Environmental Data Disclosure Hypertec Group

Civil Year 2022

DOC. #: RP_HYP_QA010_Rev.01

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1. INTRODUCTION

Our environmental responsibility goal at Hypertec Group has always been to become more efficient in creating and delivering technology solutions worldwide. It extends through our supply chain, where we work to ensure that consistency, transparency, and environmental stewardship are realized. We aim to reduce our energy consumption, environmental impact, as well as our carbon footprint and water consumption. Hypertec Group is committed to improving environmental performance while consistently meeting our customers and applicable legal requirements for our products and services. Hypertec Group aligns processes with achieving compliance with these commitments by implementing and maintaining an Integrated Management System ("IMS"), forming an integral part of the company's business strategy, and designed to meet the requirements of ISO 9001, ISO 14001, ISO 45001, and ISO 50001. These certifications aim to reduce our energy, water, and carbon footprint. We are also committed to reporting under the ESG score and CDP, which allow us to track our metrics and initiate reductions. Hypertec Group facility is also Boma Best certified Gold, a vital Canadian Standard for sustainable building. We are also certified SA8000 standard addressed in the Supply Chain Engagement.

Hypertec Group works internally and externally to minimize and mitigate climate risks. It is committed to reducing the global carbon footprint of its business activities. It has demonstrated its commitment by Implementing a corporate Climate and Energy Policy, executing a long-term comprehensive Climate Change Strategy, and setting corporate-wide objectives and targets which support our policy and strategy.

2. SCOPE

General Information	Description
Representative	Ali Khosroshahi, Senior Manager, Quality Assurance and Sustainability akhosroshahi@hypertec.com, **Mobile:** 514.707.2236
System	Environmental Management System – Emissions and Consumption One site
Address	9300 Trans-Canada Highway, Saint-Laurent, Québec, Canada, H4S 1K5
Assessment Scope	The building is located at 9300 Trans-Canada Highway, Saint-Laurent, Québec, Canada, H4S 1K5, where Hypertec Group. **Area:** 60,625.29 square feets **Revenue 2022:** $ CAD 500 million All Hypertec Group business units encompass Hypertec Cloud, Hardware Technology Solutions (HTS), Hypertec Solution Partners (HSP), Ciara Tech (Manufacturing), and Medioh Telehealth. Disclosure of standard(s) and framework(s) used for the calculations and reporting, where applicable, or the standard or framework used to achieve the third party.
Assessment Reference	The environmental data reported by Hypertec Group on the following aspects. Water consumption Energy consumption Scope 1 and Scope 2 greenhouse gas emissions Scope 3 greenhouse gas emissions, category 1 (Purchased Good and Services, Category 3 (Fuel & Energy related activities), and Category 4 (upstream transportation and distribution).
Methodology Reference	**Reporting, Verification, and Validation Reference:** GRI 301: Materials, GRI 302: Energy 2016, GRI 303: Water and Effluents 2018, and GRI 305: Emissions 2016. ISO 14064-3 Green gases – Part 3: Specification with guidance for verifying and validating greenhouse gas statements. **Scope 1, Scope 2, and Scope 3 Calculation Reference:** Greenhouse gas protocol standard, Corporate Accounting and Reporting Standard, Scope 2 Guidance, and Scope 3 Guidance Standard. Scope 3 _ Category 1: Spend-based method. Scope 3 _Category 3: Average Data Method Scope 3_Category 4: Spend-based method.
Reporting Year	The calendar/civil year for 2022
Date	July 21, 2023

3. STATEMENT

All activities and processes implemented by Hypertec Group Inc. and all building zones of the organization identified above are included in the monitored information regarding water and energy consumption, and Scope 1, Scope 2, and Scope 3 (Category 1, 3 & 4) greenhouse gas emissions, which are used for calculations and reporting.

