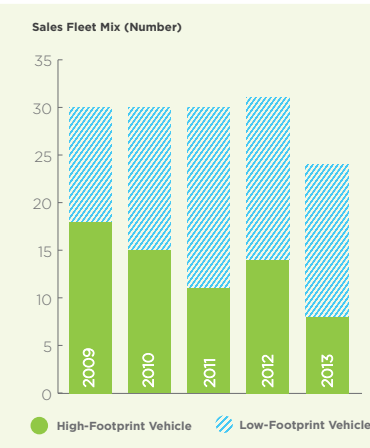
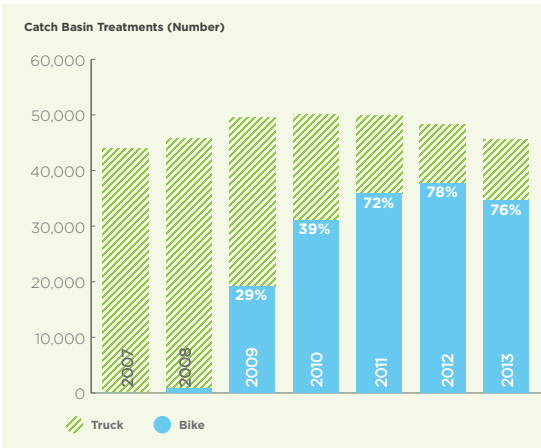
Our Transformational Energy initiatives seek to improve our operational processes and activities to achieve greater efficiency, reduce carbon emissions, and reduce our reliance on fossil fuels and non-renewable energy sources.

## Carbon Footprint

Since we began tracking greenhouse gas emissions in 2008, we have reduced our total carbon footprint by 27 percent and, in 2013, achieved a three percent reduction from the prior year. For the emissions we cannot eliminate, in 2013, we purchased carbon offsets through Carbonfund.org to neutralize 750 tonnes of our 2012 carbon dioxide (CO<sup>2</sup>) emissions — 30 percent of our total greenhouse gas emissions.

TOTAL ENERGY (GIGAJOULES) STATED BY ENERGY TYPE				
	2010	2011	2012	2013
Jet Fuel	854	640	810	636
Gasoline	21,663	21,776	15,055	18,984
Liquid Petroleum Gas	173	134	105	142
Electricity	3,839	3,598	3,313	3,400
Natural Gas	4,526	6,447	3,999	6,389

The most significant contribution to carbon emissions comes from transport fuel — used throughout our operations and by our sales fleet. Electricity is the second largest contributor to our carbon emissions. As such, our carbon footprint reduction efforts are focused on reducing our use of transport fuel and electricity.



## Carbon Reduction Initiatives

**Catch Basin by Bike** – One of the most significant carbon emission reducing changes that we’ve made was to integrate bicycles into our mosquito abatement operations. Traditionally, the application of larvicides to street catch basins to reduce the emergence of adult mosquitoes was performed using a fleet of trucks. In 2013, 76 percent of the total 455,086 catch basins we treated were performed by pedal power. Based on historical data and average fuel costs, we estimate that this innovative approach reduces our fuel consumption by 95 percent and our fuel costs by approximately \$18,000 per year. This pedal powered program contributes to approximately five percent of our overall carbon emission reduction since 2008. Another plus — what once was a challenging position to staff is now one of the most coveted crew assignments of our seasonal workforce.

**Optimizing Our Sales Fleet** – As new personnel join our field sales team and as vehicles in our sales fleet reach end of life, new vehicles selections are made with consideration for both practical usage and fuel efficiency. While we continue to have a small number of heavier duty pick-up trucks in our fleet for our staff in mountainous regions, more than 60 percent of the fleet has been converted to hybrids or vehicles with an average of 35 miles per gallon (MPG) or better.

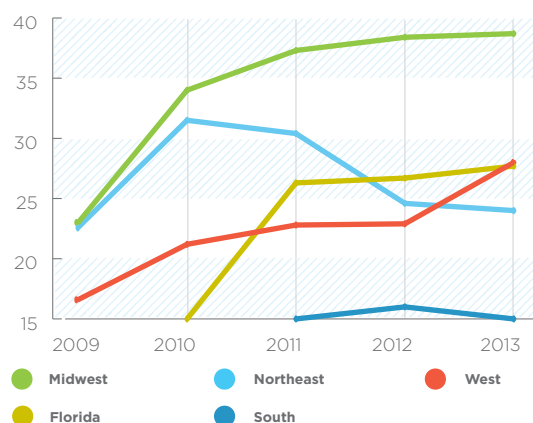
**Driver Behavior Program** - In 2013, we installed GPS devices in each service vehicle to monitor vehicle performance and driver behaviors that impact fuel efficiency and driver safety. Data includes idle time, speeding, excessive acceleration, fuel efficiency, and vehicle health. Driver behavior can now be monitored in real-time, enabling us to address issues and improve driver performance. With this program fully in place, we can educate employees on driver behavior that contributes to improved vehicle efficiency and safety of our operations.

The EPA estimates that informing operators of their driving habits and correcting them in a timely manner can increase fuel efficiency by between 10 and 30 percent, instantly. Our nationwide fleet of 111 service vehicles used approximately 60,000 gallons of gas in 2013. Applying the EPA’s benchmark, we project an annual savings of 6,000 to 18,000 gallons, dramatically reducing carbon footprint and fleet costs.

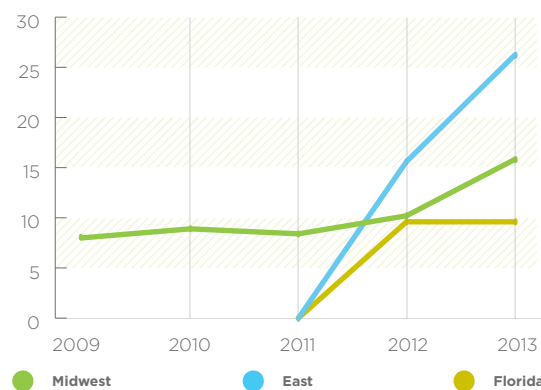
**Electric Club Cars and Solar Powered Charging Systems** - Historically, we have used gas powered All-Terrain Vehicles (ATVs), equipped with gas powered sprayers in our residential mosquito control service operations. Since 2009, and as vehicles have come to their end of life, we have worked to reduce the carbon footprint of these



Sales Fleet Fuel Efficiency (Avg. MPG)



Service Fleet Fuel Efficiency (Avg. MPG)



services by replacing the ATVs with Electric Club Cars. The Club Cars are equipped with electric sprayers, further reducing the footprint of this operation. In 2013, Electric Club Cars made up 30 percent of our 10 vehicle fleet. Our annual reduction of CO<sup>2</sup> from this project is estimated at 941 kg with a fuel cost savings of \$367.

Utilizing an all-electric vehicle presents some challenges in that we need to ensure that the vehicle and the equipment are adequately charged to meet operational demands. In 2013, we installed solar panels on the Club Cars to reduce our energy consumption and charge the spray equipment without compromising the operational range of the vehicle.

**Electric Backpacks Replaced Gas Powered** - In April 2013, we completed a conversion of gas powered backpacks in our Aquatic service business in Illinois and Indiana to electric powered sprayers. Our annual reduction of CO<sup>2</sup> from this project is estimated at 2,098 kg with a fuel cost savings of \$819.

