



## Environmental Policy

Consistent with the green tree in our logo, Nortech Systems is urgently taking action to combat climate change. We believe that battling climate change is everyone's responsibility and at Nortech Systems, we take our portion of that responsibility very seriously. Human influences are the number one cause of global warming, most notably carbon pollution caused by consumption of fossil fuels. Addressing this climate change challenge will require Nortech Systems - along with our supplier and customer partners and our communities - to work together toward shared goals such as reducing power consumption, developing solutions to decarbonize infrastructure and leveraging carbon offset whenever necessary.

Nortech Systems will manage its business in an environmentally safe and responsible manner consistent with its overall Environmental Social & Governance (ESG) strategy. We will strive for continuous environmental improvement through socially appropriate and economically sound methodologies and practices as well as leveraging best practices and innovative new technologies.

### Philosophy

In the spirit of continuous improvement, Nortech Systems has developed this policy to create a detailed plan and then continually strive to minimize our impact on the environment by leveraging sustainable natural resources and investing in carbon offsets for the sake of our employees, our families, and our communities both local and global, now and for all future generations.

### Scope

This policy applies to all employees and global facilities of Nortech Systems, as well as our supplier and customer partners. Nortech Systems currently uses the following definitions for Scope 1, 2 & 3 as defined by the Green House Gas (GHG) Protocol. Note that these definitions may be subject to change.

- **Scope 1:** *Direct Emissions* from Nortech owned or controlled sources
- **Scope 2:** *Indirect Emissions* from the generation of Nortech purchased energy
- **Scope 3:** *Indirect Emissions* that are not produced directly by Nortech and not the result of activities from assets directly owned or controlled, but by those that Nortech is indirectly responsible for, up and down its value/supply chain

**Nortech Systems will:**

- Ensure that our facilities comply with all applicable environmental laws and regulations and work continuously to improve energy efficiency.
- Provide training and instruction to meet regulatory and environmental objectives.
- Continuously improve our environmental/carbon footprint, while emphasizing pollution prevention, efficient use of energy resources, recycling for Nortech and our supplier and customer partners. We will achieve this through material selection and use, and the implementation of best practices and process improvements.
- Communicate our environmental policy to our employees, supplier partners, customers, and communities both local and global.

**Nortech Systems expects:**

- All managers and supervisors have responsibility for implementing this environmental policy within their area of responsibility.
- All employees are responsible to understand and comply with this policy, environmental laws and regulation as it applies to their jobs.
- Nortech Systems is currently planning to be Scope 1 & 2 carbon neutral by 2028 and Scope 1, 2 & 3 carbon neutral by 2030. Nortech will comply with all SEC ESG reporting requirements once they have been finalized.

**Our commitment to our local and global communities and natural resources is, and will remain, a priority for our company.**



Jay D. Miller  
President/CEO  
Nortech Systems Inc

8/20/2022