

SUSTAINABILITY REPORT 2022

Thank-you for reviewing our 6th annual Powertech Sustainability Report, which reviews our social, safety, environment, and quality performance for the Fiscal 2022 year ending March 31st, 2022. In addition to our regular metrics, the report also presents key achievements at Powertech in the year just completed.

Firstly, thank-you to our staff who sustain and advance our never-ending focus on sustainability, and to our clients who challenge us, ask questions and provide feedback all of which strengthens Powertech as a better corporate and community citizen.

We also appreciate you taking the time to learn more about our journey, and we invite you to share any feedback, questions, and suggestions with us along the way: madhvi.ramnial@powertechlabs.com



WELCOMING NEW POWERTECH PRESIDENT AND CEO, PIERRE POULAIN

Powertech welcomes its new President and CEO, Pierre Poulain who joins Powertech following his previous role as Managing Director Vard Electro Canada Inc. and President Vard Electro US Inc, which has expertise in marine electrical design. Pierre comes with executive experience in the fields of technology, energy, and transportation.



Sustainability is at the heart of our business and central to the trust placed in Powertech by customers, employees, suppliers, and partners alike. I am proud of the actions we have undertaken so far to drive the long-term value to our stakeholders. As part of Powertech's renewed business strategy, we are aiming to technological innovation, environmental and social ambitions: to reduce the carbon intensity and to deliver shared value for society. This includes to continue providing solutions, specialised testing, and technological expertise for a safe and sustainable global energy future and leading the shift to a greener world by creating and commercialising cutting-edge Hydrogen Fueling technology.

I joined Powertech in May 2022, and in my first few months have come to appreciate that the people are at the heart of what makes Powertech so special. The Powertech team is a committed group of talented individuals from an incredibly diverse range of professional backgrounds, life experiences and perspectives. The more we harness this diversity, the more we will achieve. Our leadership team is committed to helping our people prosper, grow, and have fulfilled careers as we strengthen the impact we have and contribution we make to the world. We are accelerating our efforts to ensure every employee feels they can bring their best to work, in an authentic and supported environment.

Although we are making continuous progress towards meeting our sustainability targets, and long-term goals, we continue to strengthen our focus on those areas where we have not yet fully met our targets or where we want to aim higher. I am excited about what the future holds for Powertech, as we celebrate our past successes. We will work hard to earn your continues support as we strive for continued resilience and sustainability across our business.

Pierre Poulain
President and CEO

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MESSAGE FROM OUR HSEQ DIRECTOR

At Powertech, we are always forward-looking and strive to build a company that those in the future can be proud to be associated with.

To do this, we strive to build a great place to work; champion & celebrate diversity, inclusion and belonging; steadily improve environmental sustainability; build vibrant communities and protect our high standard of governance and independence as a test laboratory.

Fiscal 2022 was another year of firsts and new challenges for us. The world was transformed by the ups and downs of the COVID-19 pandemic, accelerating digital transformation, a tight job market, racial and gender injustice, and the continued impact of climate change. We responded as we always do when faced with change: with empathy and confidence to best support our staff, customers, and communities we depend upon. Keeping our people safe and ensuring customers have access to our service remained core to Powertech's priorities.

Fiscal 2022 was notable for achievements around safety, corporate objectives, customer satisfaction and our response to the pandemic along with for several one-off major operational events, which impacted our business. In Fiscal 2022, we made considerable progress, including:

- Over 1.9 million hours (close to 5 years) were recorded with no Lost Time Injuries (LTI) until December 2021. Keeping our staff safe eclipses all other achievements in Fiscal 2022.
- In addition to our normal emergency response preparedness to address spills, leaks, and fires, we constantly adjusted our response to the pandemic in concert with evolving knowledge and experience. We focussed on aligning with health recommendations in the jurisdictions where we operate and, once vaccines were available, we implemented a vaccine mandate for all staff, customers, and contractors. This ensured that the number of staff infected were low and those on campus all reported feeling safe. Further, as we need staff on campus to operate labs, the option to "work from home" was not available to many. The vaccine mandate provided considerable confidence to all on campus.
- Fiscal 2022 revenue returned to normal with improved profitability when compared to Fiscal 2021, which experienced reduced business activities across most sectors because of the COVID-19 pandemic. Powertech delivered a profitable growth while maintaining our disciplined approach to capital expenditure, an advanced quality program and expansion of our testing, R&D, and consulting business safely and responsibly while meeting the high expectations of our shareholder and customers.

We are committed to openly and transparently disclosing our achievements, challenges, and progress. This report showcases our achievements as well as shining light on areas where we need to raise our performance. We continue to learn and benefit from our sustainability efforts over the years, the building of an inclusive workforce and an unwavering commitment to incubating a culture of innovation.

Collaborating and co-investing with industry peers, governments, and innovators; partnering with communities and learning from one another reminds us that we go further when we work together.



Madhvi Ramnial
Director, HSEQ Accreditation & Compliance

OUR PURPOSE

Inspired by our values, we are focussed in providing specialised laboratory & field testing, consulting and investigation services and products to support electrical utilities' capital assets, generation, transmission and distributions, Original Equipment Manufacturers (OEMs), automotive manufacturers, government, and research organizations. Equally important is our focus on innovation which creates a stimulating working environment for our staff and provides a competitive advantage to both Powertech and our customers. Powertech has a long and continuing tradition of technology leadership and global firsts. For more information, refer to our [website](#).



Safety



Diverse teams



Our customers



Excellence



Challenges

OUR PEOPLE

Our staff qualifications, experience and skills are the bedrock upon which Powertech can continue to keep its doors open for business. Everyday our people bring life to our purpose and strategy. To this end, we focus on staff attraction, recruitment, development, and retention to guarantee we have the needed skills for today while ensuring we are ready for tomorrow.

The tight labour market remains Powertech's achilles heel. Powertech is somewhat unique in the skills it needs. As there are limited sources for these skills, the focus is on identifying candidates with the key foundational competencies and in-house development. To ensure we have the right skills in extremely limited market, we continued our work to execute on forecasts for critical skills and capabilities within priority disciplines.



Developing Our People

Flexibility and multiple options to develop our staff includes:

- formal and structured learning,
- on-the-job learning,
- coaching & mentoring, and
- informal learning opportunities that are available to our staff.

Development of our staff includes technology leadership skills and technical experience, underpinned by a rigorous foundation centered on safety, environment, and quality compliance. Besides the technical skills needed to be successful, training on many soft skills such as effective written and spoken communication, teamwork & collaboration, inclusion, and diversity are also provided. An example is a much celebrate 2-day session focused on "Women taking the Stage" course led by senior staff within Powertech for Powertech women.

Being part of the BC Hydro family of companies, Powertech staff can also take advantage of BC Hydro's in-person and virtual learning and development program which includes training courses that are aligned with the competencies and supporting behaviours of employees. As of Fiscal 2022, Powertech employees are also able to participate in BC Hydro's official online learning platform Bookboon, that includes more than 2000 short and effective eBooks and Audio titles to support them with all aspects of personal development.