Environmental aspect	Assessment Description
Water consumption	Internal verification made by designated Hypertec Group employees and information on water meter bills and readings
Energy Consumption	Internal verification made by designated Hypertec Group employee. The energy sources are electricity, Oil Fuel, and Natural Gas for ventilation, water heating, heating, and lighting. **Stationary Sources** encompass natural gas consumption for heating and oil fuel (diesel) for emergency generators. **Mobile Source** encompasses oil fuel (diesel) for company owned-vehicles.
Scope 1, Scope 2, and Scope 3 (Category 1, 3 & 4) and greenhouse gas emissions	Internal verification made by designated Hypertec Group employee. These emissions are aligned with the total energy consumption and value chain emissions.

4. CONTENT REPORT

Hypertec- Group has used the civil year for performance evaluation and reporting timeframe.

4.1. Results for Water Consumption

Civil Year	2018	2019	2020	2021	2022
m^3	58,764	57,895	56,108	44,837	47,767

4.2. Results for Energy Consumption

4.2.1. Electricity

Civil Year	2018	2019	2020	2021	2022
MWh	62,670	56,670	50,1900	42,390	46,390

4.2.2. Natural Gas – Stationary Source

Civil Year	2018	2019	2020	2021	2022
m^3	181,990.52	142,464.45	108,056.87	93,838.86	98,750.00

4.2.3. Oil Fuel (Diesel) from – Stationary and Mobile Sources

4.2.3.1. Oil Fuel for company owned-vehicles – Mobile Source

Civil Year	2018	2019	2020	2021	2022
MWh	0.0230	0.0230	0.0230	0.013	0.0021

4.2.3.2. Oil Fuel for emergency generator – Stationary source

Civil Year	2018	2019	2020	2021	2022
MWh	0.22	0.22	0.57	0.07	0.22

4.2.3.3. Total Energy

Civil Year	2018	2019	2020	2021	2022
MWh	64,623	57,926	51,926	43,451	47,648

4.2.3.4. Source of Energy

Civil Year	2018	2019	2020	2021	2022
Renewable (MWh)	62,670	56,670	50,1900	42,390	46,3900
Non-renewable (MWH)	2,163	1,750	1,733	1,061.3	1,261.7

4.3. Results for Greenhouse Gas Emissions, Scope 1, Scope 2 & Scope 3.

Calculations were made for the two scopes:

Scope 1: Direct GHG emissions from those sources owned by Hypertec Group. This accounts for the on-site combustion of natural gas and emissions from Hypertec Group's three vehicles for its operation and customer services. The GHG emissions from the diesel generator have been included. Hypertec Group does not own forklifts powered by fossil fuel nor register refrigerant leaks.

Scope 2: Electricity indirect GHG emissions are the emissions resulting from the purchased electricity by Hypertec Group from Hydro Quebec. The source of these emissions is at the site from which the electricity is produced.

Scope 3: Indirect greenhouse gas (GHG) emissions in the Hypertec value chain, including upstream and downstream activities not directly owned or controlled by Hypertec Group. For the reporting year, Hypertec Group is reporting Scope 3 for **Category 1** related to **the purchased goods and services for the targeted supplier,** representing 60% of the global purchase. Scope 3 for **Category 3** related to **the Fuel-and-Energy activities not included in Scope 1 or Scope 2** which are purchasing electricity specifically to processes associated with extraction, production, transmission, and distribution), and fossil fuel consumption specifically to processes related to extraction, production, and transportation of the fuel. **Category 4** is connected **to upstream transportation and distribution.**

4.3.1. Referring to Scope 1

Civil Year	CO2 t CO_2-e	CH4 t CO_2-e	N2O t CO_2-e	Gross Global Scope 1 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2018	421.5662	0.0098	0.0079	421.58	6.95E-3	4.2E-6
2019	345.1862	0.0084	0.0065	345.20	5.64E-3	2.3E-6
2020	237.4669	0.0054	0.0045	237.48	3.92E-3	7.9E-7
2021	208.7541	0.0049	0.0049	208.76	3.44E-3	6.0E-7
2022	255.0050	0.0067	0.0067	255.02	4.21E-3	5.1E-7

