Hypertec

ENVIRONMENTAL DATA DISCLOSURE
HYPERTEC GROUP
CIVIL YEAR 2024

Document: RP_HYP_QA011
Version: 02
Report Date: 2025.07.10
Verification by Third Party Date: 2025.10.15
Reference: *(GRI) 302, 303, 305 and Material Topics 2021*

Table of Contents

1. INTRODUCTION

At Hypertec Group, we recognize that environmental responsibility is integral to the way we design, build, and deliver technology solutions worldwide. Our commitment extends across our operations and supply chain, where we prioritize efficiency, consistency, transparency, and responsible stewardship of natural resources. We remain focused on reducing energy consumption, carbon emissions, environmental impacts, and water usage throughout our value chain.

We are dedicated to continually improving our environmental performance while meeting customer expectations and ensuring compliance with all applicable legal and regulatory requirements. To embed sustainability at the core of our business, we maintain an Integrated Management System (IMS) aligned with leading international standards, including ISO 9001, ISO 14001, and ISO 50001. These certifications strengthen our ability to drive efficiency, minimize energy use and water consumption, and reduce greenhouse gas emissions.

Transparency is central to our approach. Through ESG reporting and participation in initiatives such as CDP, we measure, monitor, and disclose our progress while driving meaningful action. In addition, we uphold the SA8000 standard in our supply chain engagement, reinforcing responsible and ethical practices across our global network.

Hypertec Group is also proactive in addressing climate-related risks and opportunities. Guided by our corporate Climate and Energy Policy and Climate Change Strategy, we have established enterprise-wide objectives and measurable targets that support our environmental goals and contribute to a lower-carbon future.

2. SCOPE

General Information	Description
Representative	Aziza BENABBAS, Sustainability Project Specialist-Corporate Compliance abenabbas@hypertec.com
System	Environmental Management System – Emissions and Consumption One-site
Address	9300 Trans-Canada Highway, Saint-Laurent, Québec, Canada, H4S 1K5 5555 Rue Cypihot, Saint-Laurent, Québec, Canada, QC H4S 1R3
Assessment Scope	The buildings are located at the following locations: **Location 1 (Head Offices):** 9300 Trans-Canada Highway, Saint-Laurent, Québec, Canada, H4S 1K5, **Location 2:** 5555 Rue Cypihot, Saint-Laurent, Québec, Canada, QC H4S 1R3 **Area 2:** 178,940 square feet **Revenue 2024:** 472.21 million CAD. Hypertec Group business units encompass High Performance Computing and AI (HPC&AI), Hypertec Solution Partners (HSP), and Custom Manufacturing. 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 Goods and Services, Category 2 (Capital goods), Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2) Category 4 (upstream transportation and distribution), Category 5 (Waste Generated in Operations), Category 6 (Business Travel), Category 7 (Employee Commuting), Category 8 (Upstream Leased Assets), Category 9 (Downstream Transportation and Distribution), Category 11 (Use of Sold Products).

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: Average-data method. Scope 3 _Category 2: Average spend-based method Scope 3 _Category 3: Fuel-and-Energy activities not included in Scope 1 or Scope 2 Scope 3_Category 4: Spend-based method. Scope 3_Category 5: Waste-type-specific method Scope 3_Category 6: distance-based method Scope 3_Category 7: Average-data method Scope 3_Category 8: Average-data method Scope 3_Category 9: Spend-based method Scope 3_Category 11: Products that directly consume energy (fuels or electricity) during use
Energy & water Reduction Calculation	**Reference Standards:** GRI 301, 302, 303, 305: ISO 50001, ISO 14001, ISO 14064-3 **Calculation Basis:** Beginning in 2024, Hypertec established a new baseline year following the relocation to our new facility. Although baseline comparisons are not included in this report, we track year-over-year changes to capture short-term progress, taking into account efficiency measures, operational improvements, and renewable energy purchases. **The primary calculation methods include:** Energy and water reductions are tracked internally based on utilities bills. Fuel savings converted to energy using standard conversion factors (GJ/L, MWh, etc.). Renewable Energy Certificates (RECs) are accounted for based on contractual agreements. **Data Validation & Verification:** Energy data is verified through internal EMS tracking and reports, 3rd party audit.
Management Approach	Hypertec establishes a structured energy management focused on improving efficiency, reducing greenhouse gas emissions, and transitioning to renewable energy sources. This approach is fully embedded within our sustainability framework and operational practices. To demonstrate our commitment, we have established a comprehensive **Energy Policy** designed to optimize energy use across our operations and supply chain. Our target is to reduce electricity consumption by **1.67% per year**, aligned with our **Net-Zero emissions roadmap**, using **2024**[1] as the new baseline year for scope 1 & 2 and 2023 for scope 3. To support decarbonization, Hypertec procures Renewable Energy Certificates to mitigate Scope 2 emissions by claiming renewable energy use, thereby reinforcing our commitment to clean energy and emissions reduction.

