



The background of the entire page is a repeating pattern of light blue semi-circles, arranged in a staggered grid. The text is centered in the upper half of the page.

A letter from our President



"Your Dad is so proud of you, Scott." I hear folks say this again and again and, for the most part, it makes me feel pretty good. During a recent lunch conversation, I heard it again, but with a new twist. A friend of mine said, "I imagine your Dad being very proud of you. I wonder though, are you proud of you?" I didn't answer. And since then, I've thought about it.

From a traditional business perspective, we've accomplished a lot since Dad's passing 18 years ago. We've seen significant revenue growth year over year, added over 860 employees, paid off all of our debt, and bought and restored our own building.

And while these are admirable metrics, I don't feel a particularly deep satisfaction with these achievements. Don't get me wrong. I feel good about them and they are real accomplishments that we certainly set out to achieve—but they're not why I'm in business. These successes, in and of themselves, don't bring us the best leaders, help us land customers aligned with our values, and they aren't the story I tell my kids when they ask about my work.

The parts of the story that really interest me and make me feel good about our work at FMS look more like this: we're improving the lives of our team members with higher wages, shares of fresh fruit and vegetables, and financial and physical health initiatives. We're working with more customers and community organizations to amplify our shared impact on our community. And we're taking part in a global conversation as a Certified B Corporation and a Public Benefit Corporation in Kentucky.

These are the sort of achievements that make me feel the most proud. And these are the things you'll get to read about in the FMS Impact Report. This report provides testimony to our belief that positive impact is our responsibility and what helps us succeed. Happy reading!

A handwritten signature in black ink, reading "S. Koloms". The signature is stylized and fluid.

Scott Koloms

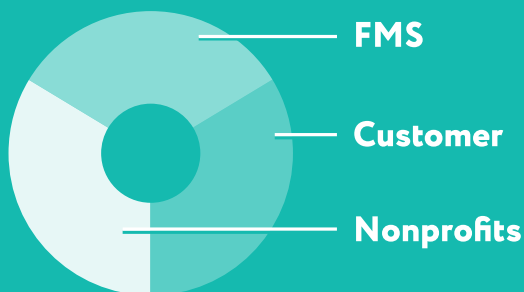


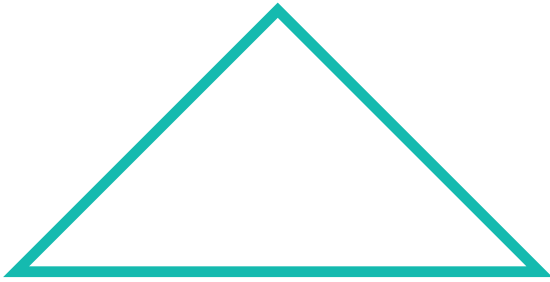
Our Core Values

1. We care about the people we work with.
2. We stay positive.
3. We always get better.
4. We are always available and responsive.
5. We keep our word.
6. We know face-to-face communication is a key to success.
7. We get it done right – today.
8. We know we will succeed as a team.

Since 2018, we have focused on developing collaborations between FMS, local nonprofits, community organizations, and customers to help vulnerable populations. Our collective efforts provide people with fair wage jobs, social programming, transportation, supportive work environments, and opportunities for growth. Together, we work hard with our partners to increase the likelihood of success for all stakeholders.

SHARED IMPACT MODEL





What We're Proud of in 2018

839

team members

129

TOTAL CUSTOMERS

1500 Lytle Street gr

+5,000

square feet in 2018

15

NEW CUSTOMERS

66

NEW BUILDINGS

71%

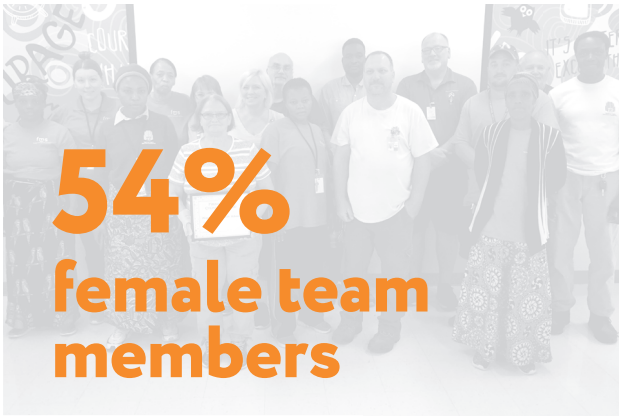
TURNOVER

(Industry avg +200%)



3
9

STA
CIT



54%
female team
members

91%
customer
retention

Cleaner Tenure > 2.75 years

Field Leader Tenure > 5.5 years

Senior Leader Tenure > 7 years

387
BUILDINGS CLEANED

48%
of hires were
referred by a
team member

+50
cleaners
promoted

65%
of team is from a
diverse background

ATES
IES

Employee Appreciation Events

Every year, we host employee appreciation events in partnership with customers at YUM, Bellarmine University, New Albany Floyd County Schools, and Mead Johnson. Together, we invite team members and their families to celebrate their hard work with a catered meal, FMS swag, door prizes, team and individual awards including employee and team of the year, and a fun event such as bowling, going to the zoo, or riding go-karts.

