Powertech

Sustainability Scorecard

This report on Powertech's state of the environment provides a summary portrait of the company's strategies and achievements to date in several areas of environmental management.

August 2017

ENVIROMENTAL POLICY

Powertech Labs Inc. will manage its operations in a manner that minimizes spills, pollution, waste, and consumption of resources across the life cycle of materials, products, and services. We will demonstrate respect for the environment, and commit to meet or exceed compliance obligations. We will work at continually improving our environmental performance and conducting business with full transparency by discussing our operations, services, and products with all employees and interested parties.

This policy is not a substitute for sound judgment. All staff are firstly responsible for implementing this policy as it pertains to their roles, and secondly encouraged to constructively challenge actions that may have adverse impacts on the environment.

ENVIRONMENTAL MANAGEMENT INITIATIVES

Powertech's Environmental Management Initiatives include environmental management plans, department environmental programs and action plans, Green Team reinvigoration, environmental upgrades, and corrective actions throughout the campus.

Systems Approach: ISO 14001 Registration

- Powertech's Environmental Management Systems are directed to categories that include commitment and policy, planning, implementation, measurement and evaluation, and review and improvement.
  - Green Team: a group of Powertech employee volunteers who identify and implement specific environmental solutions. Their goal is to help the organization succeed in an environmentally sustainable manner.
  - Powertech has relentless focus on improvement through environmental upgrades in research, development and testing.

STATE OF THE ENVIRONMENT

1. Conservation:

Goals: To conserve resources to reduce waste, improve the environment, and reduce the company's carbon footprint

Strategies and Achievements:

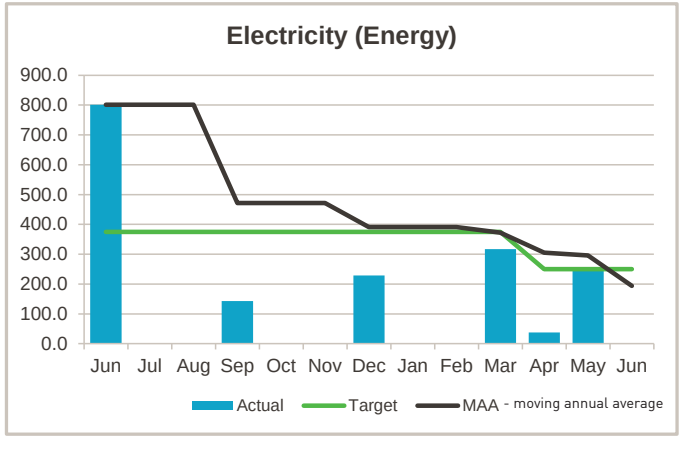
Recycling

- Initiatives to recycle items such as glass, Styrofoam, fluorescent tubes, toner cartridges, solid waste, wood, insulators, and batteries are in place, in addition to the typical bins to recycle metal, paper, plastic and compost.

- E-waste campaigns are conducted at a minimum of three times per year

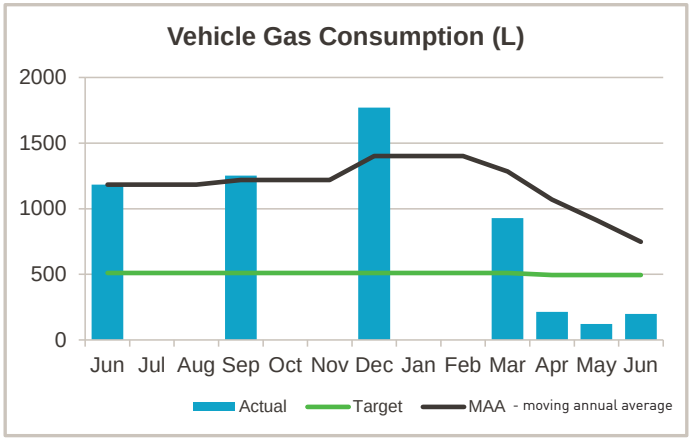
Energy Conservation

- In washrooms there is signage to encourage employees and visitors to turn off lights in washrooms after use, and compost bins are used for paper towels.



Vehicle Conservation

- Our fleet vehicles include an electric vehicle, a hybrid vehicle, and a hydrogen fuel cell vehicle.
- The Green Team conducts an annual Tire Pressure Clinic to ensure employees' vehicles have properly inflated tires. This effort contributes to improving gas mileage and ensuring tires last longer.
- Powertech promotes biking to work by providing a secure, sheltered bike rack, and bi-annual promotion of "Bike to Work Week".



Impact to Wildlife

- The impact to wildlife is considered, particularly in the Spill Contingency Plan, in which Mahood Creek (downstream at Bear Creek as Mahood is a tributary of Bear Creek) is identified as bio-diverse and a quality habitat for wildlife. Risk scenarios include fish and wildlife health.

2. Waste Management

Goals: To manage waste to protect human health and the environment and to conserve resources.