[1] The baseline year has been revised from 2019 to 2024 to reflect the relocation of our operations to a new facility at 5555 Cypihot. The new site presents a significantly different energy profile and operational setup compared to the previous location, making 2024 a more accurate reference point for future comparisons.

	The **QA and building management teams** are responsible for implementing and maintaining the energy system in accordance with **ISO 50001:2018**, continuously monitoring and improving system performance. Additionally, the **Sustainability Committee** oversees energy reduction targets, ensuring progress toward our sustainability goals.
Energy/ GHG emissions Intensity Ratio	Hypertec has chosen two ratios to measure energy / GHG emissions intensity: 1. **Physical Intensity**: Total energy consumption/emissions divided by the Annual Production volume 2. **Economic Intensity**: Total energy consumption/emissions divided by Annual Revenue.
Impacts on the Economy, Environment, and People	**Positive Impacts:** • **Economy:** Job creation within the supply chain. • **Environment:** Energy optimization and use of recycled materials. • **Social:** Fair labor practices, compliant with SA8000 certification. **Potential Negative Impacts:** • **Environment:** Indirect CO_2 emissions related to energy use and transportation. • **Supply Chain:** Social and environmental risks associated with raw material extraction. Our impacts are indirect, stemming from energy consumption and risks linked to our suppliers. We do not produce ozone-depleting substances and ensure our suppliers comply with regulations. **Policies and Commitments:** • Responsible procurement policy with ESG criteria. • Energy policy in line with ISO 50001 . • Integrated management Policy, which includes ISO 14001 . • Electronic waste management through certified subcontractors. **Actions to Manage These Impacts:** • **Prevention:** Energy consumption reduction objective, supplier evaluations, e-waste management. • **Impact Reduction:** Increase in renewable energy usage and improved traceability of IT components. • **Managing Positive Impacts:** Product innovation and internal training. **Effectiveness Monitoring:** • Monitoring energy consumption in accordance with ISO 50001, annual ESG supplier evaluations. • Goals: 50% reduction in Scope 1 and 2 emissions by 2033, and achieving net-zero emissions by 2050 as part of the Net Zero Challenge. **Stakeholder engagement on actions/effectiveness:** Hypertec integrates stakeholder engagement into the continuous improvement processes of its certified management systems, including ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 27001 and SA8000. The review of stakeholder needs and expectations is carried out periodically and serves as a key input for the evaluation of our management approach. Regular mechanisms include: • Review of stakeholder needs and expectations conducted within each management system framework. • Customer requirement reviews and quarterly meetings with key customers.

	• Supplier evaluations to monitor responsible sourcing and partnership performance. • Employee engagement surveys and feedback sessions. • Management reviews to evaluate the overall effectiveness of actions, identify lessons learned, and integrate feedback into operational planning and strategic objectives. • External communications and sustainability disclosures, including GRI, ESG, CDP, and EcoVadis reporting, as well as policy updates and public commitments Insights from these engagements directly inform our environmental, social, and governance initiatives.
Reporting Year	Civil year for 2024
Date	July 10, 2025
Verification	The environmental data for each GRI aspect is assured by an independent third party, Marie Bellemare-MB Consulting, on October 2025.

3. STATEMENT

All activities and processes implemented by Hypertec Group Inc., as well as all building zones of the organization identified above, are included in the monitored information regarding water and energy consumption, as well as Scope 1, Scope 2, and Scope 3 (Categories 1, 2, 3, 4, 5, 6, 7, 8, 9, and 11) greenhouse gas emissions, which are used for calculations and reporting.

Environmental aspect	Assessment Description
Water consumption	Water consumption data is obtained directly from utility bills and meter readings, which are tracked and monitored internally by designated employees. Our internal verification process ensures accuracy and consistency, with periodic reviews and validations to maintain data reliability.
Energy Consumption	Internal verification is conducted by a designated Hypertec employee. Energy sources include electricity (ventilation, heating, and lighting), oil fuel, and natural gas for water heating. **Stationary Sources** encompass natural gas consumption for heating and oil fuel (diesel) for emergency generators. **Mobile sources** consist of oil fuel used by company-owned vehicles.
Greenhouse Gas (GHG) emissions: Scope 1, 2 & 3	The emissions are aligned with the total energy consumption and the associated value chain. An internal verification of emissions is conducted by a designated employee.

4. CONTENT REPORT

Hypertec reports on a calendar-year basis, with 2024 set as the baseline year.

