

Corporate Environmental Management System	
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Approved By: BK Chief Executive Officer	TH Chief Financial Officer

1.0 Introduction

This document details the philosophy, procedures, and goals of the TES Corporate Environmental Management System, including the minimization of specific environmental impacts, and the measurement of our progress toward our goals in this regard.

TES is proud to be a member in good standing of both EcoVadis and the Canadian Federal Government’s Net Zero Initiative.

TES recognizes the urgency of climate change and is committed to doing our part towards Canada’s Net-Zero Emissions by 2050 goal. As a professional services organization with no direct (Scope 1) or energy-based (Scope 2) emissions, our environmental footprint exists entirely within **Scope 3**—the indirect impacts of our operations, partners, technology, and workforce.

This document outlines a proactive approach to measure, manage and reduce Scope 3 emissions, integrating corporate governance and stakeholder engagement to drive sustainable business practices.

It serves as both a guide for TES employees and contractors, and a report to our clients and colleagues.

2.0 Environmental Management System Philosophy

TES The Employment Solution is a full-spectrum employment solutions provider which—*up until the Covid-19 pandemic*—has conducted its business in rented office facilities. Though the size and nature of our company preclude our having a sizeable impact on the environment in day-to-day function, we are nevertheless committed to reducing our environmental footprint, and to promoting environment-positive processes and results in our work. We feel it is a natural extension of our policy of corporate good citizenship, and our contribution to the broader world in which we live.

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2.1 Net Zero Challenge Statement

In accordance with Canada’s national climate objective, The Employment Solution Inc. (TES) is proud to be participating in the Environment and Climate Change Canada’s Net-Zero Challenge with the goal of eliminating carbon emissions by year 2050. In keeping with this challenge, TES plans to work with our partnership network to reduce annual emissions by 2%. This would represent an interim emissions reduction target of 27% by 2035. The ultimate goal is to eliminate scope 3 carbon emissions.

3.0 Environmental Procedures

3.1 Environmental Initiatives in Place

Governance Roles and Responsibilities

Executive ESG Officer

Our Executive ESG Officer is Troy Hayball, CFO, who is responsible for ensuring our environmental strategy aligns with governance, financial goals and risk management.

Environmental Officers

Each TES office has an Environmental Officer whose responsibilities will consist of:

1. communicating our Environmental Policy to employees
2. collecting (and providing management support and recognition for) employee ideas on reducing our environmental footprint
3. tracking the success of our environmental initiatives and policies, and reporting these to management
4. communication with our Executive ESG Officer regarding Environmental Policy matters
5. Publishing our Net Zero goals on our various social platforms

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Managing Waste Reduction and Recycling

TES is committed to business practices that use less material, and to the re-use and recycling of items that must be disposed of. The following policies and procedures serve to implement that commitment:

1. Casual communications, group notices, and collaborative tasks (e.g. report writing, project planning) are carried out through internal email, without printouts.
2. The use of electronic funds transfer with both clients and contractors is facilitated and encouraged, to reduce both paper consumption and the use of postal delivery vehicles to conduct our business.
3. Electronic copies of such documents as marketing collaterals are provided, to reduce paper usage.
4. It is now mandated that all financial statements, reports and audit statements are produced in electronic pdf format, reducing or eliminating paper copies.
5. Holiday Greeting cards are sent in electronic format only.
6. Kitchen facilities are equipped to encourage the use of “own cups” and brought-from-home food containers by employees.
7. The kitchens’ programmable beverage systems are provided with biodegradable cups. Where this is impossible, the non-biodegradable cups are returned for recycling.
8. TES office premises are rented in buildings that offer full recycling services.
9. Whether sensitive documents are shredded by a professional shredding firm employed by the office, or by office personnel, they are recycled after the shredding process is complete.
10. Recycling programs for cans, paper, cardboard and plastic bottles are maintained at each TES location.
11. 100% of used computers, and office equipment and monitors in working condition are (where they contain data) securely wiped and either donated to various charities, or sold to employees wishing to purchase them. Equipment not in working condition is securely wiped and sent to recycling facilities.
12. Empty printer toner and copier toner cartridges are submitted to a recycle/reuse program.
13. All payroll related documents such as T4’s, RL1’s and Paystubs are emailed to all employees and contractors, eliminating envelopes, stamps and paper usage on a regular basis.