**FMS WAS NAMED AS
1 of 100
TOP IMPACT
COMPANIES IN
NORTH AMERICA**



1999

FMS was founded by Jerry Koloms in Shelbyville, KY. Our team was comprised of 30 people and we brought in \$650,000 in annual sales.



OUR
HA
RA

EXPERIENCE AWARD
2018
Floyds Knobs Elementary
School
THIS AWARD IS PRESENTED TO OUR FLOYDS KNOBS ELEMENTARY SCHOOL TEAM FOR
COMPLETING YEARS OF CONDUCTANCE.
E. Scott Kilgus, President







Shared Impact Model: Passport & ChooseWell

In partnership with ChooseWell Communities and Passport Health, we are helping families in recovery through second chance employment in a supportive work environment. ChooseWell Communities is a local nonprofit providing support and housing to young families in recovery. ChooseWell participants are also members of Passport Health, a Medicaid managed care organization. Through our partnership, participants are connected to FMS for employment, where we work alongside ChooseWell program schedules and responsibilities. Passport Health, our customer partner, provides a supportive job site for participants. The success of this program demonstrates how for-profit and nonprofit entities can work together to have a positive social impact.

FMS' Role

1. Provide the employment opportunity for ChooseWell participants
2. Provide support services to help ChooseWell participants remain successfully employed
3. Provide a high level of cleaning and customer service to the Passport Health facility
4. Provide transportation to and from the work site
5. Provide an innovative job sharing model that helps with child care needs and personal scheduling
6. Increase the likelihood of high retention rates and reduced employee absenteeism
7. Build new customer partnerships with values alignment
8. Fulfill and grow our social mission
9. Create a scalable model to apply to future customers and community organizations



2001

After Jerry Koloms passed away at age 56, his son Scott Koloms stepped up as the next leader of FMS. Our company debt totaled \$800,000, but Scott already knew the importance of showing appreciation for people. Our annual team picnics began that year – a tradition that continues still today.



Passport Health's Role

1. Provide the supportive daily job site
2. Utilize the FMS/ChooseWell partnership to provide cleaning services at company headquarters
3. Help current and future ChooseWell members with job security



ChooseWell's Role

1. Provide the candidates for employment and build an established partnership with FMS around job placements
2. Provide support services to help participants in early recovery maintain their sobriety and active job status
3. Provide counseling, housing, life skills education, resource connection and mentorship



Mid- to late 2000s

In 2003, we had 39 customers. Over the next few years, we saw marked growth. We began delivering supplies directly to our customers, moved into our first stand-alone building, opened the Post Construction division, and began offering 401k with a matching plan. By 2008, our customer base had grown to over 58 and annual revenue topped \$3.7 million.

Retention Bonus

In 2016, we implemented a \$600 year-end bonus retention program for 31 of our customer accounts. The program now includes 126 accounts. In 2018, 313 employees were awarded an end-of-year bonus. 63% of those employees received a bonus the year before and are still working with us. The other 37% are mostly new employees added in 2018. Our goal is to have all of our accounts and all front-line team members included in the program.

In part because of this new program, we have significantly decreased turnover over the past three years.

2015 - 101%

2016 - 87%

2017 - 69%

2018 - 71%

FIELD LEADERS

The biggest impact that I saw was that it really helped out to make the holidays good for the kids. It was like a bonus check of appreciation. They felt truly appreciated. —Dorothea

They were excited to get it, especially those who got it for the first time. —Peggy

It gives them an incentive through the holiday months and most of them use it for Christmas shopping. —Flo

It's a way to show appreciation and they like it, especially those with little kids. Makes for a good Christmas. —Diane

2009

We moved from our home in Shelbyville to our first Louisville office on Bishop Lane, opened a Lexington office and introduced a new division: Special Services. There were now seven team members at headquarters in Louisville.