Monitoring Employee Sentiment

We monitor our employee sentiment through our annual Employee Engagement Survey, which is sent to all employees with a minimum of 3 months of service. As we did not run the employee engagement survey in calendar-year 2020 due to COVID pandemic, our comparison is between the 2021 and 2019 calendar-year surveys. Participation is exceptionally high at 98% reflecting the level engagement (engagement index at 81%) and confidence. Besides responses to questions, staff provided over 300 comments covering both positive and areas for improvement.

Powertech has made significant improvement in the following areas:

+9%

I know that my manager expects from me to be successful in my role.

+7%

My manager regularly gives me constructive feedback on my performance.

+4%

I know how to engage other groups Powertech.

We do recognise that there are still room for improvement in other areas. Building on what we have heard, for Fiscal 2023, we have been action planning on the following key areas:

- Staff retention & pay
- Development of leaders to engage their employees
- Work assignments and career progression
- Redesigning our compensation structure and
- Working towards a future work environment.



Promoting Diversity and Inclusion

Promoted at every level of Powertech, the inclusion culture assures each employee that, at work, only their talent and their skills are considered differentiating factors. In addition to our values and culture, Powertech has in place several procedures to surface and eliminate discrimination and to respect and celebrate the uniqueness of everyone. Set out in our Code of Conduct, these principles form the foundation of Powertech’s diversity. Finally, all Powertech employees are required to take mandatory annual refresher training covering non-discrimination and inclusion.

Starting in Fiscal 2021, the following Diversity and Inclusion focus groups were set up to ensure Powertech truly lives and breathes these principles:

- Women/Stem Collective
- Engineers-In-Training Support
- Technicians to Technologist Support
- Highlighting Women Leaders
- Anti- Racism/Discrimination
- Diverse Networks
- Generational Differences
- Diverse Perspectives (Insights)
- Disabilities/Accessibility & Family Support
- Indigenous Relations/Outreach

Building a diverse workforce is an important step for Powertech. Although Powertech has already made significant strides in this direction (close to 60% of staff identifying as visible minorities, over 25% of staff being females and 29% of management positions are held by women), Powertech aims to steadily increase equality so that, in time, Powertech reflects the diversity seen within society in British Columbia. Powertech encourages women to develop their careers, promoting equality and ensuring transparency about the progress made at every level of the organization. While the journey has started, we have a ways still to go.

The working groups provide a safe space for open discussion and are sponsored by our diverse Leadership team and facilitated by our Human Resources Manager. New staff are encouraged to take part in these initiatives as part of our onboarding program. By doing so, we demonstrate our commitment to having a candid dialogue on issues affecting the society. The groups harness the diversity and inclusion network to promote Powertech’s commitments and inclusive culture throughout its employees.

Multiple programs for fostering inclusion at Powertech:

Awareness building through	Events
Virtual Learning: Diversity & Inclusion Training	8 th March 2022- International Women’s Day
Awareness of Diversity & Inclusion Initiatives	June 2022- International Pride Month
Information Sharing	Marking of National Indigenous People’s Day
In-person training	New to Vancouver Lunch and Learn
	Psychological Safety discussion at Leadership table
	May 2022- Taking the Stage for Powertech Women

Promoting Employee Well Being and Development in a Hybrid World

At Powertech, we don’t just provide a job but a career. We made a choice early in the global pandemic to double down on flexibility and embrace a hybrid working model. At Powertech, we have around 60% of our staff who cannot work from home as they are required to be on campus to work in the laboratories. Some staff who have the flexibility to work from home were encouraged to do so right from the beginning of the pandemic. However, we also emphasized that when the task demanded on-campus attendance, that staff show-up. By stressing the two-way flexibility from the start of the pandemic, Powertech avoided the issue of staff resisting returning to the office. Today, Powertech staff demonstrate a balanced approach to working-from-home to working-on-campus.

Powertech also instituted a vaccination policy requiring that all employees, contractors, and visitors must be fully vaccinated in order to control the spread of the virus. We are continuing to follow evolving thinking from both our Shareholder and society as a whole.

IDENTIFYING AND MANAGING RISK

The Powertech risk committee provides oversight of the safety and operational risks management for the group including risks relating to sustainability. Powertech addresses its Enterprise Risk using the ISO31000 standard as a guideline. The risk management process involves the systematic application of policies, procedures, and practices.

Powertech manages, monitors and reports on the principal risks and uncertainties that we have identified as having the potential to impact our ability to deliver on our strategy. At least annually, or sooner if the situation demands, we identify key risks. This is done in concert with Powertech Leadership and the Board of Directors. These risks are tracked along with controls each quarter and discussed at Board meetings.

For Fiscal 2022, these included:

- strategic and financial risks such as loss of market share and liquidity.
- safety and security, such as process safety and personal safety,
- organizational and operational risk
- employee retention, and
- key asset failure.

Powertech system of internal control is a holistic set of policies, processes, management systems, organizational structures, culture, and behaviours employed to conduct Powertech's business and manage associated risks.

Our HSEQ Management Systems

Our HSEQ Management Systems were built to provide a framework, designed to deliver safe, reliable, quality, compliant and sustainable operations. It includes Health and Safety, Environment, and Quality requirements related to our business. These requirements apply to all aspects of our business where Powertech has operational control.

Our HSEQ Management Systems follow the structured approach of the ISO standards (9001, 14001, 45001 and 17025) that are built off the experiences of thousands of companies and by adopting these standards. Powertech not only addresses its risks but also aims to create a culture of continuous improvement in our performance and service delivery.

The next section under this report highlights our performance under ISO 14001 (Environment), 45001 (Safety), 9001 (Quality) and 17025 (Laboratory Testing).



ENVIRONMENT

Powertech's Environmental Management System (EMS) supports the laboratory's commitment to continually improving environmental and sustainability performance by providing environmental stewardship and minimising the environmental impacts of the laboratory's activities and operations. The EMS integrates environmental protection into daily activities throughout the laboratory, including:

- Protecting and enhancing of vegetation, wildlife, and natural resources
- Practicing pollution prevention
- Complying with environmental requirements, and
- Continually improving environmental protection and sustainability performance

Our laboratory strives to continually minimize waste and prevent pollution, and thus reduce its environmental footprint. Pollution prevention is implemented through our laboratory's EMS, the hazard identification and control process, and sustainability practices.

ISO14001:2015 Certification



SAI GLOBAL
ISO 14001
Environmental

Since 2002, Powertech EMS is certified to the International Organization for Standardisation (ISO) 14001. Since 2002, Powertech EMS is certified to the International Organization of Standardisation (ISO)14001, a globally recognised standard that defines a globally recognized standard that defines the structure of an organization EMS to improve its environmental performance. ISO 14001 requires an organization to identify potential environmental impacts and establish controls needed to minimise impacts, monitor, and communicate environmental performance, and establish a formal process for continually improving EMS.