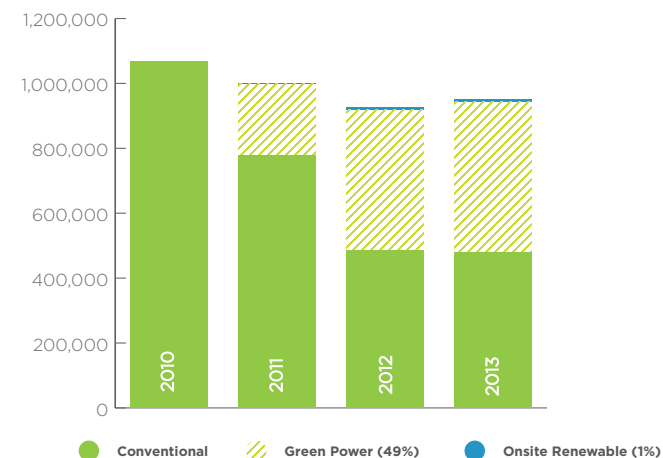
**Lighting Improvements at Our Roselle, IL Service and Manufacturing Facility** - In 2013, we replaced outdated light fixtures and ballasts at our service and manufacturing facility in Roselle. This initiative consisted of replacing T-12 fixtures with more efficient T-8 fixtures in our office areas, replacing 44 400-watt metal halide fixtures with 200-watt CFLs, and replacing 400- and 250-watt flood lights with 110- and 68-watt LEDs. Our annual savings from this project are estimated at 37,365 kWh, 26 tonnes of CO<sup>2</sup> (1% reduction) and \$4,314 in energy costs.

## Renewable Energy

Another significant component of Clarke's energy-related activity revolves around renewable energy. Since 2010, Clarke has received a portion of their electricity from photovoltaic panels installed at two facilities — the Natular® manufacturing facility in Schaumburg, Illinois and our distribution facility in Brisbane, Australia. The array in Illinois produced 3,606 kWh in 2013. The array in Australia produced 4,115 kWh — enough energy to cover nearly 100 percent of the facility's energy needs. Through a combination of these on-site renewable energy installations and Green Power contracts at three of our four Illinois locations in 2013, 47 percent of our total electricity consumption came from renewable sources (135 percent of our 2014 goal).

Our long term vision for renewable energy includes a significant expansion of solar power generation at our Illinois facilities. These programs are scheduled for late 2015 as we complete construction of our Corporate Campus facility in St. Charles, IL.

Energy by Source (Kilowatts)



# >>> WATER RESOURCES MANAGEMENT

In most conversations about sustainability, water resources management is a key area of focus. To date our primary focus has been on how we treat water bodies for our aquatic service customers. Our unique aquatic applications system, called Conserve™, allows us to unify mapping data of the aquatic treatment areas with variable flow and variable depth applications to ensure aquatic weeds are effectively controlled with minimum application of herbicidal product.

Tracking water consumption and establishing water conservation goals and programs are areas of opportunity for us that will require our focus and attention. Our Water Resource Management initiative team did not gain traction on this effort until late in 2013. Looking forward into 2014, we expect to articulate water goals and to see progress made in our initial water management efforts.

## Doing the Right Thing

A core value in the Clarke organization includes, in every aspect, being accountable for responsible decisions and minimizing our impact on the earth in our efforts to make communities more livable, safe and comfortable. In our aquatic services programs, we seek to address and control invasive and unwanted or opportunistic aquatic weeds and algae in managed waters and to aid communities in providing bodies of water for recreational uses, wildlife habitat, floodwater management and bio-diversity goals. We respect that insecticide and herbicide control measures can be harmful to native flora and fauna and, when these controls are necessary, consider the potential risks carefully to avoid degradation of ecosystem health and diversity. Extreme care is taken to avoid non-target effects and to minimize drift.

In 2013, Clarke took a close-up look at its service offerings (in Illinois) that overlap or border habitat for **Listed Endangered and Threatened** species and other valued Illinois Natural Areas.

In consultation with the Illinois Department of Natural Resources (IDNR),

Clarke's mapping team identified every protected resource within the Clarke service areas, and provided a treatment-by-account detail of operations that may have the potential to impact these valued resources. Regulatory, Operations, and Sales team members worked together to develop appropriate treatment protocols for each overlapping or neighboring site to ensure that the potential for harm to protected resources is avoided.

In March 2013, Clarke made a formal written commitment to the IDNR to implement control measures that would eliminate or reduce risk to threatened and endangered species. These measures have been integrated into our operational protocols — including mapping, work instructions, standard procedures and quality checks. Any protocol changes require thorough management review and approval.

RIGHT  
INFORMATION



PRECISION  
APPLICATION



REAL TIME  
DATA



COMPREHENSIVE  
REPORTING



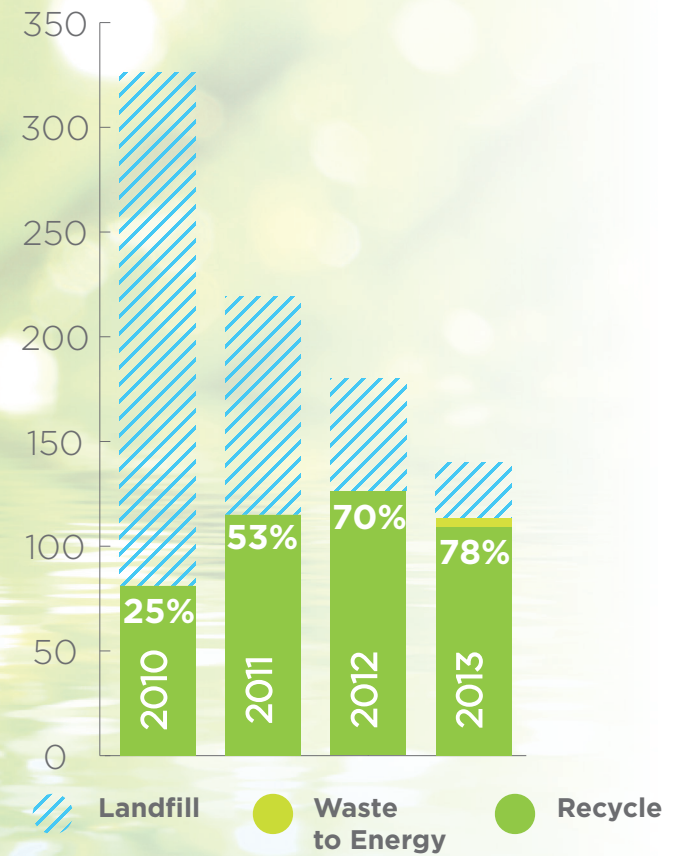
CONSERVE





# »»»ZERO WASTE

Disposal of Waste (Tonnes)



We accelerated our waste management and waste reduction initiatives in 2013 with a specific challenge to become zero waste to landfill at 20 percent of our facilities. We started by building a framework for the program, consisting of four program elements:

- 1 **Diversion from Landfill**
- 2 **Data Collection, Monetization, and Cost Savings**
- 3 **Waste Reduction Initiatives**
- 4 **Waste-to-Energy**

## Diversion from Landfill

We initiated our challenge to divert waste from landfills by identifying Waste Champions and performing a waste assessment at each of our locations. Waste stations were set up at facilities with uniform signage and waste collection protocols to emphasize our repurposing and recycling programs, customized where needed for operational processes and workflow. With the physical stations in place, we conducted waste workshops to train employees on recycling and waste reduction efforts.

TYPES OF WASTE (METRIC TONNES)				
	2010	2011	2012	2013
<b>Hazardous</b>	1.16	0.26	0.81	0.94
<b>Non-Hazardous</b>	296	199	163	127

## Data Collection, Monetization and Cost Savings

Waste data is collected from each location on a monthly basis and compiled into a waste dashboard for company-wide viewing. We established program metrics to quantify our waste collection costs

as well as the revenue generated from the sale of valuable waste materials. As a partner in EPA's WasteWise® program, we benchmarked waste generation and reduction data and standardized our data collection throughout all facilities.