4.1. Results for Water Consumption

Civil Year	2019	2020	2021	2022	2023	2024
ML	57.895	56.108	44.837	47.767	51.651	5.773[2]
Annual variation (amount ML)	-	-1.787	-11.271	+2.930	+3.884	-45.878
Annual variation (%)	-	-3.09%	-20.09%	6.53%	8.13%	-88.8%[3]

4.2. Results for Energy Consumption

4.2.1. Electricity

Civil Year	2019	2020	2021	2022	2023	2024
MWh	56,670	50,190	42,390	46,390	31,163	2,142
GJ[4]	204,012	180,684	152,604	167,004	122,186.8	7,710.49
Annual variation (GJ)	-	-23,328	-28,080	14,400	-44,817.2	-114,476.31
Annual variation (%)	-	-11.4%	-15.5%	9.4%[5]	-32.8%	-93.13%

[2] The total water withdrawn in 2024 was 5.773 ML, sourced entirely from the municipal network (City of Montreal). Net water consumption is approximately 5.773 ML, equivalent to total withdrawal, as losses through evaporation are considered negligible.
Since the facility does not operate industrial processes and relies on municipal wastewater services, the majority of the water withdrawn is discharged to the public sewer system after use.

[3] The significant decrease in water consumption in 2024 (−88.8%) is mainly due to the relocation of our operations. The current facility is smaller and better aligned with our core business activities, resulting in lower overall water needs. Unlike the previous building, which included additional tenants and shared water use, the new site's consumption now reflects only the water required for Hypertec's employees needs.

[4] Electricity conversion factor: 0.0036 GJ/kWh. Source: Ministry-Environment_Conversion-Table-GHG.

[5] In 2022, electricity consumption increased by 9.4% primarily due to the gradual return of employees to the office after the COVID-19 pandemic.

4.2.2. Natural Gas – Stationary Source

Civil Year	2019	2020	2021	2022	2023	2024
m ³	142,464	108,057	93,839	98,750	98,470	146,408[6]
GJ[7]	5,399.40	4,095.35	3,556.49	3,742,62	3,732.01	5,547.40
Annual variation (GJ)	-	-1,304.05	-538.86	186.13	-10.61	1,816.37
Annual variation (%)	-	-24.15%	-13.16%	5.23%	-0.28%	48.68%

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	2019	2020	2021	2022	2023	2024
MWh	0.0230	0.0230	0.013	37.37	125.10	55.36
GJ[8]	0.0828	0.0828	0.0468	134.53	450.36	199.30
Annual variation (GJ)	-	0	-0.0360	-	315.83	-251.06
Annual variation (%)	-	0%	-43.48%	-	-	-55.75%

4.2.3.2. Oil Fuel for emergency generator – Stationary source

Civil Year	2019	2020	2021	2022	2023	2024
MWh	220	111.66	99.78	220.61	269.00[9]	0
GJ[10]	792	401.97	359.22	794.19	968.39	0
Annual variation (GJ)	-	-390.03	-42.75	+434.97	+174.20	0
Annual variation (%)	-	-49.25%	-10.64%	121.10%	21.93%	0%

[6] Hypertec's heating and cooling energy is fully accounted for within electricity and natural gas consumption figures. At the previous facility (up to 2023), all heating and cooling were powered by electricity. Since the relocation in 2024, the new building operates a mixed HVAC system using both electricity and natural gas, which explains the 48.68% increase in natural gas consumption for 2024. Consequently, energy used for climate control is included within the reported electricity and natural gas totals, ensuring there is no double counting and that all sources of thermal energy are comprehensively captured.
Hypertec does not utilize steam in its operations; therefore, it is not applicable to our energy reporting.
[7] Natural Gas conversion factor: 0.03789 GJ/M^3. Source: Ministry-Environment_Conversion-Table-GHG
[8] Fuel conversion factor: 0.03345 GJ/L. Source: Ministry-Environment_Conversion-Table-GHG
[9] This increase is due to a major power outage in Montreal in the spring of 2023, caused by the situation attributed to the ice storm.
[10] Generator fuel conversion factor: 0.03880 GJ/L. Source: Ministry-Environment_Conversion-Table-GHG

4.2.3.3. Total Energy

Civil Year	2019	2020	2021	2022	2023	2024
MWh	57,926	51,926	43,451	47,648	32,593	3,738
GJ	208,533.6	186,933.6	156,423.6	171,532.8	117,334.8	13,457.2
Annual variation (GJ)	-	-21,600	-30,510	15,109.2	-54,198	-103,879.5
Annual variation (%)	-	-10.36%	-16.32%	9.66%	-31.60%	-88.5%

4.2.3.4. Source of Energy

Civil Year	2019	2020	2021	2022	2023	2024
Renewable (MWh)	56,670	50,190	42,390	46,390	31,163	2,141.80
Renewable_Annual variation (MWh)	-	-6,480	-7,800	+4,000	-15,227	-29,021.2
Non-renewable (MWH)	1,750	1,733	1,061.3	1,261.7	1,430.50	1,596.31
Non-renewable_Annual variation (MWh)	-	-17	-671.7	+200.4	+168.3	+165.81

4.2.4. Energy requirements of products and services

Ciara products are designed with a strong focus on energy efficiency, integrating **ENERGY STAR®** and **80 PLUS®** certified components to minimize power consumption and environmental impact.