eligible
422

316

received the \$600 bonus

FIELD TEAM MEMBERS

My year end bonus is greatly appreciated and helps a lot with Christmas shopping and other hobbies of mine. It's also really fun helping deliver the bonus checks to each employee, getting to talk with them and seeing the people I used to work with. —Gage

It is wonderful and nice to get the bonus around that time of year (December)! I am able to buy extra groceries for my kids and grandkids. —Debbie

At 64 years old this is the first company I have ever worked for to receive this type of bonus. As a result of this bonus, I was able to take my wife to Texas to spend time with her family at Christmas. Thank God for FMS! —Thomas

I was able to use this bonus to purchase books and other supplies I needed for the spring semester of college. Without the gift of this bonus I may have had to borrow money to get these supplies. I am thankful for the bonus and for FMS. —Carl

It makes me feel happy because FMS appreciates us. My little boy Adam loves it because it helps provide a nicer Christmas. —Debra

I appreciate getting the extra money. It's nice that it comes around Christmas because it helps my family. It's great working for a company that gives this bonus because it lets you know that you're appreciated! —Aaron

Early 2010s

These were years of great growth. We opened offices in New Albany, Knoxville and Indianapolis. Meanwhile, our commitment to our social mission was deepening, too.

A “Best for the World” Company

We were honored to be recognized as a 2018 Best for the World company in two categories through an independent, comprehensive assessment of 2400 Certified B Corporations by the nonprofit B Lab.

Best for Governance evaluates a company’s overall mission, ethics, accountability and transparency. The 233 companies recognized in this category come from 77 different industries and 16 countries.



Best for Community evaluates a company’s supplier relations, diversity, and involvement in the local community. It also measures the company’s practices and policies around community service and charitable giving, including whether a company’s product or service helps with a social issue. The 226 winning companies on the Best for Community list come from 90 industries and 34 countries.



FMS team members are the best recruiters!

FMS team members referred 347 of the 721 hires we brought on board in 2018 – nearly half of our new hires!

WHY DO YOU REFER FRIENDS AND FAMILY TO FMS?

It's a good company to work for. We're like a family. If you don't want to join our family, you probably don't want to work here. —Shirley

I refer people to FMS because it is a good place to work. It's not just a job, it's family. —Keandra

It's a very fun and welcoming work environment. I worked in a lot of places before where I didn't want to go to work, but I like going to work here! I've referred over 10 people to work at FMS, and they all still work here! —Dorothea

To help give an opportunity with purpose. —Tisha

I try to help people in our community with second chance opportunities, also help those that are trying to help themselves. FMS is a great place to start. I've worked in our community for a number of years with a variety of agencies, helping others comes natural to me. —Wallace



2010

We established the Core Values that have come to mean so much to us and introduced our now-annual leadership retreat. By the end of the year, our team had grown to 431 people.



fms
facilities
management
services pbc



Shared Impact Model: New Albany Floyd County Schools and New Roots

New Roots helps distressed communities access fresh, organic produce through their Fresh Stop markets. In 2017, we began partnering with them to provide discounted produce to FMS employees and host a Fresh Stop market in the Portland neighborhood at our headquarters.

In 2018, we partnered with New Roots and New Albany Floyd County Schools to pilot a new program at S. Ellen Jones Elementary School. The mission was to provide fresh produce to school families during summer break, when food insecurity is a frequent problem. With support from FMS employees, 48 two-week supplies of fresh fruits and vegetables were distributed to families. In 2019, we are expanding the program to offer more shares of produce and serve families at Hazelwood Middle School.



newroots

2012

During the Festival of Faiths in Louisville, KY, Scott Koloms and Vice President of Human Resources Jennifer Coombs attended a presentation about compassion in the workplace. It was this experience that would forever change the way we think about our business.

Post Construction Division

You can find our Post Construction team members cleaning windows 100 feet in the air or scaling buildings on giant industrial lifts. A Post Construction team member can easily be mistaken for Superman when you see them harnessed in and flying high in the air. They support our overall goals by providing over and beyond detail cleaning, interior and exterior window cleaning, and post construction projects. Anyone familiar with construction and renovation knows this can be dirty work. From preparing a hotel for opening day, to getting stadium expansions ready for football fans, to ensuring new medical facilities are sanitized and sparkling for patients, our Post Construction team members are the behind-the-scenes warriors preparing new and renovated facilities to be used by the public.

In 2018, our PC Division tackled over 50 projects and provided additional support to over two dozen of our regular janitorial customers. We now have 23 team members devoted to this division with a combined 47 years of experience.