Our 2013 recycling rate for all Clarke locations combined was 78 percent (up from 70 percent in 2012). For our Illinois locations (generating approximately 84 percent of our total waste), the recycle rate was 83 percent.

## Waste Reduction Initiatives & Continuous Improvement

A Zero Waste to Landfill Initiative review meeting is conducted every 6-8 weeks to review waste metrics, discuss progress on waste reduction projects, and to identify opportunities to improve our waste reduction performance. These meetings are attended by Waste Champions, initiative leaders and members of the management and executive staff. Here are some of the initiatives we are tackling:

### PACKAGING

Clarke extended its waste reduction efforts downstream to customers in two ways: through redesigned corrugated shipping boxes and implementation of a standard returnable/refillable container program.

20%

of our facilities are zero waste to landfill.





**Drums Shipped Domestically**





**Redesign** - Of the five box sizes utilized to ship product, one accounted for 73 percent of all boxes utilized. This box was redesigned to use less corrugated stock without compromising strength. The result was a savings of 42,800 square feet of corrugate or 13,600 pounds of material. Net cost savings in 2013: \$7,500.

**Return & Refill** - In 2013, Clarke transitioned its Returnable/Refillable/Recyclable Drum Program from an optional program to a standard service for our bulk liquid product shipments. Historically, these 55 and 30 gallon plastic drums were “one way” drums. Customers had to dispose of the drums once empty, typically to a landfill. The Clarke program, provided at no charge to customers, includes picking up empty bar-coded drums, cleaning them to ensure no product cross contamination, and then refilling them for a minimum of five usage cycles. At end of life, drums are cleaned and recycled into high-density polyethylene (HDPE) recycle streams. The cost savings from not needing to purchase new drums every year funds the logistics of tracking, recovery and cleaning.

## PAPERLESS ACCOUNTING

Our Paperless Accounting program is a continuing initiative that seeks to reduce paper consumption and waste by converting accounting transactions from paper to electronic format. This program focuses on three areas: invoicing, payables and record retention. In 2013, we jumped from 54 percent of customers participating in electronic invoicing to 65 percent. And we went from 39 percent to 69 percent of our vendors receiving payments electronically. Electronic storage eliminated the need for file cabinets, storage boxes, storage fees, folders and binders. The Paperless Accounting Initiative generated a savings of \$28,000 in 2013.

## EARTH AWARENESS CAMPAIGNS

The Good Earth Committee coordinates monthly recycling drives known as Earth Awareness Campaigns. The purpose of the program is to partner with local non-profit agencies and to collect specialty items that might otherwise end up in a landfill. In 2013 we collected:

<b>January</b>	Greeting cards for St. Jude's Children's Research Hospital
<b>February/ March</b>	Writing instruments for School and Community Assistance for Compositing and Recycling Education (SCARCE) & TerraCycle
<b>April</b>	Shoes for SCARCE & TerraCycle
<b>May/June</b>	Garden tools for Easter Seals
<b>July/August</b>	Safety Pins & Buttons for SCARCE
<b>September</b>	Crayons for SCARCE
<b>October</b>	Halloween costumes for People's Resource Center
<b>November</b>	Coats & Winter Gear for People's Resource Center
<b>December</b>	Holiday Lights for SCARCE

Throughout the year, we also collected electronic waste for recycling. Employees are invited to bring their personal electronic waste as a way to encourage them to do the right thing. In 2013, we recycled 2,548 pounds of electronic equipment.

## PROJECT REPURPOSE

As part of our Earth Week 2013 activities and in an effort to instill the thought that landfills should always be the last option for waste, we launched a companywide contest called Project Repurpose. The goal of this project is to keep employees asking



the question: “is this really trash?” The idea is to take things that are commonly thrown away and give them a “repurposed” life. Submissions were judged by employees in categories that included “Most Functional” and “Most Creative.” A few highlights include: a 55 gallon drum turned rain barrel (currently being used at our Roselle, Illinois service office), dated Clarke branded t-shirts sewn together to make a blanket, old windows built into a greenhouse, and recycled yogurt containers morphed into a garden scarecrow.

## Waste to Energy

With a strong foundation in place to maximize our waste recycling, repurposing and composting rates, we researched alternatives for our remaining landfill waste. Inspired by the work of other companies such as Subaru and Hayworth, we negotiated a program with Covanta4Recovery to collect our non-recyclable waste for transport to their Waste-to-Energy facility in Indianapolis, IN. As of August 13, 2013, three of our four Illinois locations became zero waste to landfill — achieving our goal of 20 percent of all Clarke facilities. More important, as these three locations generate more than 75 percent of our total waste, the Waste to Energy program is projected to reduce total landfill waste to just *under* 10 percent of our total waste stream.

Accelerate:

# >>>NEXTGEN

“Being certified as a GreenScreen practitioner is really a privilege. It allows me, a regulatory specialist, to be more integrally involved in early product development, knowing the work contributes to our mission.”

**Jon Ostrowski**  
*Regulatory Affairs Specialist*



The concept of Next Generation (NextGen) products and services emerged from our initial re-branding and re-visioning in 2009.

For us, NextGen characterizes a category of novel products and application methods with reduced environmental impact. As we push to develop these offerings, we explore non-traditional ingredients and approaches — including raw materials, manufacturing processes, packaging, and reduce rate formulations. An example of success is our development of two public health pesticides, Natular® larvicide and Merus® adulticide, compatible for use in and around organic crops — something previously thought impossible.

## Cradle-to-Cradle Packaging

One of the early aspirations of our sustainability journey was to create a cradle-to-cradle packaging solution. In cradle-to-cradle production all material inputs and outputs are seen either as technical or biological nutrients. Technical nutrients can be recycled or reused with no loss of quality and biological nutrients composted or consumed. Our initial efforts found this possible to accomplish from a materials standpoint, but associated costs and logistics proved to be unacceptable from a business perspective.

In 2013, not giving up, we narrowed our cradle-to-cradle aspiration on our own service organization where the supply chain logistics are less complicated. We'll apply those solutions in 2014 and build upon our learnings going forward.

## Green Chemistry

In 2013, to accelerate and ignite our sustainable product design initiatives, Clarke launched a series of integrated workgroups to provide definition and build vigor into our sustainable product design processes. The workgroups discovered and then began to implement design processes built on the tenets of Cradle-to-Cradle, the principles of Green Chemistry and the material assessment protocols of Design for Environment. By November 2013, the workgroups presented a set of guiding product design principles dubbed "The Barn Doctrine" (named for the teambuilding retreat at a restored prairie farm in rural Illinois).

The Barn Doctrine values include (i) it is better to prevent waste than to treat or clean it up, (ii) production processes are designed to use substances with little or no toxicity to health or the earth along the full cycle, (iii) chemical products shall be effective and necessary while minimizing toxicity and environmental impact and shall not persist beyond their useful life, (iv) the use of auxiliary substances shall be made unnecessary, (v) raw materials shall be renewable wherever possible, and (vi) process resource requirements are recognized for their environmental and economic impacts and are minimized.

Through the efforts of the workgroups, we identified and adopted the GreenWerks™ Formulation Profiling Tool, a subscription based software tool that provides an ingredient-based comparison of the health and environmental impacts of each component in our products, providing for informed raw materials selection and prioritization of material replacement.

Workgroup participants partnered with the Clean Production Action (CPA) Network to integrate the GreenScreen for Safer Chemicals® methodology into our design protocols. GreenScreen® for Safer Chemicals is a method for comparative chemical hazard assessment that can be used for identifying chemicals of high concern and safer alternatives. This enables us to make better stewardship choices at the earliest stages of product development. Clarke participated in CPA's piloted Green Screen Practitioner Program and provided feedback for the development of advanced training in the GreenScreen method. Clarke gained in-house expertise and employee certification in chemical hazard assessment and has begun to classify its chemical raw materials and candidate chemicals on 18 human and environmental health endpoints. In 2013, Clarke's own Certified Practitioner completed two detailed chemical assessments of product raw materials, both of which have been independently verified by a third party, through the GreenScreen Verification Program. and published by the CPA. Clarke completed two more in partnership with an external practitioner to inform decision making in our new product development pipeline.