Our power supplies are certified under the **80 PLUS program**, which measures efficiency at different load levels. The efficiency improvements of higher certification levels (**Gold, Titanium**) contribute to lower power consumption and reduced energy losses as heat.

Energy Efficiency Comparison of Power Supplies[11]

Certification	Efficiency at 20% Load	Efficiency at 50% Load	Efficiency at 100% Load
80+ Bronze	82%	85% PFC ≥ 0.90	82%
80+ Gold	88%	92% PFC ≥ 0.90	88%
80+ Titanium	94% PFC ≥ 0.95	96%	91%

[11] 277V / 480V Internal Redundant

By transitioning to 80+ Gold and Titanium-certified power supplies, we have reduced energy waste and improved power conversion efficiency in our servers and IT products, helping our customers lower their overall energy consumption.

Our energy reduction calculations compare newer product models to previous generations using:

- Measured power consumption data from standardized test conditions.
- Efficiency gains from hardware upgrades, including improved power supplies, and processors.

Our methodologies for evaluating energy efficiency improvements include: **ENERGY STAR procedures** to validate energy performance, **80 PLUS** efficiency measurements to assess power supply improvements, and Internal lifecycle energy assessments, considering power draw at idle, load, and peak conditions.

- Additionally, we actively work with suppliers to further enhance energy efficiency across our product line, implementing: Optimized power delivery with higher efficiency voltage regulation modules (VRMs).
- Low-power DRAM (LPDDR4x, DDR5) and NVMe SSDs, reducing overall system energy needs.
- Energy-efficient networking components (IEEE 802.3az) to minimize operational power consumption.

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

For the reporting year 2024, greenhouse gas (GHG) emissions were calculated across the following scopes:

Scope 1: Direct emissions from sources owned or controlled by Hypertec Group. These include on-site combustion of natural gas, fuel consumption from Hypertec's three operational and service vehicles, and emissions from the diesel generator. Hypertec Group does not operate fossil-fuel-powered forklifts, nor were any refrigerant leaks recorded during the year.

Biogenic energy sources are not used within Hypertec operations; therefore, no biogenic emissions are reported as material.

The year 2024 has been established as the baseline year for tracking emissions and evaluating progress toward reduction objectives.

The calculation of emissions relies on emission factors published by the Ministry of Environment Conversion Table for GHG Emissions[12], alongside the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for Global Warming Potential (GWP)

[12] Ministry-Environment_Conversion-Table-GHG

values—25 for CH_4 and 298 for N_2O. These references ensure both methodological consistency and accuracy in reporting.

The following formula was applied in calculating total CO_2e:

$CO_2e = CO_2 + (CH_4 \times GWP_{CH4}) + (N_2O \times GWP_{N2O})$

Scope 2: Indirect GHG emissions from electricity consumption correspond to the power purchased by Hypertec Group from Hydro-Québec. These emissions originate at the point of electricity generation rather than at Hypertec facilities.

For Scope 2 calculations, Hypertec applies a **location-based approach** in line with the GHG Protocol methodology. The year **2024** has been set as the baseline for tracking performance against reduction targets.

From 2019 to 2023, Hypertec applied a composite emission factor of 0.0005 kg CO_2-e/kWh for electricity supplied by Hydro-Québec. This factor represents the combined climate impact of CO_2, CH_4, and N_2O associated with Québec's predominantly hydropower-based electricity grid.

For transparency and in alignment with GRI 305 requirements, the composite factor was disaggregated using representative hydropower proportions (CO_2 ≈ 98.9%, CH_4 ≈ 1.0%, N_2O ≈ 0.1%) together with Québec's official Global Warming Potentials (CH_4 = 25, N_2O = 298). This allows the reporting of each gas separately while maintaining perfect consistency with the historical composite factor.

Beginning in 2024, as part of Hypertec's continuous improvement in GHG reporting quality and alignment with best practices, the organization transitioned to detailed emission factors for electricity, using the following values[13]:

CO_2: 0.001 kg/kWh, CH_4: 0.0000002 kg/kWh, N_2O: 0.0000001 kg/kWh, GWP (CH_4): 25 GWP (N_2O): 298. This refinement provides a more granular and transparent representation of Scope 2 emissions and strengthens methodological consistency with the GHG Protocol and GRI standards.

