



MORLEY ENVIRONMENTAL MANAGEMENT SYSTEM YEAR-END REPORT 2018

CORPORATE DIRECTIVE

Morley is committed to operating our business with integrity, caring for our communities and respecting our environment. Through our sustainability efforts, we endeavor to be a responsible corporate steward of the environment and, as appropriate, engage our clients, our company and our family of associates in eco-friendly practices.

To support our sustainability and corporate responsibility initiatives, we created the Morley Environmental Management System (MEMS). Morley has established a team of key individuals representing a cross-section of our organization to help manage this system. The team's objective is to help establish corporate goals regarding our social and environmental impact. Items such as legal compliance, waste management/recycling, greenhouse effects, and associate training are reviewed and discussed.

Morley is committed to reducing the environmental impact of all of our facilities. Morley has implemented several initiatives to reduce electrical and natural gas consumptions in our corporate headquarters, including continuous improvement of energy-saving technologies; upgrading heating, ventilating and cooling systems; implementing power-saving technology; and consolidating printers and copiers with current energy-saving multifunction printers.

We instituted MEMS in December 2011. The following usage charts reflect the items we have been able to track over the last 12 months and, where applicable, show a comparison over the last three years.

LEGAL COMPLIANCE & REGULATORY ISSUES

Morley has never had a legal compliance issue and does not currently have any regulatory issues pending.

GREENHOUSE GAS EFFECT

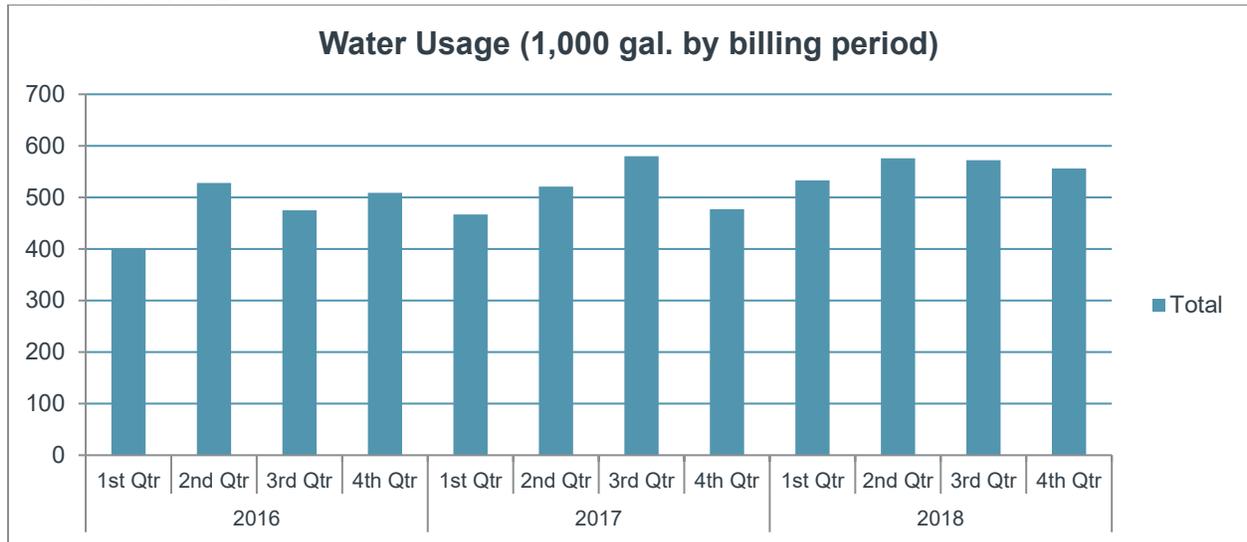
- › **Scope 1:** Morley is a service company and does not manufacture or produce products resulting in a direct impact on Scope 1 greenhouse gas emissions.
- › **Scope 2:** Morley does consume both electrical and natural gas in our facilities and does have a direct impact on Scope 2 greenhouse gas emissions.

In 2018, Morley's Scope 2 usage effect is 3,193 metric tons of carbon dioxide equivalent.