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Managing Energy Conservation

1. Office equipment upgrades are maintained, to ensure that energy-efficient models are used.
2. Equipment which is not in use is turned off, or left in Standby/ Hibernate Mode.
3. Monitors are shut off before employees leave for the day.
4. Lighting and HVAC in our offices are shut off or adjusted during the evenings, nights and weekends, assuming landlord cooperation, to reflect occupancy

Managing Greenhouse Gas Emissions

Scope 3:

- Category 1 (purchased goods and services) – emissions from the production of supplies used in the office like paper, ink, cleaning products, and IT equipment
 - Where there is a choice, power is purchased from suppliers who take initiative to investigate alternate sources of energy, and who make efforts to prevent environmental damage in their operations.
- Category 5 (waste generated in operations) – emissions from the disposal and treatments of office waste like paper, food scraps, and outdated electronic equipment (e-waste)
 - Conduct and report trash audits
 - Please see *Managing Waste Reduction and Recycling* provided above for further detail.
- Category 6 (business travel) – emissions from business-related travel like air travel, trains, leased vehicles, hotel stays
 - Where possible and appropriate, encourage use of and ensure teleconferencing technology is utilized for meetings.
 - Also where possible rail travel is encouraged over flights.
- Category 7 (employee commuting) – emissions from travel to a company office and from remote work (e.g., heating, lighting, etc.)
 - 100% of employees have moved to hybrid or completely remote work models, which has radically reduced the amount of commuting done by staff. TES has closed one office and is planning to close and/or consolidate others, to further reduce its emissions footprint.
 - Secure servers and software are deployed, to permit employees to work from home when appropriate.
 - Training programs conducted through TES branches other than Head Office are presented remotely.
 - Office locations are chosen in proximity to mass public transit.
 - Lights are turned off when the offices are not in use.

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3.2 Promoting Compliance and Encouraging Engagement/Initiative

Noncompliance with our policies does not result in fines or penalties, as we feel this would promote a negative attitude toward our environmental efforts, ultimately undermining them. However, measures are being taken to encourage employees to follow our environmental policies and rewarding them when they do.

1. Recognition is provided to employees who come up with and/or organize new environmental initiatives.
2. Employees are encouraged to monitor and remind each other to maintain environmentally friendly habits.
3. Results of our environmental measurements are published in such a way as to keep employees informed of how effectively their efforts comply with our environmental policy.
4. As part of our corporate policy, all our contract personnel and employees familiarize themselves with and comply with the client’s environmental policies and precautions when working on a client site or project.
5. As part of the Net Zero program, TES participates in reporting of CO2 emissions annually.

3.4 Measuring Results of Environmental Efforts

In order to ensure that our initiatives are accomplishing our goals, TES takes the following steps to measure the effectiveness of our environmental management system:

1. Periodic audits of trash are conducted on a regular basis, to determine where improvements can be made in terms of proper recycling practices. (This is also part of procedures to monitor compliance with corporate policy on secure disposal of paper-based information.)
2. Those offices using a professional shredding service track of the service’s reports. For instance, the firm Shred-It sends reports on the number of trees saved by the use of its recycling programs.
3. Where applicable, records are kept of the following:
 - monthly percentage of people using remote training facilities
 - yearly percentage of obsolete equipment donated to charity and/or sold to employees wishing to purchase it
 - monthly percentage of staff and contractors paid electronically
 - results of monthly trash audits
4. Results of these measurements will be subject to management review.

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4.0 Publicly Disclosing Results of Environmental Initiatives

As part of the Net Zero program, TES monitors and reports changes in Scope 3 reduction year-over-year.

TES's environmental programs are made available to the public via our website (www.tes.net) as a way of ensuring our accountability for our actions, and encouraging our employees, associates, and the business community at large to pay attention to this important issue.

Files can be requested via email (katet@tes.net) and will be supplied promptly upon request.

5.0 Environmental Goals

It is always possible to do better. At TES we believe that this applies to our environmental initiatives as much as it does to everything else. With that in mind, corporate goals have been set in order to further the effectiveness of our environmental system. Our current goals are as follows:

1. Work toward and maintain zero-fault results in our trash audits.
2. Continue to decrease the percentage of paper-based communication sent out to clients, contractors, candidates, and others.
3. Ensure that the annual percentage of multi-site meetings held via teleconference does not drop below 90%.
4. Ensure that the annual percentage of people using remote training does not drop below 70% (unless the reduction in percentage is due to a geographical shift in staff numbers).
5. Ensure that the percentage of useable, securely wiped obsolete equipment donated to charity/recycle programs or purchased by employees does not drop below 100%.
6. Participation in Canada's Net-Zero Challenge to reduce Scope 3 emissions with annual reporting to Net-Zero Challenge Team.
7. Establish Scope 3 baseline in 2023.
8. Measure and report Scope 3 emissions impact 2024 forward.
9. Based on TES's base year (2023) and net-zero target year (2050), the company's minimum threshold for its annual reduction rate would be 2%. This would represent an interim emissions reductions target of 27% by 2035.

These goals serve to continually remind us of our responsibility to our fellow humans and the planet we all inhabit.

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