Greenhouse gas (GHG) emissions (Scope 1 and Scope 2) are reported using the **Operational Control** approach, in accordance with the *GHG Protocol Corporate Accounting and Reporting Standard* and GRI 305 requirements.

Under this approach, Hypertec accounts for 100 % of the emissions from operations over which it has operational control, including both owned and leased facilities where it manages day-to-day operational activities.

[13] https://cdn-contenu.quebec.ca/cdn-contenu/environnement/transition-energetique/affaires-technoclimat/table-conversion-ges.xlsx

Scope 3: This scope includes indirect greenhouse gas (GHG) emissions that occur across Hypertec Group's value chain, both upstream and downstream, from activities not directly owned or controlled by the company.

For the 2024 reporting year, Hypertec has disclosed Scope 3 emissions in the following categories:

- **Category 1**: Purchased goods and services
- **Category 2**: Capital goods
- **Category 3**: Fuel- and energy-related activities not included in Scope 1 or Scope 2
- **Category 4**: Upstream transportation and distribution
- **Category 5**: Waste generated in operations
- **Category 6**: Business travel
- **Category 7**: Employee commuting
- **Category 8**: Upstream leased assets
- **Category 9**: Downstream transportation and distribution
- **Category 11**: Use of sold products

The **baseline year** for Scope 3 accounting is **2023**.[14]

Emission factors were primarily derived from the **GHG Protocol**. For IT equipment, more specific factors from the **U.S. Environmental Protection Agency (EPA) database** were applied. A comprehensive list of all emission factors used can be found in **Annex 2**.

4.3.1. Referring to Scope 1

Civil Year	CO2 t	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
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
2023	258.2201	0.00364	0.00348	258.22	1.82E-04	7.79E-07
2024	295.7276	0.1563	1.5661	297.45	1.66E-03	6.30E-07

[14] *For Scope 3, the baseline year was revised from 2021 to 2023, corresponding to the first year in which additional categories were included and the Scope 3 inventory was significantly expanded. As a result, emissions data from earlier years are not directly comparable.*

4.3.2. Referring to Scope 2 – Location-based

Civil Year	Emissions CO_2 (kg)	Emissions CH_4 (kg)	Emissions N_2O (kg)	Gross Global Scope 2 t CO_2-e	Intensity Metric t CO_2-e / sq.ft	Intensity Metric t CO_2-e /$ CAD Revenue
2019	27,855.43	11.27	0.09	28.20	4.7E-04	1.88E-07
2020	24,770.17	10.01	0.08	25.10	4.1E-04	8.37E-08
2021	18,910.37	7.65	0.06	21.20	3.5E-04	6.06E-08
2022	22,949.38	9.27	0.07	23.20	3.8E-04	4.64E-08
2023	15,421.91	6.23	0.05	15.58	1.10E-05	4.70E-08
2024	2,141.80	0.43	0.21	2.2163	1.24E-05	4.69E-09

4.3.2.1. Procurement of Renewable Energy Certificates (REC):

The electricity consumed by Hypertec is supplied by Hydro-Québec, a utility recognized for its clean energy portfolio. More than 99% of Hydro-Québec's electricity generation comes from renewable sources, primarily hydropower (Hydro-Québec, 2024). While the electricity purchased is already low-carbon, Hypertec procures **Renewable Energy Certificates (RECs)** to strengthen the traceability of renewable attributes and to apply the GHG Protocol's market-based accounting approach for Scope 2 reporting.
The following table summarizes our REC procurement, and Scope 2 emissions reduction for the past three years:

Civil Year	Electricity (MWh)	Number of RECs.	Scope 2 Emissions t CO_2-e	Reduction Scope 2 Emissions t CO_2-e
2022	6415.00	6415.00	3.21	-
2023	3474.00	3474.00	1.74[15]	1.47
2024	1498.00	1498.00	1.55[16]	1.55

Methodology for REC Calculation and Scope 2 Emissions Reporting:

- Total RECs Purchased = Total electricity consumption * 70%
  - *1 REC (CER) = 1 MWh of renewable electricity*
- The total electricity consumption reported includes all energy used by Hypertec, while the Scope 2 emissions reported reflect the adjusted values after applying the RECs.
- Scope 2 emissions are calculated based on:

[15] This result is obtained using the emission factor from Hydro-Québec, which is equal to 0.0005.
[16] https://cdn-contenu.quebec.ca/cdn-contenu/environnement/transition-energetique/affaires-technoclimat/table-conversion-ges.xlsx (EFCO2=0,001, EFCH4=0,0000002, EFN2O=0,0000001, 25,298)

Electricity covered by RECs ×Emission Factors

- The RECs do not reduce total energy consumption but rather offset Scope 2 emissions by ensuring the equivalent amount of electricity is sourced from renewable energy.