4.3.2. Referring to Scope 2 – Location-based

Civil Year	Gross Global Scope 2 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2018	31.34	5.2E-04	3.13E-07
2019	28.20	4.7E-04	1.88E-07
2020	25.10	4.1E-04	8.37E-08
2021	21.20	3.5E-04	6.06E-08
2022	23.20	3.8E-04	4.64E-08

Procurement of Renewable Energy Certificates (REC)

Civil Year	Electricity (MWh)	Scope 2 Emissions Equivalent t CO_2-e	Number of RECs.
2022	6415.00	3.21	6415.00

4.3.3. Referring to Total Gross Scope 1 and Scope 2

Civil Year	Gross Global Scope 1 & 2 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2018	453.00	7.5E-03	4.5E-06
2019	373.00	6.2E-03	2.5E-06
2020	263.00	4.3E-03	8.8E-07
2021	230.00	3.8E-03	6.1E-07
2022	278.00	4.6E-03	5.6E-07

4.3.4. Referring to Scope 3

Hypertec Group reports 30% of the Total Scope 3 emissions for CV 2022 and plans to report 100% of Scope 3 emissions for CY 2024.

Category 1: Purchased Goods and Services of Targeted Suppliers representing 60% of total purchase.

Civil Year	Gross Global Scope 3_C1 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2021	140,745.32	2.32	4.0E-04
2022	195,830.45	3.23	3.9E-04

Category 3: Fuel-and-Energy activities not included in Scope 1 or Scope 2

Civil Year	Gross Global Scope 3_C3 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2021	21,231.69	0.35	6.07E-05
2022	23,241.23	0.38	4.65E-05

Category 4: Upstream Transportation and Distribution

Civil Year	Gross Global Scope 3 _ C4 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2021	542.19	8.9E-3	1.55E-06
2022	753.64	1.2E-2	1.51E-06

4.3.5. Referring to Total Gross Scope 3 (Category 1, 3 and 4)

Civil Year	Gross Global Scope 3 (Category 1, 3 & 4) t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2021	162,519.20	2.681	4.643E-04
2022	219,825.32	3.626	4.397E-04

4.4. Performance Evaluation

4.4.1. Absolute Value

Civil Year	2018	2019	2020	2021	2022
Energy (MWh)	64,623	57,926	51,926	43,451	47,648
Energy Variation & Improvement (%)		-10	-10	-16	10
Gross Total Scope 1	421.58	345.20	237.48	208.76	255.02
Gross Total Scope 1 Variation & Improvement (%)	-	-18	-31	-12	22
Gross Total Scope 2	31.34	28.20	25.10	21.20	23.20
Gross Total Scope 2 Variation & Improvement (%)	-	-10	-11	-16	9
Gross Total Scope 1 & 2	453	373	263	230	278
Gross Total Scope 1 & Scope 2 Variation & Improvement (%)	-	-17	-29	-12	21
Gross Total Scope 3 (C1, C3, C4)	N/A	N/A	N/A	162,519.20	219,825.32
Gross Total 3 (C1, C3,C4) Variation & Improvement (%)	-	-	-	-	35.24
Gross Total Scope 1, 2 & 3	-	-	-	162,749.17	220,103.54
Gross Total Scope 1, 2 & Scope 3 Variation & Improvement (%)	-	-	-	-	35
Water Consumption (m3)	58,764	57,895	56,108	44,837	47,767
Water Consumption Variation & Improvement (%)		-1.5	-3	-20	6.5

4.4.2. INTENSITY VALUE

Civil Year	2018	2019	2020	2021	2022
Energy -Physical Intensity	1.07E-03	9.6E-04	8.6E-04	7.2E-04	7.9E-04
Energy -Physical Intensity Variation & Improvement (%)	-	-10	-10	-16	10
Energy -Economic Intensity	6.46E-07	3.86E-07	1.73E-07	1.24E-07	9.53E-08
Energy- Economic Intensity Variation & Improvement (%)	-	-40	-55	-28	-23