# >>>CLARKE CARES



Our efforts to make communities around the world more livable, safe and comfortable will only be successful by promoting a work environment that embraces diversity, encourages open discussion and creates opportunities for individuals to make meaningful contributions through their work. Clarke is committed to building a passionate and purposeful culture, grounded in a mission and values shared by all.

SECOND ANNUAL DAY OF CARING

1 Day



5 Countries



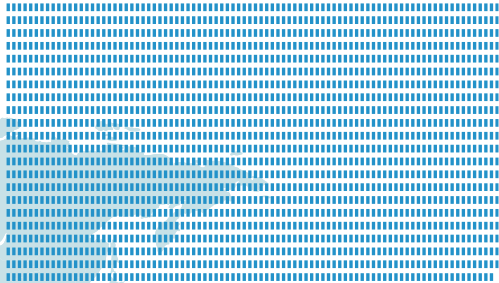
19 Projects



244 People



1947 Hours



Our People

OUR PEOPLE		
Regular Employees (Core Workforce)	160	34.8%
Seasonal Employees	300	65.2%

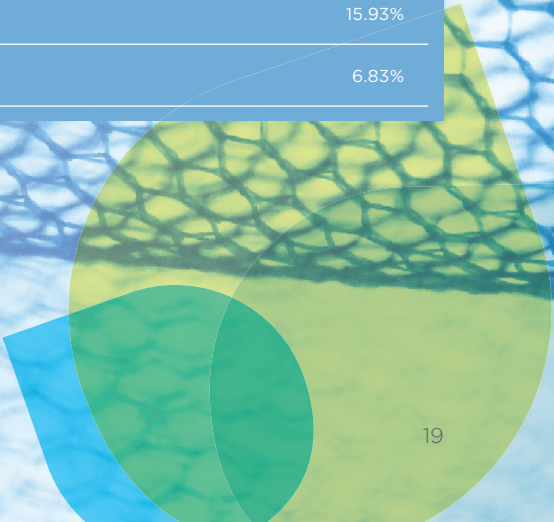
GENDER		
Male	343	75%
Female	117	25%
TOTAL	460	100%

AGE (U.S. WORKFORCE)		
50+	104	23%
30 - 49	148	33%
20 - 29	188	41%
< 20	14	3%
TOTAL	454	100%

OCCUPATIONAL CATEGORY		
Management	57	12.4%
Administrative	36	8%
Sales	31	7%
Professional	19	4%
Technician	22	5%
Craft Workers	2	0%
Operatives & Laborers	21	5%
Service Workers	272	59%
TOTAL	460	100%

ETHNICITY		
White	379	82.4%
Black or African American	19	4.1%
Hispanic or Latino	43	9.3%
Asian	10	2.2%
Two or More Races	8	1.7%
American Indian or Alaska Native	1	0.2%
TOTAL	460	100%

TURNOVER (U.S. CORE WORKFORCE)	
All	15.93%
Voluntary	6.83%



In April of 2013, we initiated the renovation of our future Clarke Campus facility in St. Charles. The vision of this project was borne at Clarke+ where employees envisioned a conservatory of innovation that would express our commitment to foster creativity, discovery and environmental stewardship and that would reflect a partnership between the natural world, the community and Clarke.

Throughout the summer and fall of 2013, we incorporated the guidelines of LEED and engaged our employees, through a series of design charrettes, in the development of workspace layout, landscape restoration and sustainability design elements. Construction would commence in early 2014 with a targeted move in date of April of 2014.

As we were designing the new facility, a “move team” task force of employees prepared for the move out of our existing office space. In this effort, one of our primary objectives was to effectively manage the pre-move purging to minimize our waste to landfill. Paper recycling programs were enhanced and sorting stations were established for items and materials that were no longer needed. Excess office supplies were donated to School and Community Assistance for Composting and Recycling Education (SCARCE), furniture was repurposed at other Clarke locations and the remaining miscellaneous cast-offs were given to employees or sent to a waste-to-energy facility.

## Rewarding Our People

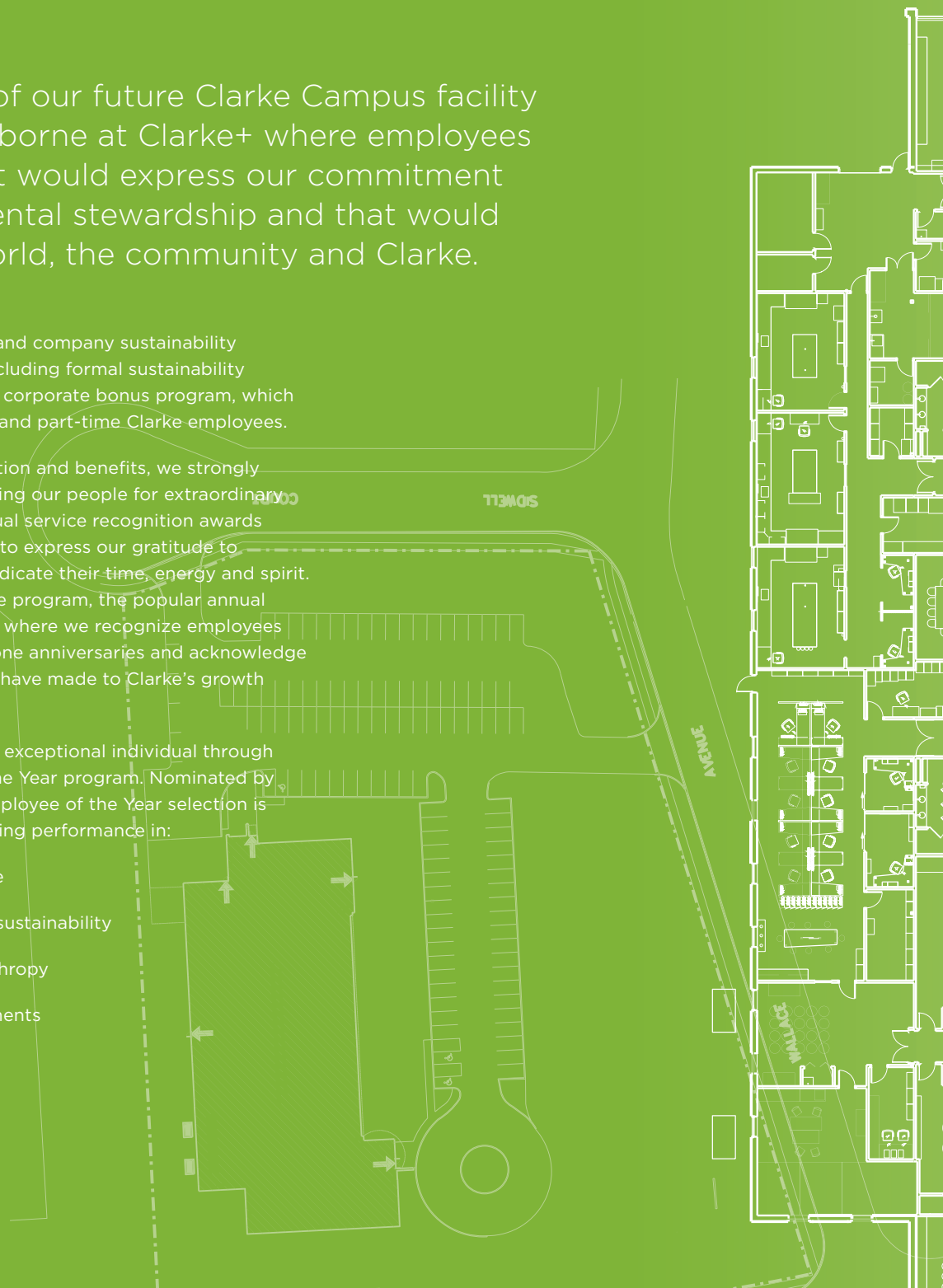
To attract and retain the very best talent, Clarke provides competitive compensation and employee benefit packages that offer opportunities for its people to build a solid financial future. Benefits offered to our full-time workforce include a medical and dental plan, 401(k) retirement program, paid sick and vacation leave, and incentive programs.