This would be equivalent to:

- › 359,289 gallons of gasoline consumed
- › 678 passenger vehicles driven for one year
- › 7,806,846 miles driven by an average passenger vehicle

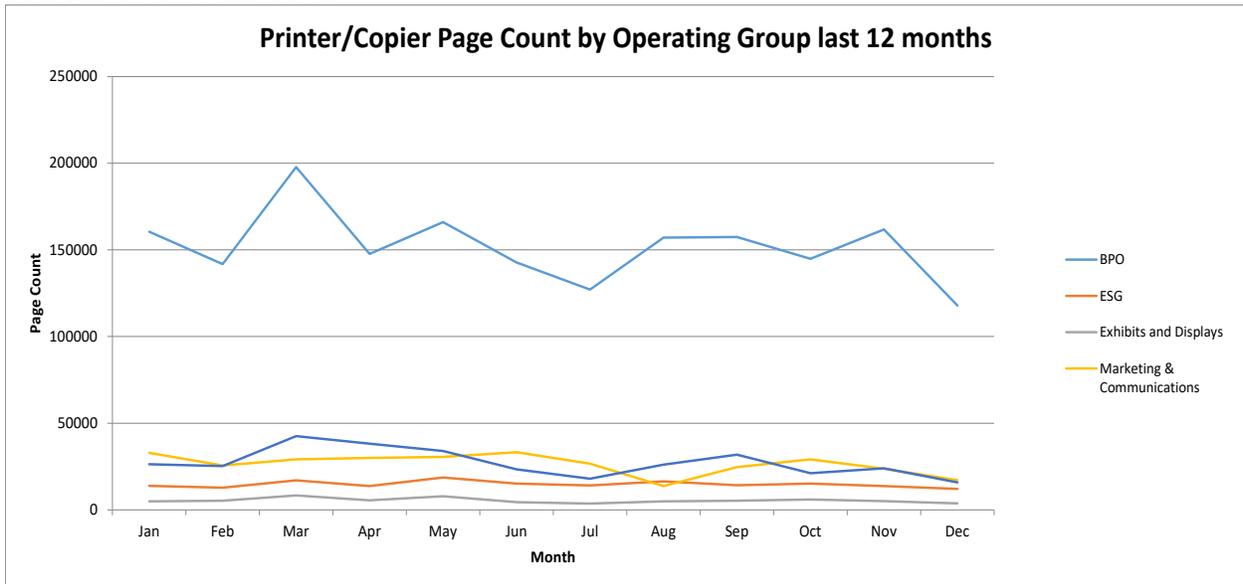
WATER USAGE



2,237,000 Gallons used in 2018
 2,194 Average associates per month
 1,020 Average gallons annually per associate
 2.79 Average gallons per associate per day

2,045,000 Gallons used in 2017
 2,196 Average associates per month
 931 Average gallons annually per associate
 2.55 Average gallons per associate per day

PAPER CONSUMPTION



Morley is a service organization and consumes paper as required to fulfill our client initiatives. While we focus on a paperless business model for our enterprise needs, our paper consumption is primarily determined by our client needs and legal requirements. Morley’s IT Solutions focuses on cloud technology and paperless business processes for our clients to produce administrative solutions that are eco-friendly and more productive. We have upgraded our enterprise printing solutions with current energy-saving multifunction printers to allow documents to be scanned rather than copied; more copies are scanned at Morley than printed. Each printer is also equipped with duplex printing to reduce the number of pages printed.

WASTE MANAGEMENT

Morley has embraced recycling and reducing waste for decades. Every work area is equipped with recycling bins and shredders. Our local Waste Management Authority provides Morley with an integrated, cost-effective, environmentally responsible solid waste system. Our shredding service provides on-site shredding for confidential documents, and all shredded waste is guaranteed to be recycled.

In addition to standard recycling practices in our offices, we also recycle toner cartridges and electronic equipment and provide battery recycling stations for our associates.

All break areas are equipped with recycling bins labeled specifically for paper, plastic, metal and polystyrene products. Morley has replaced all paper and Styrofoam cups with ceramic mugs.

Morley's Exhibits & Displays product group specializes in fabricating client displays and exhibits. This group focuses on repurposing existing materials when applicable while fabricating new client solutions. When there is a surplus of plastic materials, they palletize the materials and ship it back to our supplier for recycling.

GOALS FOR 2018

We solicited each of Morley's operating groups for voluntary goals pertaining to their line of business services. The goals consistent with each of the operating groups are as follows:

- › Reduce paper printing
- › Reduce electricity usage
- › Recycle more materials

MEMS is in place to track each operating group and measure how they are doing in reaching their goals. The MEMS team meets annually to review each operating group's goals and to determine progress.