Our Approach

Operating with economic, environmental, and social sustainability is a must.

Powertech places importance on principles of environmental sustainability, which we outline in our Environmental Policy. We implement these principles through the framework of our environmental management system (EMS),

which is certified to ISO 14001:2015. Our EMS ensures that we identify, quantify and eliminate or mitigate all our environmental impacts.

When considering our environmental impacts, we include our supply chain partners, especially those who collect and dispose of our wastes. We strive to work with suppliers who have an accredited environmental record. It is necessary to act as a leader in this regard, and we know that the increasing focus on life cycle environmental impacts among business organizations across all industries is good for everyone.

We provide comprehensive environmental awareness training to all employees to ensure that they have the knowledge they need to prevent environmental impacts from their activities. We also conduct a comprehensive review of all projects, services, and capital expenditures through the lenses of safety and environmental risk assessment to ensure potential impacts are accounted for and controlled in the planning phase.

Powertech strives to follow evolving best environmental management practices that meet or exceed local, provincial, and federal compliance requirements. We continue to search for ways to raise our performance. Regulatory compliance is strengthened for all teams through our internal audit program, supplemented by regular audits by an external compliance consultant. The annual ISO 14001 audits provide the final third-party overview of our performance and practices.

Environmental Managers Association of British Columbia (EMA of BC)

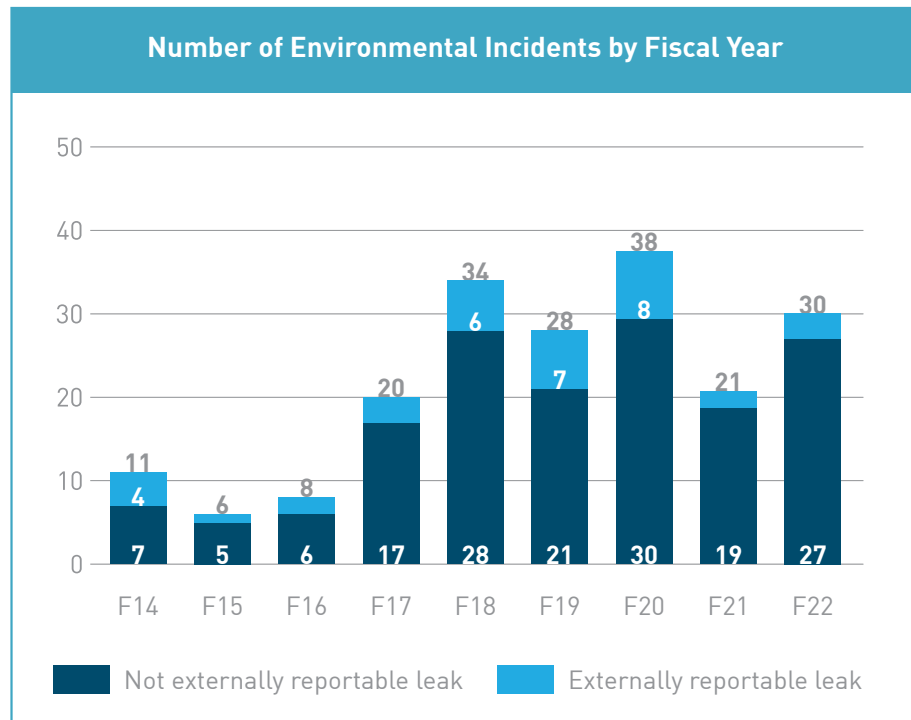
Powertech is a continuing member of the EMA of BC. We collaborate with environmental professionals from a range of industries in BC, sharing knowledge and experiences of best environmental management practices.



Environmental Performance Management

This section covers a selection of environmental performance metrics tracked within Powertech. These metrics are included because they reflect the direct impact of Powertech's operations on people and the environment and also help in devising annual environmental objectives. The Fiscal 2022 performance will help to identify gaps and define next fiscal areas of focus.

We constantly seek ways to improve: with this in mind, we review these metrics monthly to ensure we record, analyze, and interpret our progress and performance.



Spill Management

We have made progress in preventing and reducing spills over the last 2 years. A drop in environmental spills is demonstrated since a peak in Fiscal 2020. To this end, Powertech continues to invest significant resources to ensure the risk of spills to the environment is, firstly, reduced and then, secondly managed through risk prevention and mitigation. We strive to

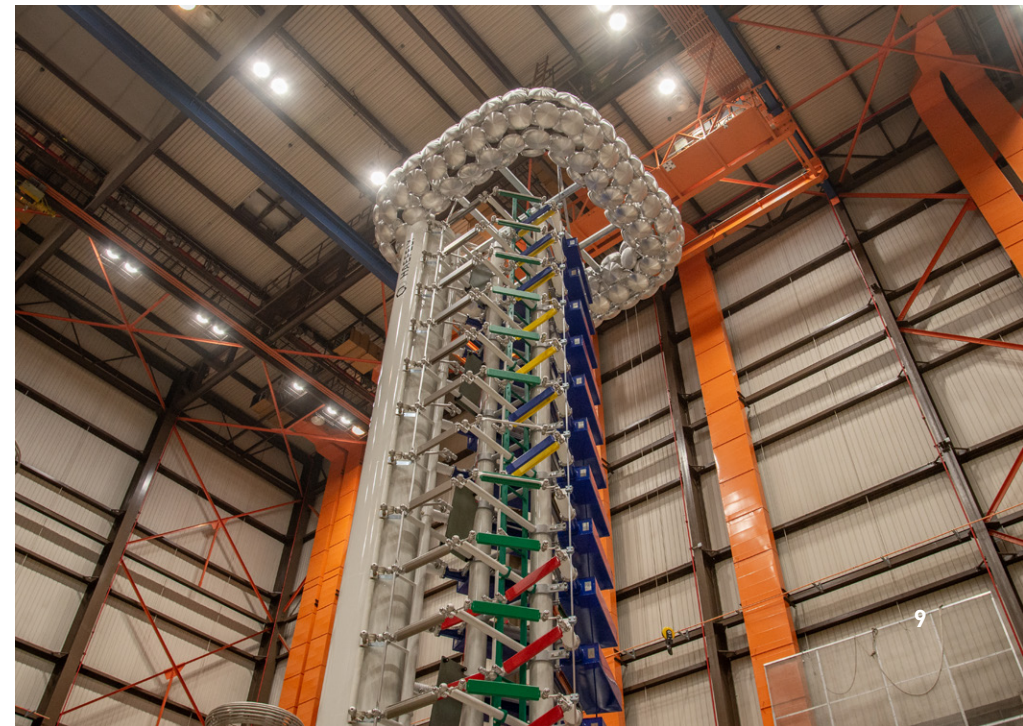
continually maintain and improve practices, while remaining ready to respond to a spill emergency. Of the 30 environmental spills reported in Fiscal 2022, only 3 were classified as externally reportable leaks. Fiscal 2020 was Powertech's worst year in terms of reportable leaks and in Fiscal 2021 and 2022, we managed to control by focussing on regular checks, maintenance and repair strategies. An increase was observed in Fiscal 2022 but these were mostly recorded as low severity including vehicle oil and fuel leaks.