In 2024, we procured 1,498 RECs, reducing our Scope 2 emissions by 1.55 tCO_2-e, equivalent to covering approximately 70% of our total Scope 2 emissions (2.2163 tCO_2-e).

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)
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
2023	273.80	1.93E-04	8.26E-07
2024	299.67	1.67E-03	6.35E-07

4.3.4. Referring to Scope 3

Category 1: Purchased Goods and Services

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
2023	524,850.41	3.71E-01	1.58E-03
2024	258,179.90	1.44E+00	5.47E-04

Category 2: Capital goods

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	-	-	-
2022	-	-	-
2023	2,762.88	1.95E-03	8.33E-06
2024	78.32	4.38E-04	1.66E-07

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
2023	39.50[17]	2.79E-05	1.19E-07
2024	21.05	1.18E-04	4.46E-08

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
2023	102.14	7.21E-05	3.08E-07
2024	527.22	2.95E-03	1.12E-06

Category 5: Waste Generated in Operations

Civil Year	Gross Global Scope 3 _ C5 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	5.47	3.86E-06	1.65E-08
2024	3.76	2.10E-05	7.96E-09

Category 6: Business travel

Civil Year	Gross Global Scope 3 _ C6 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	59.22	5.00E-05	2.14E-07
2024	76.04	4.25E-04	1.61E-07

[17] Category 3 was not calculated or included in the 2023 report due to a methodological omission. This year, the analysis has been retroactively completed using 2023 data to ensure consistency, completeness, and transparency in emission tracking. The corresponding results are therefore included in this 2024 report.

Category 7: Employee Commuting

Civil Year	Gross Global Scope 3 _ C7 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	59.22	4.18E-05	1.79E-07
2024	116.23	6.50E-04	2.46E-07

Category 8: Upstream Leased Assets

Civil Year	Gross Global Scope 3 _ C8 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	1,883.65	1.33E-03	5.68E-06
2024	201.68	1.13E-03	4.27E-07

Category 9: Downstream Transportation and Distribution

Civil Year	Gross Global Scope 3 _ C9 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	3,538.27	2.50E-03	1.07E-05
2024	5,696.44	3.18E-02	1.21E-05

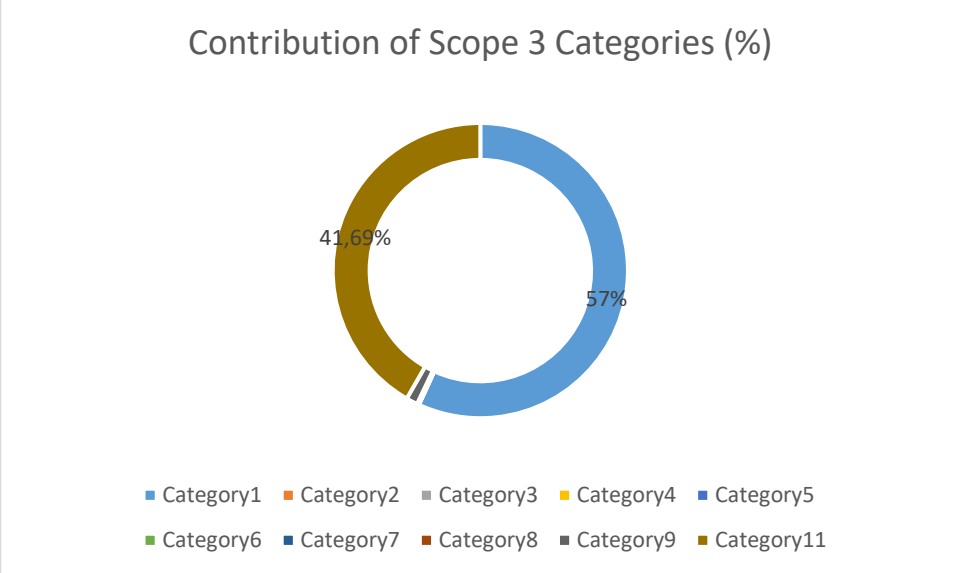
Category 11: Use of Sold Products

Civil Year	Gross Global Scope 3 _ C9 t CO_2-e	Intensity Metric (t CO_2-e / sq.ft)	Intensity Metric (t CO_2-e /$ CAD Revenue)
2021	-	-	-
2022	-	-	-
2023	51,615.42	3.64E-02	1.56E-04
2024	189,392.96	1.06E+00	4.01E-04

4.3.5. Referring to Total Gross Scope 3 (Category 1, 2, 3, 4, 5, 6, 7, 8, 9 & 11)

Civil Year	Gross Global Scope 3 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
2023	584,888.26	4.13E-01	1.76E-03
2024	454,293.61	2.54E+00	9.62E-04

Scope3 GHG Emissions Contribution by Category (2024)



Scope 3 emissions are primarily driven by Purchased Goods & Services (57%) and Use of Sold Products (42%). Other categories, such as Downstream Transportation (1.25%) and the rest, contribute marginally (<1%), highlighting that the majority of Scope 3 emissions are concentrated in two key categories.