400%

growth since
creation

3

internal promotions
in 2018



2014

We met the founder of B Lab for the first time at the Global Forum for Business as an Agent of World Benefit. We also paid off our original debt.

Special Services and Floor Division

This team spends most of their time behind the scenes, second and third shift, supporting the janitorial teams by providing special floor work and added value services. A large focus is also preventive maintenance. The connection between Janitorial and Specials is a key way we succeed overall. Our Specials team takes pride in their work and their team. You can find them deep-cleaning carpets, scrubbing ceramic tile and hard surface floors, refinishing and buffing VCT, or at their daily meeting to review priorities before heading out into the field each night.

In 10 years, the division's revenue has increased by over \$400,000. The team has grown to 21 people, with a combined 54 years of experience on the leadership team alone.



2015

We began offering Leaders Learning classes and greater transportation accessibility, with our rideshare program and a new fleet of company vehicles.

Portland Fresh Stop Market Community Host

In 2017, we piloted a program with the Portland Fresh Stop Market to help provide fresh fruit and vegetable shares and food education to our employees.

In 2018, Portland Fresh Stop Market was the largest of the 11 New Roots markets. 100+ shares were distributed at each market on a bi-weekly basis.

New Roots Leader Karyn Moskowitz says “The partnership we have with FMS has been simple yet effective in reaching a very large audience. It has helped FMS employees, farmers, and the larger Portland community by increasing access to fresh food in the neighborhood.”

Certified



Corporation™

2016

This was a milestone year for our social mission. We became Kentucky’s second Certified Benefit Corporation and the first in the world in our industry. We introduced our \$600 retention bonus for front line team members, our paid maternity leave policy, the Employee Relief Fund, and our five-year sponsorship of the Garvin Gate Blues Festival.

Why do you stay at FMS?

FMS leaders made an intentional decision to focus on financial and physical health in 2018. We listened to our employee surveys and reflected on what would make the biggest difference in the lives of our team members. For example, we partnered with Metro United Way and Vita for the second year to fund tax preparation help. In total, folks saved \$8,800 in tax preparation fees, filed 44 tax returns, and received \$66,140 in refunds. Initiatives like these that help improve the physical and financial wellbeing of our team are simply the right way to invest. We believe it's a big part of why people stay.

I have been here so long and have seen so much growth. I've always said treat me the way you want to be treated and it stands true. There is so much love in this company it's unbelievable. We honestly care about our employees. That's why I stay. —Shirley

I stay at FMS because they allow me to run my area the way I see fit and they let me try different ideas. —Paula

Me staying had a lot to do with the relationship that I have and my family built with Scott. Also because of the lifetime friends I have here. —Michael

I thrive to give back and help others. —Tisha

I like the job and the diversity of people I work with. My co-workers have become great friends. —Janice



2017

We made an intentional move to the Portland neighborhood to support its revitalization. We grew our headquarters team to 19. We received Public Benefit Corporation certification in Kentucky and began offering New Roots Fresh Stop fruit and vegetable shares to team members. And, we attended the Global Forum for Business as an Agent of World Benefit for the second time.

I love the company and the people I work for are great. I love my job. —David

I love FMS and its history. —Beverly

I really do stay at FMS because of the good-hearted people I work with every day. Even when work gets stressful I know that the people around me all have good intentions and want those around them to succeed. —Erin

I stay because of a visionary leader, the mission, ministry, work culture, growth opportunities, leadership training, employee investment, community investment and the core values of the company. FMS... Good People Clean Buildings!!! —Dennis

I stay because we are more than just a cleaning company. We coach, support, guide, develop, teach, and learn. Not only are there opportunities to shine and embrace your strengths, but challenges to identify where you can improve and have the resources to always get better. —Jessica

I care about the people. —Mae

I am proud to be a part of a successful caring business venture. I am loyal to my fellow workers because by continuing to work together we can attain even greater accomplishments in the future. —Gary

Every day is different. I have developed great friendships with coworkers in all areas of the company. —Liz

I stay at FMS because not only is it a great company to work for it's just a big family. —Vicki

I stay for the people. —Steve

I love the people I work with and know that everyone gives their all to the best of their ability. I also stay because I like the flexibility FMS gives me and others to take care of themselves and their personal needs. Lastly, there is a great need for coaching and mentoring. Most of our front line supervisors have never been supervisors before they came to FMS. I am looking forward to helping grow their confidence and on the job skills needed to make them successful. —Jeff

Rave Awards

FMS team members are recognized with a RAVE award for going above and beyond in their work and who exhibit FMS Core Values every day. Along with the award, recipients also receive a \$20 gift card to say thank you for a job outstandingly done!