We link individual and company sustainability performance by including formal sustainability objectives into our corporate bonus program, which is available to full- and part-time Clarke employees.

Beyond compensation and benefits, we strongly believe in recognizing our people for extraordinary work. Clarke's annual service recognition awards program allows us to express our gratitude to employees who dedicate their time, energy and spirit. The highlight of the program, the popular annual awards banquet, is where we recognize employees celebrating milestone anniversaries and acknowledge contributions they have made to Clarke's growth and success.

We also honor one exceptional individual through our Employee of the Year program. Nominated by their peers, the Employee of the Year selection is based on outstanding performance in:

- Customer service
- Commitment to sustainability
- Focus on philanthropy
- Special achievements







## 2013 Employees of the Year

In 2014, we selected three 2013 Employees of the Year — those who truly embody the core values of Clarke — People, Planet, Passion and Doing the Right Thing.

**Joe Naro, Director of International Business Development**, has long demonstrated his commitment to helping to make communities (throughout the world) more livable, safe and comfortable with almost 25 years of dedicated service. In 2013, Joe worked with our international distributors to provide timely response and effective solutions to address the outbreak of Dengue following a series of hurricanes and torrential rains in Mexico.

In addition to his efforts in international business development, Joe has been a bold catalyst for change as he has helped to educate external partners about Clarke's sustainability efforts and has worked with two of our distributors to organize their own 'day of caring'.

**Jon Ostrowski, Regulatory Affairs Specialist**, was recognized for his outstanding job performance and for his efforts in co-leading our Zero Waste initiative. When it became clear that we needed a champion to drive results in our waste reduction and waste management efforts, Jon enthusiastically volunteered. In addition to helping to implement the framework for our Zero Waste program, Jon negotiated cost reductions and waste monetization opportunities — resulting in a net savings of \$6,000.

**Jennifer Dopke, Human Resources Coordinator**, partnered with Jon as co-lead for our Zero Waste initiative and was the “yin” to Jon’s “yang”. Jen led the effort to develop communication and training programs that ensured that all employees and all locations were on board with our commitment to waste management.

The Zero Waste Initiative, with Jon and Jen's leadership has established a foundation for continuous improvement and enabled the entire organization to make dramatic progress in our waste reduction goals and in our commitment to sustainable business practices.

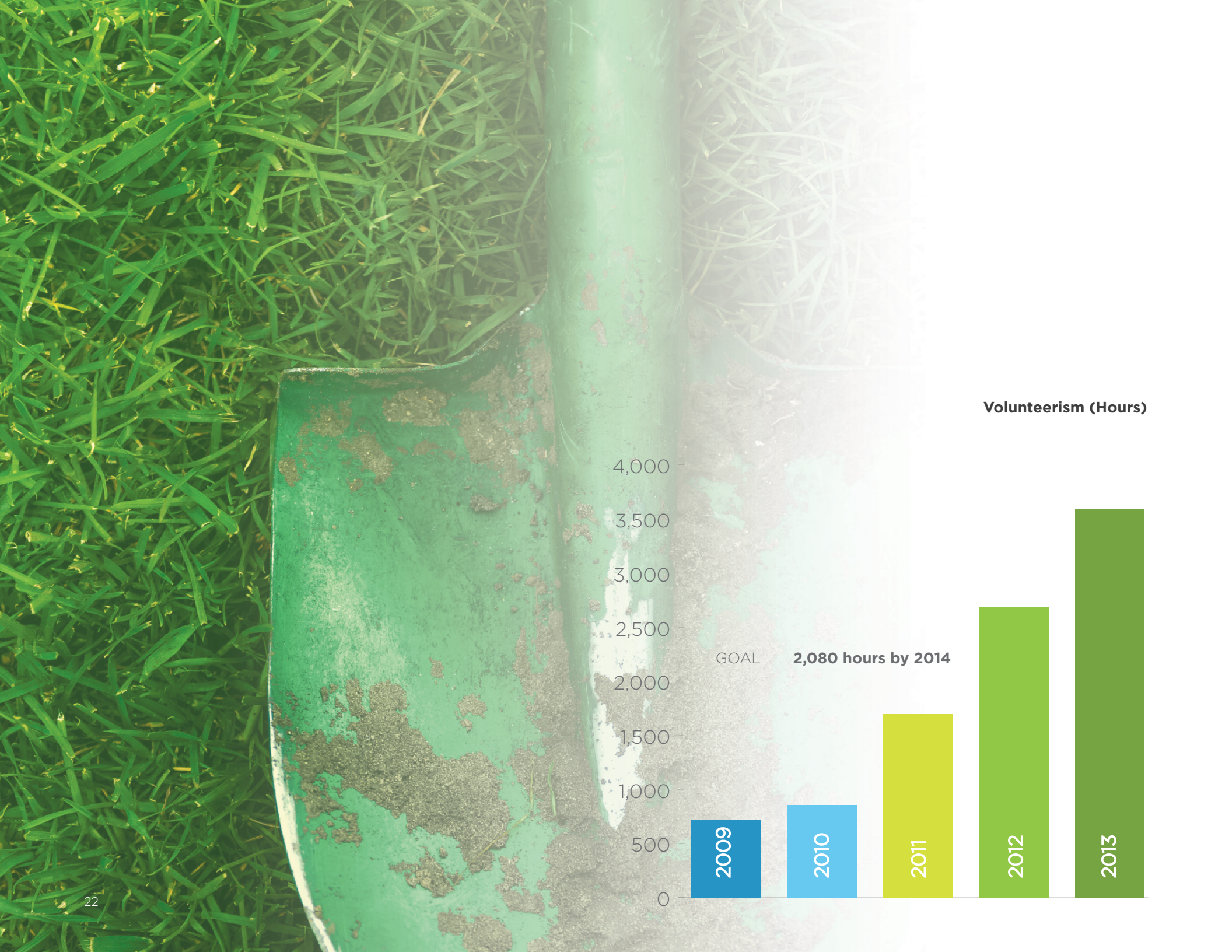


Joe Naro (Above)