4.4. Performance Evaluation

4.4.1. Absolute value

Civil Year	2019	2020	2021	2022	2023	2024
Energy (MWh)	57,926	51,926	43,451	47,648	32,594	3,738
Variation (MWh)	-	-6,000	-8,475	+4,197	-15,054	-28,855
Energy Variation (%)	-	-10%	-16%	10%	-32%	-89%
Gross Total Scope 1	345.20	237.48	208.76	255.02	258.22	297.45
Scope 1 Variation vs 2023 (tCO2 e)		-107.72	-136.44	-90.18	-86.98	39.23
Scope 1 Variation (%)	-	-31%	-12%	22%	1%	15%
Gross Total Scope 2	28.20	25.10	21.20	23.20	15.58	2.22
Scope 2 Variation (tCO2 e)	-	-3.10	-3.9	2	-7.62	-13.36
Scope 2 Variation (%)	-	-11%	-16%	9%	-33%	-86%
Gross Total Scope 1 & 2	373	263	230	278	273.8	299.67
Scope 1 & 2 Variation (tCO_2e)	-	-110.82	-32.62	48,26	-4.42	25.87
Scope 1 & 2 Variation (%)	-	-30%	-12%	21%	-2%	9%
Gross Total Scope 3	-	-	162,519.20	219,825.32	584,927.76	454,293.61
Scope 3 Variation (tCO_2e)	-	-	-	57,306.12	365,102.44	-130,594.27
Scope 3 Variation (%)	-	-	-	35%	166%	-22%
Gross Total Scope 1, 2 & 3	-	-	162,749.17	220,103.54	585,201.56	454,593.28
Annual variation Scope 1,2 & 3 (tCO2 e)	-	-	-	57,354.37	365,098.02	-130,608.28
Gross Total Scope 1, 2 & Scope 3 Variation (%)	-	-	-	35%	166%	-22%
Water Consumption (m3)	57,895	56,108	44,837	47,767	51,651	5,773
Annual variation_ Water Consumption (m3)	-	-1,787	-11,271	2,930	3,884	-45878.75
Annual variation_ Water Consumption (%)	-	-3%	-20%	6.5%	8%	-89%

4.4.2. Intensity value

Civil Year	2019	2020	2021	2022	2023	2024
Energy -Physical Intensity	7.32E-01	6.30E-01	4.83E-01	5.29E-01	5.13E-01	3.42E-02
Energy -Physical Intensity Variation (%)	-	-14	-23	10	-3	-93
Energy -Economic Intensity	1.27E-04	1.15E-04	9.98E-05	1.33E-04	9.83E-05	7.92E-06
Energy- Economic Intensity Variation (%)	-	-9.81	-13.21	33.20	-26.03	-91.95
Gross Total Scope 1 -Physical Intensity	5.69E-03	3.91E-03	3.44E-03	4.20E-03	4.07E-03	2.72E-03
Gross Total Scope 1 -Physical Intensity Variation (%)	-	-31	-12	22	-3	-33
Gross Total Scope 1 - Economic Intensity	2.30E-05	7.9E-06	6.00E-06	5.1E-06	7.79E-07	6.3E-07
Gross Total Scope 1 -Economic Intensity Variation (%)	-	-65	-24	-14	-84.73	-19.12
Gross Total Scope 2 – Physical Intensity	4.7E-04	4.1E-04	3.5E-04	3.8E-04	2.45E-04	2.03E-05
Gross Total Scope 2 -Physical Intensity Variation (%)	-	-10	-16	9	-35	-92
Gross Total Scope 2 - Economic Intensity	1.88E-07	8.37E-08	6.06E-08	4.64E-08	4.70E-08	4.69E-09
Gross Total Scope 2 -Economic Intensity Variation (%)	-	-55	-28	-23	1	-90
Gross Total Scope 3 - Physical Intensity	-	-	2.681	3.626	9.21E+00	4.16E+00
Gross Total Scope 3 - Physical Intensity Variation (%)	-	-	-	35	154	-55
Gross Total Scope 3 - Economic Intensity	-	-	4.643E-04	4.397E-04	1.76E-03	9.62E-04
Gross Total Scope 3 -Economic Intensity Variation (%)	-	-	-	-5.31	301	-45
Water Consumption - Physical Intensity	9.50E-01	9.30E-01	7.40E-01	7.90E-01	8.14E-01	5.28E-02
Water Consumption- Physical Intensity Variation (%)	-	-3.09	-20	6.5	3	-94
Water Consumption - Economic Intensity	3.87E-04	1.9E-04	1.3E-04	9.6E-05	1.56E-04	1.22E-05
Water Consumption-Economic Intensity Variation (%)	-	-52	-32	-25	62	-92

5. HISTORY OF CHANGES

REV	DATE	MODIFICATIONS	CREATED BY	APPROVED BY
01	2024.10.22	Creation	Aziza B.	Ali Khosroshahi
02	2025.07.10	Annual revision	Aziza B.	Toni E.