\$5,520

awarded to 276 team members in 2018

Employee Relief Fund

The FMS Emergency Relief Fund provides financial assistance to employees and their immediate families in the case of unforeseen circumstances which affect an employee's ability to work.

This program was created from an idea suggested by FMS Operations Director Tim Fee at the FMS Leadership Retreat in 2015. It embodies the FMS Core Value, "I care about the people I work with." Funds are donated by salaried employees and matched by FMS.

Since it began in 2017, we have assisted 16 team members and given \$15,144.12.

Employee Survey Results

In our company-wide survey, we ask our team members about topics such as satisfaction at FMS, what matters to them, and their understanding and engagement with our social mission. Leadership uses the responses to create strategic goals and make decisions around aspects of our business such as our social programming, corporate spending, and community partners to make sure that we are consistently aligning with what matters to our team and the communities where they live.



80% Participation

94% think cleaning buildings is important work

93% reported being satisfied/very satisfied with FMS as an employer

93% think their training allows them to do their job safely

90% would refer someone to work at FMS

89% are proud to clean buildings

89% think FMS treats me well

79% receive information about good things FMS is doing

76% understand the FMS social mission

72% know the FMS Core Values



2018

We launched several initiatives benefiting our team and community. We became a host for the Portland New Roots Fresh Stop program, started a financial literacy and free tax preparation program for team members, introduced our first shared impact model, and welcomed Canopy and Nascend to Portland. We were honored to be recognized as a Best for the World business by B Corporation in both Governance and Community. Our team at headquarters totaled 42, and we brought in over \$21 million in annual sales.

Leaders Learning

FMS leaders participate in college credit eligible courses designed to enhance their leadership and supervisory skills. We receive KCTCS (Kentucky Community and Technical College System)-TRANS funding which is directly intended for workforce development. We receive these funds for every class we conduct. The funds cover half of the cost of the leadership class, FMS contributes the other half. The classes are taught by a certified trainer and FMS folks are paid during these trainings.

Some examples of curriculum include:

- + Team building
- + Interpersonal skills training
- + Effective communication techniques
- + Conflict resolution
- + Problem solving
- + Ethical decision making
- + Time management and stress reduction practices

To date, we have given 130 credit hours to help 130 leaders graduate from program courses at no cost. FMS has received \$45,000 in grant dollars from KCTCS to support this initiative and FMS has matched this investment.

2019

As 2019 begins, we are moving into the future as a team of 900. We were recognized as 1 of 100 Top Impact Companies in N.A. by Real Leaders magazine. 43 key members have been here for over a decade. We embedded second chance employment in to Hiring and Recruiting practices. We can't wait to see how we grow next.

Annual Leadership Retreat

Each year, the FMS Senior Leadership Team hosts the annual leadership retreat. For three days, FMS leadership and team members come together to reinforce the FMS Core Values, discuss short- and long-term company goals, revisit the company vision and mission, and recognize our leaders while we participate in various team building activities. The first one was held in 2010 with 30 attendees, and in 2018 we had 80 participants.



— What's Next?

We will continue to work towards creating, developing, and implementing programming that simultaneously supports our social mission efforts and strategic initiatives.

Our social mission is to provide opportunity and access for our team members and help the communities where they live thrive, with a focus on financial and physical health.

STRATEGIC INITIATIVES

- + Innovative recruiting
- + Innovative retention
- + Customer alignment/relationships

SECOND CHANCE EMPLOYMENT

- + Update our hiring policies and procedures
- + Define and track second chance employees
- + Share our second chance employment efforts with existing and potential customers
- + Incorporate new support mechanisms for our second chance employees
- + Ensure that 25% of new hires are considered second chance employment candidates

BI-LINGUAL RECRUITING

- + Add a minimum of two multi-lingual leaders
- + Create a recruiting partnership with a community organization that serves refugee populations
- + Further develop and implement supportive policies and procedures for our multilingual team members

TRANSPORTATION INNOVATION

- + Add two additional ride-share vehicles supporting an additional 25 team members to get a ride to work
- + Provide transportation to at least 55 team members

WAGE GROWTH

- + End 2019 with an average wage of \$10.80 in an effort to be at or above the living wage

NEW ROOTS + FMS IMPACT

- + Increase the number of team members participating in the New Roots Program by 40% by including a new geographical market between 2019-2020

FINANCIAL PROGRAMMING

- + Move to direct deposit for our team members, in response to the FMS Employee Survey
- + Increase the number of team members participating by 50% by the end of 2019