Poly-chlorinated Biphenyl (PCB) Management

We remain committed and on track to remove all PCB's from our campus by 2025.

To reduce our risk to the environment, we have been steadily removing PCB-containing equipment from our site for several years. This equipment is safely decommissioned, transported, and disposed of in a responsible manner. In Fiscal 2022, Powertech

- replaced the PCB containing low voltage and neutral bushings of Phase B transformer of our High Power Lab.
- replaced its old Impulse Generator containing 3200 L of PCB oil. The new impulse generator was ordered in Fiscal 2022 and received at the start of Fiscal 2023. This reflects an investment of nearly \$1.5M. The PCB oil associated with the old impulse generator will be disposed in accordance with prevailing regulations using an accredited service provider.



Waste Management

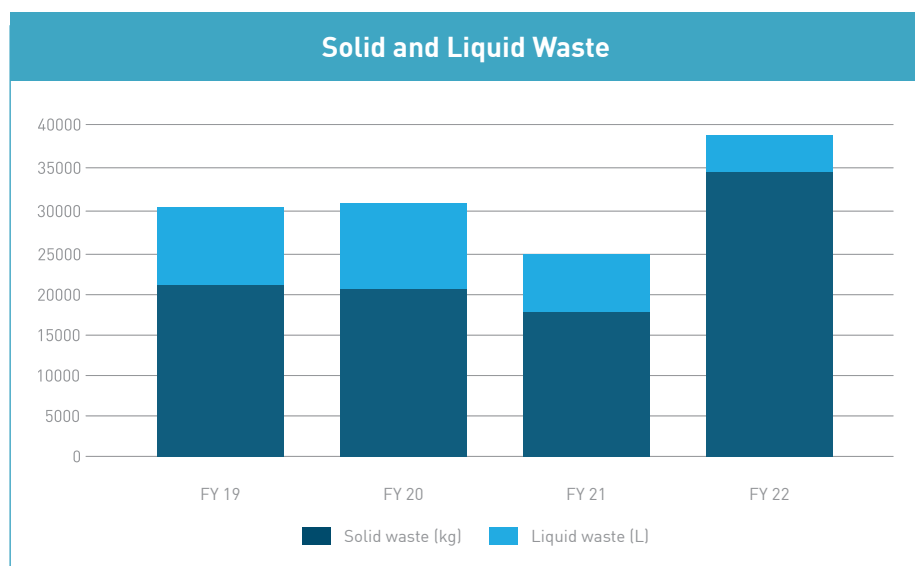
We approach waste management with the intent of generating less waste and minimising the input on landfill. The key waste generated at Powertech is a result of testing activities. The waste stream is dominated by the following: porcelain, cables, PCB and non-PCB oil, plastic, wood, and e-waste. The strategy is to direct any waste to secondary products, to adopt responsible disposal and maximising recycling and reuse. Periodic monitoring enables us to track our progress and meet our overall objective of reducing landfill burden. The themes we follow are outlined below:



Best Practices

- Wherever possible contract for clients to remove their equipment after testing
- Advocacy for minimum waste generation
- Segregation at source
- E-invoice to reduce paper
- In house compost generation
- Donating the useful beyond our campus
- Recycling through authorised dealers.

Major campus clean-up: While a continuous decrease in waste disposed was observed from Fiscal 2019 to Fiscal 2021, an increase was observed in Fiscal 2022, due to major clean up of the campus and removal of old equipment. Removal of old equipment and clean up of used materials will reduce the risk of spills on our campus while enhancing safety as hazards are removed.



Powertech evaluate suppliers and award business to those who demonstrate commitment to environmental sustainability to ensure that our waste is recovered or disposed of in a responsible and legally compliant manner. Our testing operations are designed to optimize use of materials and generate as little waste as possible.

Waste Oil and Hazardous Waste Management

A cornerstone of Powertech's hazardous material management program is its laboratory-wide chemical management system through SDS online. The system serves as a centralised chemical inventory and is valuable tool for managing and reporting chemicals used in laboratories. The system also contains technical data and reporting information of many chemicals:

Key functions of the system include:

- Providing current inventories by chemical cabinet, laboratory, room, building and campus.
- Improving research efficiency and minimizing hazardous waste generation by allowing staff to determine whether needed chemicals are already available onsite before purchasing them
- Providing quick access to chemical inventories and hazard information during emergency responses.

These actions are backed-up with regular laboratory audits and inspections to ensure that only necessary chemicals are held on campus and expired, obsolete or surplus chemicals are regularly identified and removed for disposal. This includes laboratories and chemical storage cabinets.

Non-hazardous Waste Management (Recycling)

Our sources of non-hazardous solid waste consists of mostly packaging of received test samples and purchases (e.g. wood crates, cardboard, protective wrapping, styrene and strapping) as well as office and kitchen waste. To ensure effective recycling, awareness training for all employees was conducted on how to segregate waste. Receptacles and signage are provided, and all plastic waste is recycled within Vancouver into equal or lower-grade packaging.

Stormwater Management

The Powertech campus has an extensive system of catch basins, interceptors, and oil/water separators, designed to prevent contamination of stormwater discharges to a nearby natural creek. Sampling and analysis of water in catch basins, separators, and the site's outflow are carried out quarterly to ensure compliance. Analysis results are measured against the

BC Regulation 63/88: Hazardous Waste Regulations, Schedule 1.2 (Standard for Discharges to the Environment or to Storm Sewers).

In Fiscal 2022, we continued our improvement in our stormwater quality performance. Six infractions were detected by our in-house sampling program. These detections were consistent with the record low level set in 2019. Going forward, the improved quality of the water being discharged is being maintained by use of a new, much more effective grounds sweeper attachment for the site's new skid steer—a relatively small investment for a big environmental win.

Wastewater Management

Non-domestic wastewater is water from lab sinks and floor drains within our laboratories. Our most significant concern is the potential for inadvertent discharge of chemicals. For this reason, all sinks in our labs discharge into an underground tank known as a chemical lift station which sits between our labs and the municipal systems. In case of a spill, the chemical lift station allows isolation of the wastewater. The chemical lift station is maintained through actions including monthly visual inspections and quarterly sampling and analysis to ensure compliance with the Hazardous Waste Regulations, Schedule 1.2 (Standard for Discharges Directed to Municipal or Industrial Effluent Treatment Works). It is noteworthy that no exceedances of the HWR standard were detected at Powertech in Fiscal 2022.