Gross Total Scope 1 – Physical Intensity	6.95E-03	5.69E-03	3.91E-03	3.44E-03	4.20E-03
Gross Total Scope 1 -Physical Intensity Variation & Improvement (%)	-	-18	-31	-12	22
Gross Total Scope 1 – Economic Intensity	4.22E-05	2.30E-05	7.9E-06	6.00E-06	5.1E-06
Gross Total Scope 1 -Economic Intensity Variation & Improvement (%)	-	-45	-65	-24	-14
Gross Total Scope 2 – Physical Intensity	5.2E-04	4.7E-04	4.1E-04	3.5E-04	3.8E-04
Gross Total Scope 2 -Physical Intensity Variation & Improvement (%)	-	-10	-10	-16	9
Gross Total Scope 2 – Economic Intensity	3.1E-07	1.88E-07	8.37E-08	6.06E-08	4.64E-08
Gross Total Scope 2 -Economic Intensity Variation & Improvement (%)	-	-40	-55	-28	-23
Gross Total Scope 3 for Category 1, 3 & 4 – Physical Intensity	-	-	-	2.681	3.626
Gross Total Scope 3 for Category 1, 3 & 4 - Physical Intensity Variation & Improvement (%)	-	-	-	-	35
Gross Total Scope 3 for Category 1, 3 & 4 – Economic Intensity	-	-	-	4.643E-04	4.397E-04
Gross Total Scope 3 for Category 1, 3 & 4 -Economic Intensity Variation & Improvement (%)	-	-	-	-	-5.31
Water Consumption – Physical Intensity	0.97	0.95	0.93	0.74	0.79
Water Consumption- Physical Intensity Variation & Improvement (%)	-	-1.4	-3.09	-20	6.5
Water Consumption – Economic Intensity	5.9E-04	3.87E-04	1.9E-04	1.3E-04	9.6E-05
Water Consumption-Economic Intensity Variation & Improvement (%)	-	-34	-52	-32	-25

5. HISTORY OF CHANGES

REV	DATE	MODIFICATIONS	CREATED BY	APPROVED BY
01	7/21/2023	Creation	Candy Morales	Ali Khosroshahi

6. ANNEX

Global Reporting Initiative Disclosure

GRI 302: Energy 2016

GRI	Description	Disclosed Information	Link
103-1.2 and 3	Material and Boundary Explanation of Energy, the Management approach	Integrated Management Systems Policy ISO 14001 Certificate CDP score Boma Best Certificate Gold Supply Chain Responsibility Energy Management Policy & Climate Change Policy Bulk Packaging Policy for PC Systems	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
302-1	Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.	Table of Annual Consumptions	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
302-2	Energy consumption outside of the organization, in joules or multiples	This metric does not apply to Hypertec Group's activities and energy consumption scope.	N/A
302-3	Energy intensity ratio for the organization.	Table of emissions and consumption	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
302-4	Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.	Table of Annual Consumptions_3rd party audit and reports. Review section 4 of this report.	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
302-5	Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.	Hypertec Group reports its carbon emissions annually resulting from its Products. The information is available on our website. "LCA and Carbon Footprint Disclosure."	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/

GRI 303: Water and Effluents 2018

GRI Ref	Description	Disclosed Information	Link
303-1	Interactions with water as a shared resource	N/A	N/A
303-2	Description of water discharge standards	N/A	N/A
303-3	Sources and volumes of water withdrawn	N/A	N/A
303-4	Destinations and volumes of water discharged	N/A	N/A

303-5	The volume of water consumed	Table of Annual Consumptions	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/

GRI 305: Emissions 2016

GRI Ref	Description	Disclosed Information	Link
103- 1, 2 and 3	Explanation of Emissions as a material topic and its Boundary, the management approach and its components, and the evaluation of the management approach.	Please review sections 2 and 3 of this report.	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
305-1	Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent	Table of Consumptions; and Hypertec Group has assessed scopes 1 and 2. For Scope 3, categories 1, 3, and 4 were reported.	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
305-2	Indirect (Scope 2) GHG emissions		
305-3	Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent		
305-4	GHG emissions intensity ratio for the organization.	Table of emissions and consumption.	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
305-5	GHG emissions were reduced directly due to reduction initiatives in metric tons of CO2 equivalent.	Table of consumptions	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/