6. ANNEX

6.1. 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	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
		ISO 14001 Certificate	
		ISO 50001 Certificate	
		CDP score	
		Supply Chain Responsibility	
		Energy Management Policy	
		Bulk Packaging Policy for PC Systems	
302-1	Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.	Table of Annual Consumption	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 Intensity Value	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.	Table of Energy requirements of sold products and services	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	Table of Annual Consumption	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
303-4	Destinations and volumes of water discharged	N/A	N/A
303-5	The volume of water consumed	Table of Annual Consumption	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, 2, 3, 4,5,6,7, 8,9, and 11 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 Intensity Value	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 consumption	https://ciaratech.com/epeat/ https://hypertec.com/sustainability/
305-6	Emissions of ozone-depleting substances (ODS)	N/A Our activities focus on assembling IT equipment, a process that does not require the use of ODS	N/A
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	N/A Our company does not generate significant NOx, SOx, or other air emissions, as our activities focus on IT equipment assembly, which does not involve combustion or industrial processes that release these pollutants. However, we ensure that our suppliers comply with air quality regulations and adopt best practices to minimize emissions	N/A

6.2. Emission Factors (Scope 3)

Category	Methodology	Element	Emission factor	Source
Category 1	Average-data method	NOTEBOOK, PC, Laptop	331 (kg CO2e/piece)	https://circularcomputing.com/news/carbon-footprint-laptop/
		Servers	945(kg CO2e/piece)	This factor is an estimate based on data from Boavizta: https://boavizta.org/
		BATTERY	120 (kg CO2e/piece)	Ecoinvent Database
		Cables	0.75 (kg CO2e/piece)	Ecoinvent Database
Category 2	Average spend-based method	Building/Leasehold Improvement	0.1988(kg CO2e/$)	StatCan émissions + IPC 2009–2024: https://www150.statcan.gc.ca/n1/daily-quotidien/090714/dq090714b-eng.htm?utm_source=chatgpt.com
		Computer Equipment Furniture & Fixture Machinery & Equipment	0.2829(kg CO2e/$)	Climatiq/DEFRA
Category 4 & 9	Spend-based method (transportation)	Sea Freight	2.71 (kg CO2e/$)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Air Freight	2.15 (kg CO2e/$)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Rail Transport	0.0252 (kg CO2e/$)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Truck Transport	1.42 (kg CO2e/$)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
Category 5	Waste-type-specific method	Wood	0.05 (kg CO2e/Kg)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Paper & Cardbord	0.04 (kg CO2e/Kg)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Toner	0.5 (kg CO2e/Kg)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		Metal	0.02 (kg CO2e/Kg)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
		EE (Total of bins)	0.013 (kg CO2e/Kg)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
Category 6	Spend-based method	Air transport	Short Haul (<483 km) 0.1300 Medium Haul (483–3700 km) 0.0810 Long Haul (≥3700 km) 0.1023)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
Category 7	Average-data method	Public :0.045 (kg Co2/km)	0.045 (kg CO2e/km)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub

		Personal: 0,180 (kg Co2/km)	0.180 (kg CO2e/km)	EPA : https://www.epa.gov/climateleadership/ghg-emission-factors-hub
Category 11	Direct use-phase emissions from products that directly consume energy (electricity) during use	Workstations PC & Laptops	0.375 (kg CO2e/kWh)	EF US Average, eGRID 2022 (EPA, published January 2024)
		Desktop mini tower	0.117 (kg CO2e/kWh)	Estimated value based on the average electricity consumption in Canada and the United States, according to the average emission factors of the electricity grids in these regions weighted factor: US (O.375) & Canada(0.1) with sold units
		Desktop small form	0.183 (kg CO2e/kWh)	Estimated value based on the average electricity consumption in Canada and the United States, according to the average emission factors of the electricity grids in these regions weighted factor: US (O.375) & Canada(0.1) with sold units
		Servers	0.3966 (kg CO2e/kWh)	USA 0.386 "EPA 2023" OUT USA 0.460 Weighted factor= (0.8571*0.386)+(0.1429*0.460)