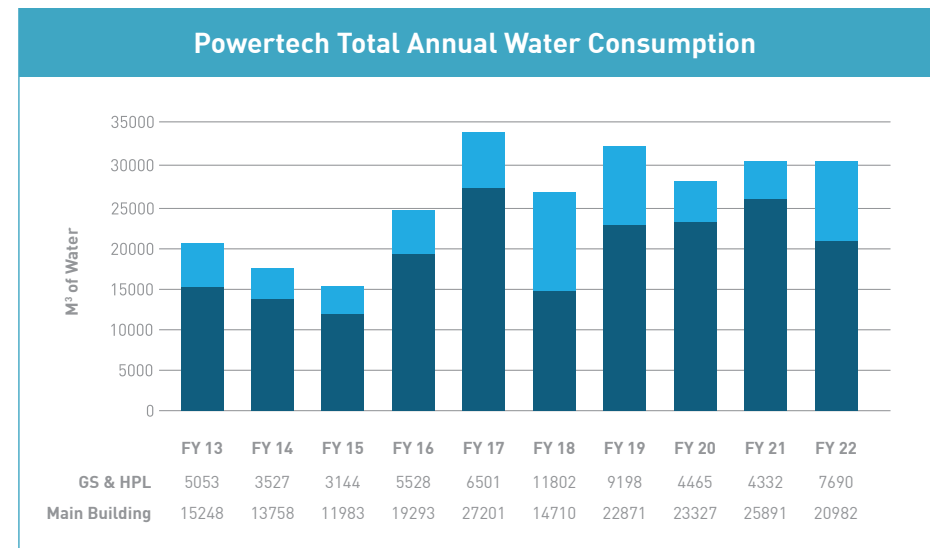


Resource Use

Water Use and Conservation

Powertech's doubling in size and services since Fiscal 2015 has resulted in increased water consumption. To reduce water consumption, we looked closely at our operations and areas of conservation. A few actions taken to reduce water consumption and increase conservation include:

1. Since 2017, a number of open loop systems were re-designed in a closed loop system. However, a few systems remain open loop as it is simply not cost effective to upgrade or the underlying test standard call for an open loop water system.
2. Powertech replaced its old electrolyser (residing at Annex A) to a more energy efficient one in Fiscal 2021/2022.

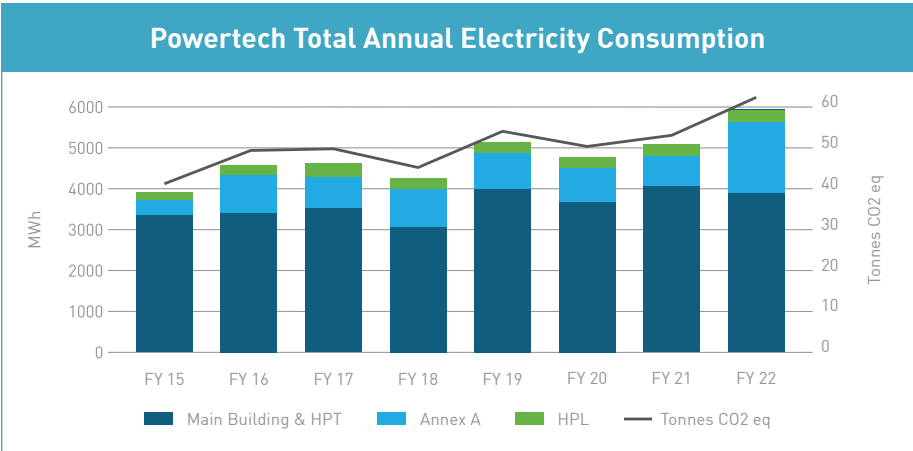
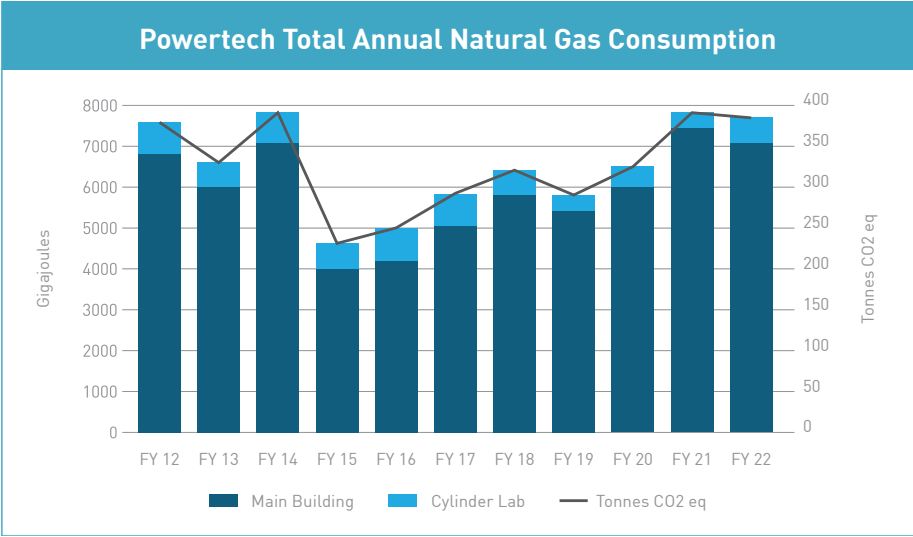


Energy Efficiency

Our main building's heating, ventilation, and air conditioning (HVAC) system usually uses a combination of re-circulated and fresh air to maintain a comfortable working environment. At the start of the pandemic (start of Fiscal 2021), Powertech adopted a 100 % fresh air intake setting to reduce the risk of transmission of COVID 19 virus. This change resulted in an increase in natural gas usage during colder months and an increase in electricity use in warmer months.

In Fiscal 2022, the amount of fresh air intake was reduced to the range of 70-90% as we started seeing negative impacts and stresses on our boilers and cooling system. This pragmatic approach was driven by balancing pandemic risk and system performance. The availability of vaccines coupled with a vaccine mandate was a key factor when making this change. This resulted in a decrease in gas and electrical consumption in Fiscal 2022.

In discussions with the landlord, the plan to replace the aging and inefficient main building’s gas boiler was finalized in Fiscal 2022. The design and procurement of 3 new boilers (2 condensing boiler and one electric boiler) is complete and installation is scheduled for fall of Fiscal 2023. This replacement will significantly reduce our greenhouse gas emissions.



Within the campus, we generate (using electrolysis) and compress hydrogen for our testing operations. This is an electricity-intensive process. The low greenhouse gas equivalence associated with electricity production in British Columbia gives us peace-of-mind that we are not causing significant greenhouse gas emissions to produce this low-carbon fuel. In early 2021, we replaced our 10+ year old electrolyser. Our previous unit was an alkaline electrolyser, requiring several hundred liters of potassium hydroxide (KOH). Our new electrolyser uses polymer electrolyte membrane (PEM) electrolysis, which does not require KOH or any other hazardous material and is significantly safer for our employees and the environment. With our new electrolyser, we can produce more hydrogen and are well-positioned to support BC as the hydrogen-fueled vehicle sector develops.