Strategies and Achievements:

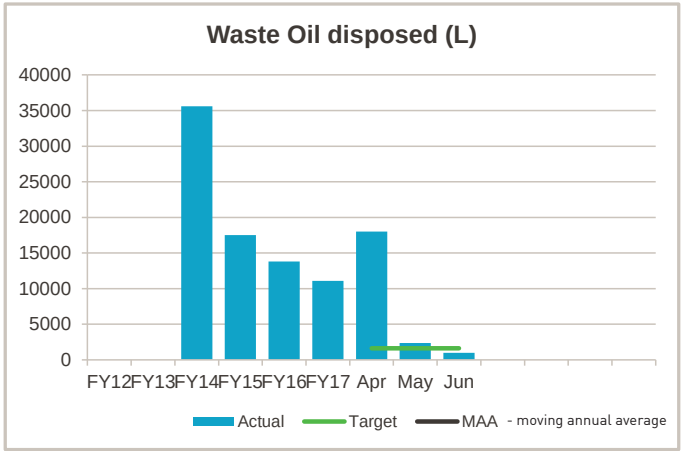
Waste Storage

- Waste is collected daily throughout campus and is stored temporarily in a hazardous waste storage shed, hazardous waste tent, or waste storage container.

Oil Recycling

Disposal of Chemical Hazardous Waste

- Chemical hazardous waste is also disposed of through a licensed third-party provider of environmental, energy and industrial services. Prior to disposal, a Waste for Disposal form is filled out by the correct lab personnel. The third party's services include end-to-end hazardous waste management.



Monitoring and Reduction of PCBs

- All departmental procedures specify that equipment with PCBs (chemicals that were used in manufacturing of electrical equipment, hydraulic systems, heat exchangers), as well as incoming equipment (switchgears, transformers, or cables containing oil), must have less than 50 ppm of PCBs.

3. Water Consumption

Goals: To reduce the volume of water consumption.

Strategies and Achievements:

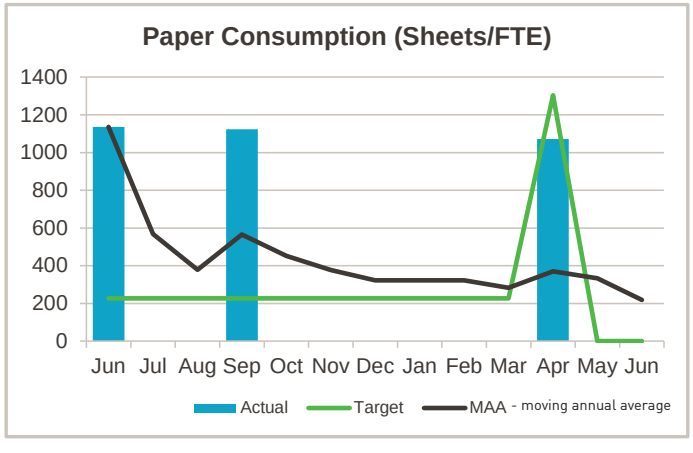
- In 2016, water consumption significantly increased compared to previous years. This increase was a result of a Long Bed Tensile Test Frame, which is a once-through water-cooled unit in the Mechanical Technology and Testing Lab. In Fiscal 2017, the unit was observed discharging to the sanitary sewer line while the unit was not running. A recommendation was made to add a solenoid valve; this was placed in a manner that water only runs when the unit is turned on. Continual modifying and/or replacing of equipment will reduce water volume as well as contribute to financial savings.

4. Paper Consumption

Goals: To reduce the volume of paper consumed

Strategies and Achievements:

- Since fiscal year 2008, Powertech has utilized paper containing 100% post-consumer waste (PWC), a material or finished product that has served its intended use and has been recovered from waste destined for disposal.
- Over the last few years, even as the company has grown, paper consumption per employee has decreased.

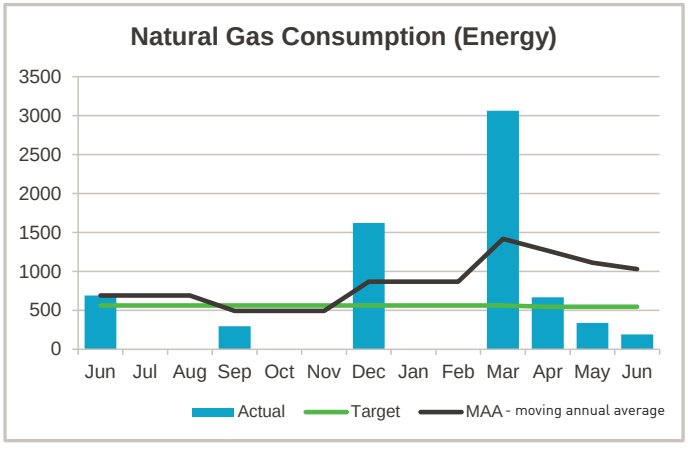


5. Energy Consumption

Goals: To reduce use of natural gas for building heating/cooling, vehicle fuel, and electricity

Strategies and Achievements:

- Closing Bay doors to decrease natural gas consumption.
- Electricity usage has stayed constant over the last few years, despite the growing numbers in staff.



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Powertech Labs Inc. is committed to demonstrating respect for the environment and to continually improving the company's environmental performance. We will uphold our responsibility to conduct business with full transparency, and commit to meet or exceed compliance obligations.

FOR MORE INFORMATION CONTACT:

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