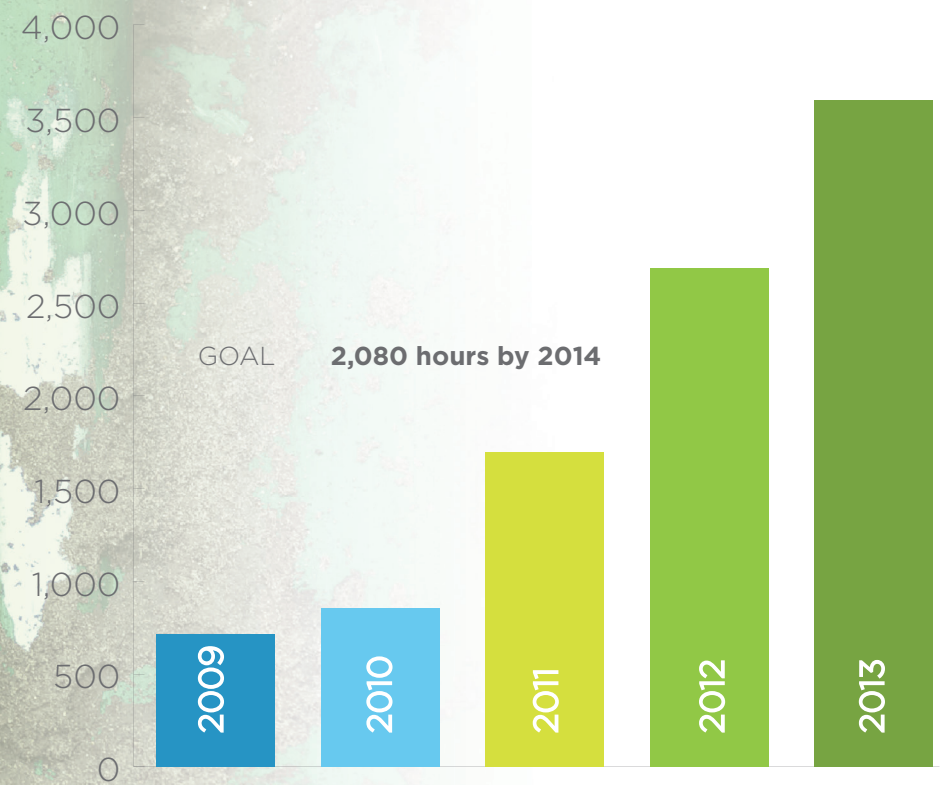


Jon Ostrowski (Left), Jennifer Dopke (Right)





### Volunteerism (Hours)







## Training and Education

Training and education at Clarke includes programs designed to enhance and improve job related skills and capabilities as well as programs that build greater awareness about how corporate and individual actions impact our planet and communities. Through our Sustainability Speakers program, we seek to draw on the knowledge and experience of other organizations.

Training activities in 2013 included:

**Zero Waste to Landfill Workshop** – Green Manufacturer Network

**Green Screen Practitioner** – Clean Production Action Network

**Caring Near and Far** – Israel Odonije Foundation

**Wellness Starts with Awareness** – CHC Wellness

**Composting and Good Earth** – Kay McKeen, SCARCE

Engaging employees in our efforts to embed sustainability and foster a culture of greater purpose starts at the time of hire with an orientation program designed to introduce all new employees to Clarke's sustainability journey, initiatives, progress and programs. New employees are then invited to attend at least one meeting of each of our five committees (Sustainable Business, Good Earth, Communication,

Education & Awareness, Social Responsibility and Extraordinary Health & Happiness) and encouraged to get involved in a committee activity or initiative.

## Community Giving

In July of 2013, Clarke conducted its second annual Day of Caring. As a seasonal business, the July date for this event created an opportunity for maximum engagement of both our year round staff as well as our more than 200 seasonal employees.

All Clarke offices around the world closed for the day to engage in environmental volunteer projects. Clarke's Day of Caring contributed 1,947 volunteer hours to the communities in which we live and work.

In total, 96 percent of all Clarke employees volunteered a total of 3,591 hours of paid time (valued at \$91,868 of payroll) in 2013.

Additional philanthropic initiatives included a Soup and Chili cook-off to benefit the Northern Illinois Food Bank, a community bicycle collection for Working Bikes and our annual Giving Tree to benefit the Humanitarian Service Project.

In September, Clarke, in partnership with The Clarke Cares Foundation and The Carter Center, hosted its third annual Net for Nets Golf Outing to raise funds to provide bed nets to communities in Nigeria at risk for malaria and lymphatic filariasis. With a commitment from Clarke to match donations, the event raised enough funds to protect as many as 25,000 people from the devastating effects of these mosquito borne diseases. In June, we learned that through our partnership with the Nigerian Ministry of Health and the Carter Center, our donations have helped to stop the transmission of lymphatic filariasis in two Nigerian states.

In addition to this single day event, Clarke sponsored employee volunteer events with the following agencies in Illinois:

- Bloomingdale Parks
- Cinderella's Closet
- DuPage County Forest Preserve
- Easter Seals
- Fischer House
- Humanitarian Service Project
- Kenneth Young Center
- Lombard Spring Clean Up
- Northern Illinois Food Bank
- SCARCE
- Spring Valley Nature Center
- Working Bikes
- Walter and Connie Payton Foundation

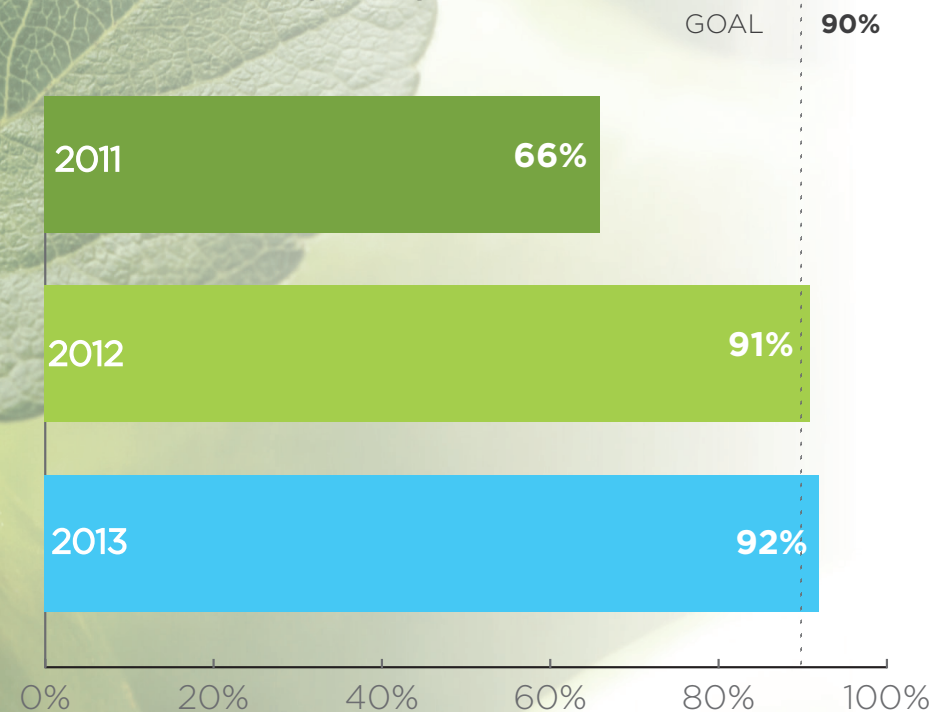




Extraordinary

# >>>HEALTH & HAPPINESS

Biometric Screening Participation





## Weight Watchers

The Extraordinary Health & Happiness Committee (one of our five Greater Purpose committees) initiated a Weight Watchers program in September of 2012. Throughout 2013, employees met weekly with their Weight Watchers coach, encouraging each other to do the right thing by sharing healthy recipes, holding one another accountable and engaging in appropriate physical exercise and activities. The Company provided additional encouragement with an incentive to reimburse program members by up to 50 percent of the costs provided they met their personal goals by the end of the first 12 months. The Weight Watchers program had a total loss of 617 pounds at the end of 2013. It averaged from 7 to 13 members.

Our Clarke+ Appreciative Inquiry Summit gave a new life to our employee health and wellness committee. In a moment of exuberance, one Clarke+ participant renamed the committee our Extraordinary Health & Happiness committee. With that declaration, a cultural shift took place. In addition to affirming our commitment and focus to healthy eating and fitness, there was a fun new energy to the activities of the committee and to the programs that were developed.