Powertech also encourages its employees to use electric vehicles (EVs) by providing 11 EV charging stations (2 DC Fast Chargers and 9 Level II Chargers) on campus for their use. For now, the use is free of charge to our employees. Staff who own EVs use the Chargers on a “rotational” charging schedule throughout the working day. For calendar year 2020, Powertech estimated that these chargers displaced almost 7,200 L of fuel, keeping 19.1 tons of CO2eq GHGs out of the atmosphere.





OCCUPATIONAL HEALTH AND SAFETY

Powertech's Health and Safety Program is designed to protect employees from injury and occupational disease, promote physical and mental wellness, prevent violence and harassment in the workplace and help ensure compliance with the occupational health and safety regulations that apply to us.

All employees have a responsibility for fostering a healthy and safe working environment:

- Senior management is responsible for enforcement of Powertech's [Health and Safety Policy](#) and for ensuring that the Joint and Health and Safety Committee is established as is required by law. All leaders are held accountable for the safety of the staff under their supervision. This includes ensuring that equipment is safe and that all are trained and work in compliance with established safe work practices and procedures.

- Similarly, all staff are expected to take ownership of their safety and are encouraged and empowered to report any concerns. Every staff-member must take responsibility for their personal protection by complying with all operating procedures pertaining to health and safety. As well, as contractors, subcontractors and their workers will be expected to meet Powertech's Health and Safety Program requirements. This includes training before working on campus.

Our workplace health and safety policies and programs prioritise prevention of accidents, monitoring of health and safety procedures and training. To develop a culture where staff value the health and safety for themselves and others, we provide employee education, including health and safety training, first aid training and preventing discrimination, harassment, and violence in the workplace training.

Building on Strong Foundation

At Powertech, we review how people interface with the equipment and system around them. We examine potential causes of stress and fatigue, and the quality of systems and procedures that people must follow. Showing care about how work is being done and acting on concerns raised, can help drive a learning culture- one which we hope to make the workplace safe consistently and incrementally. Through our Just Culture view, work on diversity, equity, and inclusion (DE&I) and our code of conduct we also aim to support people to speak up about any safety concerns they have. For example, in Fiscal 2022 several “pinch-points” were identified by staff and addressed. This ensured a safer working environment.

In addition to encouraging staff in identifying safety concerns, we utilise a Just Culture view of safety incidents focussing on systematic factors such as job planning, coordination, hazard assessment and training. It recognised that humans, even the best of us- make mistakes. The most important thing is that we know about them, learn from them, and take action to prevent a reoccurrence.

Safety During the COVID-19 Pandemic

In the last 2 years, COVID-19 pandemic evolved, and the world has been dealing with a significant challenge. Powertech took proactive steps to support its staff. On top of taking precautions in our laboratories, the field, and offices, together with enhanced guidance focussed on safety, hygiene, and health, Powertech leadership team conducted numerous Pulse Survey and departmental check ins to ensure that we understand and act on the concerns from our employees. Feedback from staff showed that they had high degree of confidence in the leadership and felt that the safety measures put in place made the campus a safe place.

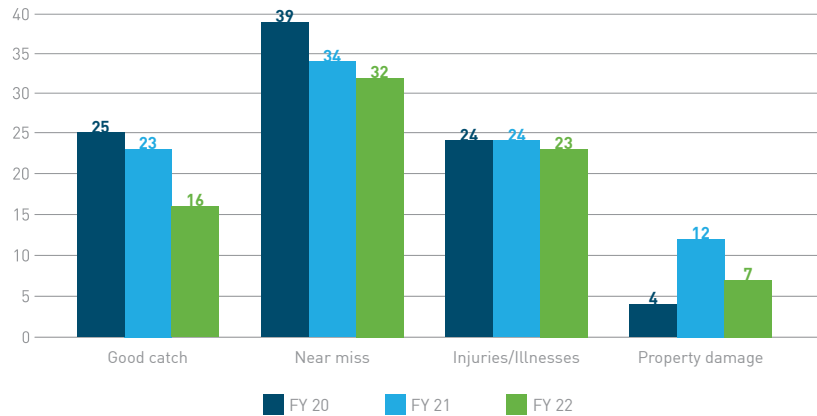
Despite the challenging circumstances presented by the pandemic, we remained focussed on safety; for example, we put a staff, visitor and contractor vaccination policy in place and shifted to virtual interaction wherever possible to minimise exposure. To-date, we have moved from 60 to 75% staff on campus on any day, and there has been no case of internal workplace transmission of COVID-19 infection at Powertech. During Fiscal 2022, there were a total of 33 employees who were infected with COVID-19 – all due to non-work-related exposure.



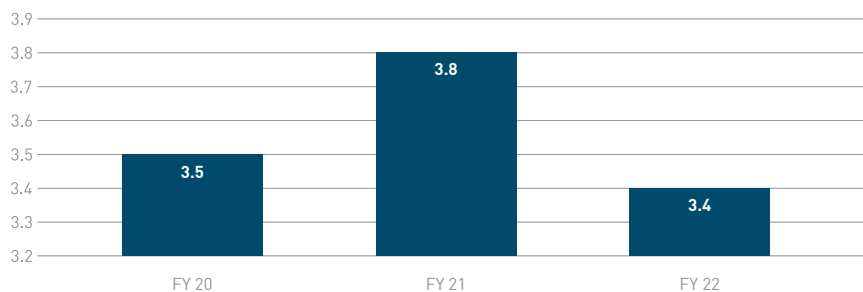
Personal Safety

In Fiscal 2022, we recorded a 15% decrease in total number of incidents, including a 42% decrease in property damage, e.g., vehicle damage. A decline in injuries is reflective of the effectiveness of the processes, procedures, and training in place.

Distribution of Incidents (F20-22)



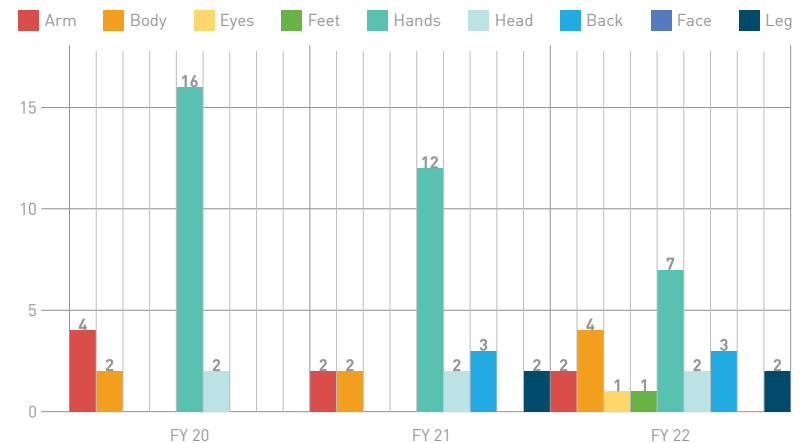
Incident Ratio (Total incidents/injuries)



In comparison to Fiscal 2021, specifics around safety incident reporting for Fiscal 2022 include:

- 78 safety incident reports were recorded, including 16 good catches.
- Total injuries count decreased to 23.
- While the number of Property Damage and Good Catch recorded decreased by 42% and 30% respectively, the number of Injury and Near Miss recorded in the fiscal is similar the previous year.
- Two Lost-Time injuries recorded were recorded in Fiscal 2022 after nearly 5 years (1.9 million hours) of no loss time.
- The total incident to injury ratio reduced from 3.8 in Fiscal 2021 to 3.4 in Fiscal 2022.
- A slight downward trend in capturing good catches and near misses has been identified. It is anticipated at this stage that this change is minor and will not be affecting workplace safety in any manner. This drop is linked to staff working from home.
- The actual injuries count is 1 less compared to last fiscal, The number of hand injuries has been trending downwards since Fiscal 2020 as it reduces by ~50% in Fiscal 2022 as shown in chart below. This is a result of action taken to train staff as well as provision of Personal Protective Equipment (PPE) such as cut resistant gloves.

Injury Types



Despite the improvements, efforts will continue to be intensified around hand safety (in terms of training, awareness, and availability of the suitable gloves) at work.

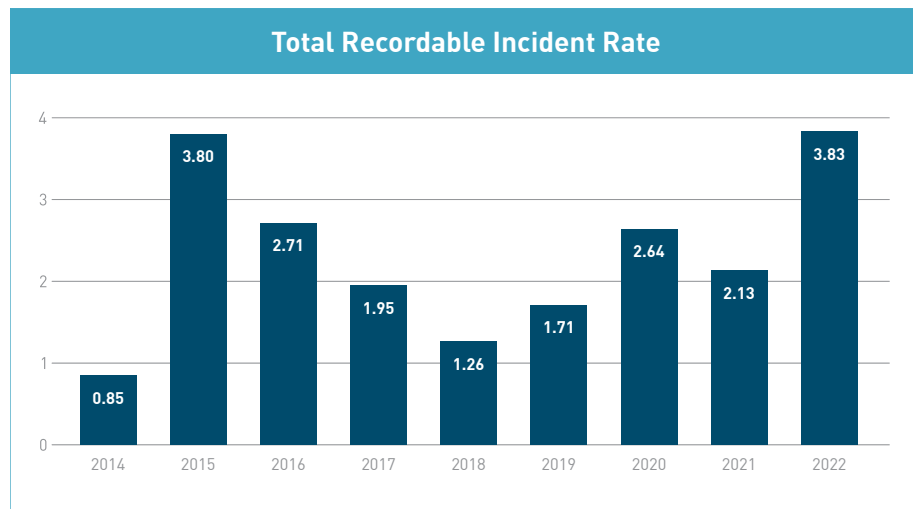
TRIR

The Total Recordable Incident Rate (TRIR) is a measure of occupational safety and health performance, which is useful for comparing working conditions in workplaces and industries. It is calculated by using the actual number of recordable safety incidents and total work hours of all employees with a standard employee group (200,000 man hours).

The continual improvement in a positive safety culture among Powertech employees has placed the TRIR in a downward trend to 2.64 in Fiscal 2020 and to 2.13 in Fiscal 2021. However, after the lost time injury, medical treatment, and restricted work cases, in Fiscal 2022, our TRIR has moved above 3.

To improve our TRIR and our safety performance, Powertech will be focussing on:

- Encouraging “safety-first” mindset
- Practicing open communication where staff can voice their concerns and opinions about jobsite safety.
- Using the right tools and equipment for the job at hand.



Underpinning the generally improving trend in several years of work at Powertech, including ongoing risk management, investigations, process safety and control of work improvements, risk management processes across the different sectors are monitored and updated to improve effectiveness.

In order to improve our safety culture, the Technical Sectors collaborate with each other to share relevant examples of good and proven practice, while the corporate safety team works to make sure that any serious and complex incidents are thoroughly investigated, and any systemic gap are closed as soon as possible.

Safety Accreditation

Despite a global pandemic, Powertech achieved the ISO 45001 accreditation during Fiscal year 2021 and continues to strengthen and mature its practices under this standard.



QUALITY AND ACCREDITATION

Consistent Level of Quality

Powertech ensures and continuously improves the quality of its services and products with a variety of tools. Powertech has successfully implemented the requirements of the following certification-relevant standards:

- ISO 9001, Quality Management System since 1997
- ISO14001, Environmental Management System since 2002
- ISO 17025, Testing and Calibration Standard since 2005, and
- ISO 45001, Health, and Safety Management System since 2020.
- Engineers & Geoscientists British Columbia Permit to Practice since September 2021

The conformity of services, products, systems, and processes is periodically checked and confirmed by way of internal and external audits.

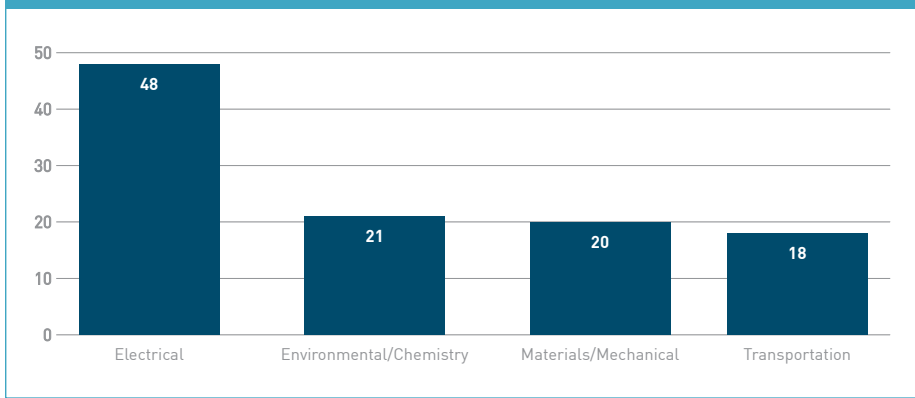
Presently, Powertech is working towards ISO27001, the Information Security Management System as steps to address the potential threats such as malware and ransomware since Cybersecurity has been identified as an enterprise risk. Mandatory cybersecurity awareness training was provided to all staff to further enhance protection of systems and information.