## Wellness Incentive Programs

In June 2013, we celebrated the first year of our Wellness Incentive Program (WIP). This program promotes wellness and allows employees to earn points to be used for cash rewards for engaging in wellness activities. Employees earn points in the areas of Preventive Care, Physical Fitness, Healthy Habits, Earth Healthy Ways, Smart Finances and Personal Giving. In 2013, employees could earn up to \$150 for making healthy lifestyle decisions such as routine medical screening and/or engaging in healthy activities such as exercise, weight loss and smoking cessation programs. Additionally, 92 percent of our employees participated in the Company sponsored biometric screening program and were eligible for a \$200 contribution to their Health Savings Account (or discount on their healthcare costs).







## Safety

Safety is about valuing our people — no project or activity is ever worth compromising safety. The nature of the work environment at Clarke presents diverse safety challenges, from traditional manufacturing and workplace hazards to boat safety and dangerous wildlife. Annual training is done with our operations and manufacturing teams addressing topics such as hazard identification and communication, personal protection, fire prevention, lifting, lift truck operation, electrical safety, emergency procedures and more. Each year, we also deliver specialty training for employees whose work requires knowledge of bicycle safety, all-terrain vehicle safety, wildlife safety, watercraft safety, and NFPA70E electrical safety. In 2013, we added formal training on incident and near miss identification and reporting.

Clarke's environmental health and safety (EHS) management program is integrated through the organization and involves every role, from crew member to executive lead, to identify and proactively address safety risks. Our hazard identification program includes reporting on near miss incidents to pro-actively address emerging or potential hazards in the work environment. Our audit program reviews each facility at least every three years and safety risks are addressed through ongoing job hazard analyses.

Corrective actions are identified for each near miss, incident and injury. Monthly field "tailgate safety talks" are used to address pertinent hazards and behaviors revealed through near miss and incident data.

**Employee Safety (Incidents)**



A formal incident Review Board, comprised of Executive Management and other key management representatives meets on an "as needed" basis to investigate incidents resulting in serious injury or damage to property. In 2013, our incident Review Process resulted in job hazard assessment improvements, instrument hazard training, additional personal protection measures for our burgeoning wetland mitigation field operations, and enhanced operational protocol and safety training for chemical handling and loading operations among our lake management crews.







## Wildlife Safety Training

Our crews in Florida work in swamps and wetlands inhabited by poisonous plants, insects, snakes and dangerous large reptiles. In 2013, following several near misses and other 'stories from the field' that made some crew members uneasy in their work and alarmed the Clarke safety leadership, Clarke invited expert guidance to develop a comprehensive training program for our field deployed staff. Dr. Kimberly Andrews of the Savannah River Ecology Laboratory, University of Georgia worked with our Florida teams to identify native (and invasive) poisonous plants, venomous reptiles and snakes, and other large or dangerous reptiles.

Through hands-on experience with live animals in a full-day course, Florida operations supervisors and crew leads learned to identify the wildlife habitat and behaviors of venomous snakes, how to avoid confrontation, and what to do when threatened

or bitten. Habitat, gender and seasonal behaviors of the American alligator were reviewed, as were human behaviors that contribute to dangerous encounters.

Our crews learned what the alligator's 'bellowing' and pacing behaviors mean, and appropriate human behaviors to ensure that a non-threatening situation does not turn dangerous. Identification and tips to minimize exposure to poisonous plants, venomous spiders and other insects was included. As is the premise of hazard identification and communication, information on a hazard is the first step to ensuring safety; informed work practices and training follow. The full-day training program is standardized in Florida regional training, and was adapted into a train-the-trainer program, a crew orientation training program, tailgate meeting handouts and informational bulletins.



## Memberships and Associations

- American Mosquito Control Association (AMCA)
- American Society for Quality
- American Society for Testing & Materials
- Aquatic Ecosystem Restoration Foundation (AERF)
- Aquatic Plant Management Society (APMS)
- Chicago Wilderness Society
- Clean Production Action Network
- Entomological Society of America (ESA)
- EPA WasteWise Partner
- European Mosquito Control Association (EMCA)
- Global Collaboration for the Development of Public Health Pesticides (a working group of the World Health Organization)
- Great Lakes Green Chemistry Network
- Illinois CPA Foundation
- Mosquito Control Association of Australia (MCAA)
- National Safety Council
- Responsible Industry for a Sound Environment (RISE)
- Society for Human Resources Management (SHRM)
- Other local, state and regional mosquito control associations

## Awards and Recognition

In October of 2013, Clarke was recognized by the Illinois Sustainability Technology Center (ISTC) and the Governor's office in the honorable mention category for the 2013 Governor's Sustainability Award. In his letter to the Company, Governor Pat Quinn acknowledged the "strong leadership and dedication of individuals throughout" the organization in "implementing energy efficiency upgrades, fuel savings, pollution, and waste reductions". This was the Company's second recognition, from the ISTC, for its efforts to improve sustainability and support positive economic growth in Illinois.

# >>>CONCLUSION

In 2013, we brought to fruition many of the aspirations of our 2012 vision to Accelerate a Sustainable Clarke. Moving from aspiration to action, we adopted a program to eliminate landfill waste at 20 percent of our facilities, expanded our fleet improvement programs and found creative ways to reduce carbon emissions in our operations, exceeded our goals in giving back to the community and engaged our industry and our customers in conversations about sustainability programs.

Our achievements reflect the passion and commitment of our employees, partners, and customers. Through our collaborative efforts and innovative spirit, we continue to make progress in our efforts to become a company with greater purpose.



# >>> GRI INDEX



PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
1. STRATEGY AND ANALYSIS			
1.1	Statement from the most senior decision-maker of the organization.	»	Inside Cover
1.2	Description of key impacts, risks, and opportunities.	»	P. 6-7
2. ORGANIZATIONAL PROFILE			
2.1	Name of the organization.	»	P. 2
2.2	Primary brands, products, and/or services.	»	P. 2
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	»	P. 2
2.4	Location of organization's headquarters.	»	P. 2, St. Charles, IL, USA
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	»	P. 2
2.6	Nature of ownership and legal form.	»	P. 3
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	»	P. 2
2.8	Scale of the reporting organization.	»	P. 3 As a private company, Clarke does not disclose any specific financial information, which includes net sales of total capitalization.
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	»	None to report.
2.10	Awards received in the reporting period.	»	P. 28
3. REPORT PARAMETERS			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	»	P. 1
3.2	Date of most recent previous report (if any).	»	Our last report was published in October 2013
3.3	Reporting cycle (annual, biennial, etc.)	»	Annual
3.4	Contact point for questions regarding the report or its contents.	»	Julie E. Reiter, Vice President, Human Resources & Sustainable Development, jreiter@clarke.com
3.5	Process for defining report content.	»	P. 1,5
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	»	P. 1
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	»	P. 1
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	»	P. 1 This report includes data and information for all subsidiaries of The Clarke Group.



PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	»	Data included in this report is measured and calculated according to the relevant GRI Indicator Protocols.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	»	We have no restatements to report.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	»	None to report.
3.12	Table identifying the location of the Standard Disclosures in the report.	»	GRI Content Index.
3.13	Policy and current practice with regard to seeking external assurance for this report.	»	We have not had this report externally assured.
4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	»	P. 3
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	»	Clarke's Board of Directors is chaired by Mary Kemp Clarke, who is also an executive officer of the company.
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	»	Clarke's two-person Board of Directors includes one male and one female member, both of whom are in the 50 and older age group. Our Advisory Board is comprised of four independent members, all of whom are male.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	»	P. 3
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	»	Clarke's senior managers and executives may be eligible for bonus compensation based on business performance metrics, which include participation in sustainability initiatives as well as participation in community volunteer activity.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	»	P. 3
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	»	P. 3
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	»	P. 3
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	»	P. 3
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	»	P. 3



PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
4.11	Explanation of whether and how the precautionary approach or principle is addressed by organization.	»	Clarke does not currently address the precautionary approach or principle.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	»	P. 28
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: *Has positions in governance bodies;* Participates in projects or committees;* Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	»	P. 7, 28
4.14	List of stakeholder groups engaged by the organization.	»	P. 28
4.15	Basis for identification and selection of stakeholders with whom to engage.	»	P. 6
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	»	P. 6-7
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	»	P. 7, 28
MANAGEMENT APPROACH			
DMA EC	Disclosure on Management Approach EC		
	Economic performance	»	P. 9-10, 15
	Market presence	»	
	Indirect economic impacts	»	P. 23
DMA EN	Disclosure on Management Approach EN		
	Materials	»	
	Energy	»	P. 8-10
	Water	»	P. 11
	Biodiversity	»	P. 11, 27
	Emmissions, effluents and waste	»	P. 8-10, 12-13, 15
	Products and services	»	P. 9-10, 15, 17
	Compliance	»	P. 11
	Transport	»	P. 8-9
	Overall	»	
DMA LA	Disclosure on Management Approach LA		
	Employment	»	P. 3, 18-20
	Labor/management relations	»	P. 3, 18-20

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
	Occupational health and safety	»	P. 26-27
	Training and education	»	P. 23, 27 While we do not currently track average hours of training per employee annually, we report a variety of training and education opportunities that are made available to Clarke employees.
	Diversity and equal opportunity	»	P. 19
	Equal remuneration for women and men	»	
DMA HR	Disclosure on Management Approach HR		
	Investment and procurement practices	»	
	Non-discrimination	»	
	Freedom of association and collective bargaining	»	Clarke does not currently have any employees covered by a collective bargaining agreement.
	Child labor	»	
	Prevention of forced and compulsory labor	»	
	Security practices	»	We do not currently hire security personnel.
	Indigenous rights	»	We do not have any violations involving the rights of indigenous people to report.
	Assessment	»	
	Remediation	»	
DMA SO	Disclosure on Management Approach HR		
	Local communities	»	
	Corruption	»	We do not currently have a formal process for analyzing business unit risks related to corruption.
	Public policy	»	
	Anti-competitive behavior	»	P. 3 We have no incidents of legal action related to anti-competitive behavior, anti-trust and monopoly.
	Compliance	»	P. 3
DMA PR	Disclosure on Management Approach PR		
	Customer health and safety	»	P. 14-17
	Product and service labeling	»	P. 17
	Marketing communications	»	
	Customer privacy	»	
	Compliance	»	

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
ECONOMIC			
Economic Performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	»	Clarke is a privately held corporation and does not disclose this information.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	»	P. 9, 10
EC3	Coverage of the organization's defined benefit plan obligations.	»	P. 20 We provide a description of Clarke's benefit program but do not disclose specific financial information related to coverage.
EC4	Significant financial assistance received from government.	»	
Market Presence			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	»	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	»	While Clarke does not have a specific policy related to local suppliers today, we are in the process of developing a sustainable procurement policy, which will likely include, but is not limited to: <ul style="list-style-type: none"> <li>• spending with local suppliers</li> <li>• human rights and labor issues</li> <li>• environmental stewardship</li> <li>• cost</li> <li>• quality</li> <li>• availability of material</li> </ul>
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	»	While Clarke does not have any official policies for hiring senior management from the local community, we strive to hire talent, including senior or management, from the communities in which we serve.
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	»	P. 18, 23
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	»	P. 18, 23
ENVIRONMENTAL			
Materials			
EN1	Materials used by weight or volume.	»	
EN2	Percentage of materials used that are recycled input materials.	»	
Energy			
EN3	Direct energy consumption by primary energy source.	»	P. 8
EN4	Indirect energy consumption by primary source.	»	P. 8
EN5	Energy saved due to conservation and efficiency improvements	»	P. 9



PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	»	P. 9
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	»	P. 9-10
Water			
EN8	Total water withdrawal by source.	»	
EN9	Water sources significantly affected by withdrawal of water.	»	
EN10	Percentage and total volume of water recycled and reused.	»	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	»	P. 11, 27
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas..	»	P. 11, 27
EN13	Habitats protected or restored.	»	P. 11
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	»	P. 11
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	»	
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	»	P. 8-9
EN17	Other relevant indirect greenhouse gas emissions by weight.	»	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	»	P. 9-10
EN19	Emissions of ozone-depleting substances by weight.	»	
EN20	NOx, SOx, and other significant air emissions by type and weight.	»	
EN21	Total water discharge by quality and destination.	»	
EN22	Total weight of waste by type and disposal method.	»	P. 12-13 We report on our most significant waste impacts, including non-hazardous waste sent to recycle streams, waste to energy and landfill. In 2013, we properly disposed of approximately one tonne of hazardous waste.
EN23	Total number and volume of significant spills.	»	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	»	

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	»	
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	»	P. 16-17
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	»	P. 14-15
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	»	We have no fines or non-monetary sanctions resulting from noncompliance with environmental laws and regulations to report.
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce..	»	P. 9-10
Overall			
EN30	Total environmental protection expenditures and investments by type.	»	
SOCIAL: LABOR PRACTICES AND DECENT WORK			
Employment			
LA1	Total workforce by employment type, employment contract and region, broken down by gender.	»	P. 19
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	»	P. 19
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	»	P. 20
LA15	Return to work and retention rates after parental leave, by gender.	»	
Labor/ management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	»	Clarke does not currently have any employees covered by a collective bargaining agreement.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	»	
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	»	

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
LA7	Rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities by region and by gender.	»	P. 26-27
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	»	
LA9	Health and safety topics covered in formal agreements with trade unions.	»	
Training and education			
LA10	Average hours of training per year per employee by gender, and by employee category.	»	P. 23 We do not currently track hours of training per employee annually, we report a variety of training and education opportunities that are made available to Clarke employees.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	»	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	»	
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	»	P. 19
Equal remuneration for women and men			
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	»	
SOCIAL: HUMAN RIGHTS			
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	»	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	»	We do not yet have a specific human rights screening process, however we aspire to implement a sustainable supplier program in 2015 to include human rights criteria.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	»	
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	»	
Freedom of association and collective bargaining			
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	»	



PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
Child labor			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	»	Clarke does not employ forced, bonded or child labor.
Forced and compulsory labor			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	»	Clarke does not employ forced, bonded or child labor.
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	»	We do not currently hire security personnel.
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	»	We do not have any violations involving the rights of indigenous people to report.
Assessment			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	»	
Remediation			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	»	
SOCIAL: SOCIETY			
Local communities			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	»	
SO9	Operations with significant potential or actual negative impacts on local communities.	»	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	»	
Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption.	»	We do not currently have a formal process for analyzing business unit risks related to corruption.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	»	
SO4	Actions taken in response to incidents of corruption	»	We have no incidents of corruption to report.
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	»	

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	»	
Anti-competitive behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	»	We have no incidents of legal action related to anti-competitive behavior, anti-trust and monopoly practices to report.
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	»	We have no significant fines or non-monetary sanctions for non-compliance with laws and resolutions to report.
SOCIAL: PRODUCT RESPONSIBILITY			
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	»	P. 17
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	»	We have no incidents of non-compliance concerning the health and safety of our products to report.
Product and service labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	»	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	»	We have no incidents of non-compliance concerning product and service information and labeling to report.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	»	
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	»	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	»	We have no incidents of non-compliance concerning marketing communications, advertising, promotion or sponsorship to report.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	»	We have no complaints about breaches of customer privacy and/or losses of customer data to report.

PROFILE DISCLOSURE	DESCRIPTION	REPORTED	CROSS-REFERENCE/DIRECT ANSWER
SOCIAL: PRODUCT RESPONSIBILITY			
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	»	We have no complaints about breaches of customer privacy and/or losses of customer data to report.
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	»	We have no fines for non-compliance concerning the provision and use of products and services to report.



# >>>OUR EMPLOYEES

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