ISO 17025 Standards

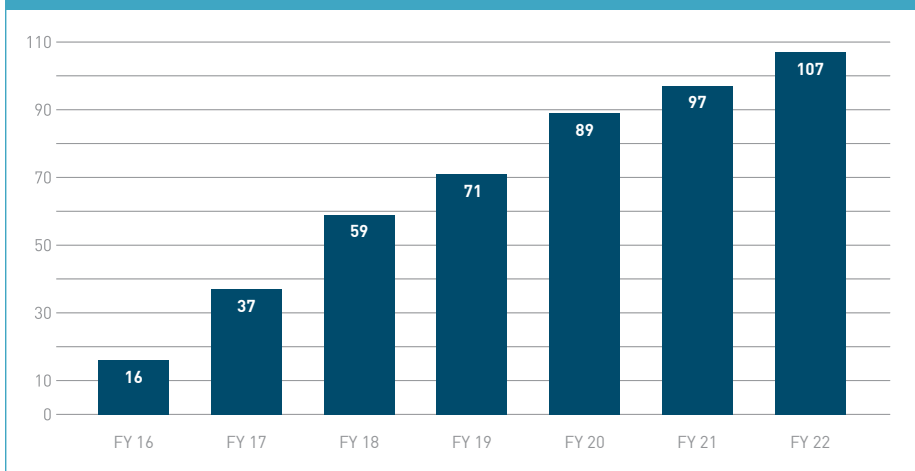
In Fiscal 2022, Corporate set the objective of adding at least six test methods/ standards to our ISO/IEC 17025 accreditation. The target of 6 was set as Powertech has 6 Technology Sectors.

Achieving these standards accreditations helps to ensure our customers, employees, and the public that Powertech is committed to sustainability and is striving to meet the highest levels of compliance and ethical practices in all areas. We believe (and this is borne out by the annual customer satisfaction survey) that this approach gives our customers confidence that our results are sound and can be trusted.

ISO 17025 Standards by Expertise (F22)



ISO 17025 Standards by Fiscal Year





Our 2021 Customer Satisfaction Result showed a 0.5% increase in overall satisfaction with a 9.1 out of 10 score.



Response Rate

15%  4%



Overall Satisfaction

9.1  0.5



Average Satisfaction

9.1  0.5



Average Likelihood

9.2  0.3

Customer Experience

Delivering great customer experience starts with listening closely to our customers, learning from their feedback and responding quickly with action.

We have a system that supports continuous dialogue with customers, generating rich insights and enabling us to respond accordingly. Robust listening and action management processes help us zero in on our customer experience, and ideally convert customers into Powertech's advocates.

Our customer satisfaction survey, sent on closure of projects enables us to collect timely feedback from customers, both in the form of metrics and verbatim comments. This feedback is delivered directly to the project teams that are empowered to take steps to fix or change the customer experience. We are continually improving our customer satisfaction surveying process to ensure we have comprehensive coverage across key touchpoints and the right people are in place to implement actions arising from customers'

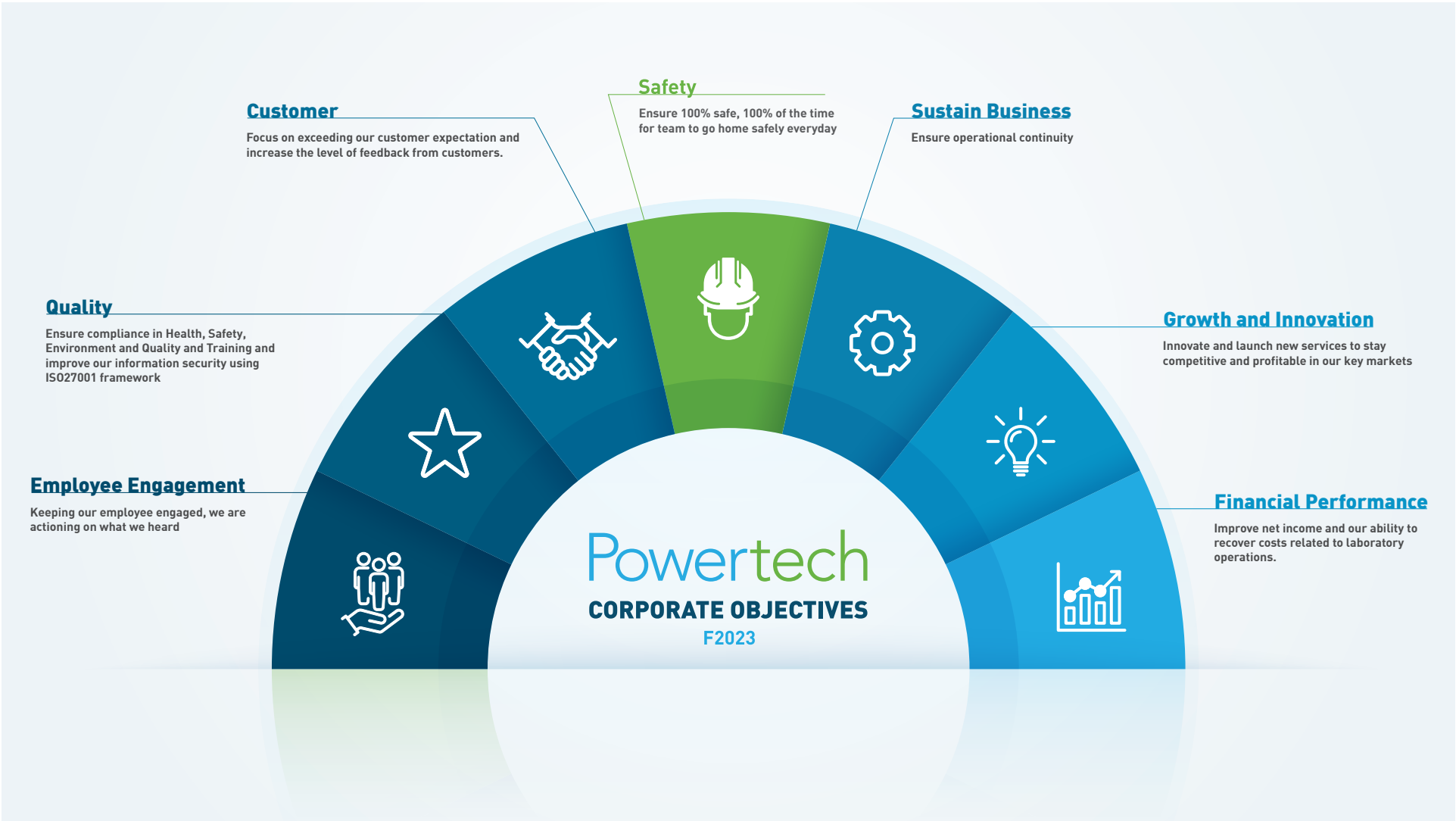
feedback. Powertech defines, publishes and communicates its customer satisfaction objectives as part of its overall corporate objectives to ensure everyone in the organization is aware and shares the commitment to provide the best possible experience for customers.

In Fiscal 2023, we are focussing on increasing the customer response rate. We have implemented a customer survey through phone calls to address the declining customer response rate for written response surveys. The comments and low scores are carefully reviewed and then used to inform the specific teams in improving customer experience, for example prompting us to modify or add a process.

We are committed to providing high quality service and products to assist customers in making better decisions. If customers have questions or concerns, we see it as our responsibility to respond promptly, accurately and with utmost courtesy. We have an established complaint resolution process, and our quality team annually reviews the procedure for dealing with customer complaints.

TRAJECTORY

In Fiscal 2023, Powertech aims to meet or exceed the following objectives:



Powertech

Powertech 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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Health, Safety, Environment, and Quality (HSEQ)

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