

ANNUAL SUSTAINABILITY REPORT 2024

HOWARD TECHNOLOGY SOLUTIONS



November 2025

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- ATTACHMENT A Conflict Minerals Policy Statement
- ATTACHMENT B ISO 14000 Certification
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- ATTACHMENT D Third-Party Verification Statement

LETTER FROM THE PRESIDENT

Howard Technology Solutions (HTS) is committed to the protection of the environment and its impact on the local community. HTS is also committed to protecting the health and safety of our employees, contractors, and visitors. We have taken a proactive approach towards achieving these objectives and are committed to ensuring that environmental, health, and safety impacts are minimized or eliminated when possible

The environmental, health, and safety goals of the organization are based on the following principles:

- Prevention of environmental pollution through responsiveness to environmental regulation and local environmental needs.
- Prevention of injuries and illness through comprehensive safety and health programs.
- Employee responsibility and accountability for environmental, health, and safety performance at all levels of the organization.
- Minimization of energy usage, material usage, and waste production through the encouragement of recycling and reusing materials whenever possible.
- Promotion and encouragement of environmental, health, and safety awareness and responsibility in the workforce at all levels.
- Responsiveness to environmental, health, and safety concerns and questions.
- Encouragement of sound environmental principles by all employees, customers, and suppliers.

An Environmental Management System has been established that is consistent with the International Standard ISO 14001:2015.

Management objectives and targets for the environment, health, and safety are established and reviewed on a regular basis to implement and support the Environmental, Health, and Safety Policy.

Internal and external audits of the Environmental Management System and Safety and Health procedures are performed to ensure the proper controls and programs are effectively managed.

This policy applies to all employees, departments, and functions throughout HTS. As we continue to grow, it is our intent to remain laser-focused on safety, sustainability, environmental stewardship, and governance within all aspects of our business. Because we value the people who work for us, as well as those who live in the communities in which we operate, we adhere to the highest standards for the safe operation of our facilities and the protection of our environment, employees, and the communities we call home.

Cyndi McCoy, President

ORGANIZATIONAL PROFILE

HTS is a system integrator and technology services provider. HTS specializes in custom HTS-branded desktops, notebooks, servers, storage products, point-of-care carts, and presentation carts; kiosks, third-party systems, customization of third-party systems, network devices, system installations, network installations, Voice over Internet Protocol phone systems, and many other third-party products.

HTS is a division of Howard Industries, Inc. (Howard), Mississippi’s second-largest, privately held employer, and the state’s fifth-largest industry. HTS’s headquarters and manufacturing facility are in Ellisville, Mississippi, with sales personnel in all regions of the United States (U.S.). There are no support offices in the U.S. or overseas production or offices. All proprietary company information is considered confidential and is not publicly available.

HTS is a U.S.-based organization that serves the technology-related needs of a variety of sectors within the contiguous U.S., Alaska, and Hawaii. These sectors include education, healthcare, business, federal, state, and local government verticals. Clients include school districts, medical clinics, retail locations, business offices, etc.

HTS website lists over 300,000 products — notebooks, desktops, servers, mobile carts, kiosks, and numerous accessories and peripherals – and participates in over 100 trade shows each year. For more details, please visit our website at <http://www.howard.com>

In 2024, HTS employed 577 full-time employees and 2 part-time employees.

FULL-TIME MALE EMPLOYEES	FULL-TIME FEMALE EMPLOYEES
324	253

The HTS supply chain includes approximately 500 distributors, resellers, and manufacturers. PC component suppliers based in China, Taiwan, and U.S.

- China: Cases, Power Supplies
- Taiwan (Some parts manufactured in China): Motherboards
- U.S. (Some parts manufactured in China): Solid-State Drives, Random-Access Memory

There have been no significant changes to the supply chain or organization over the past year.

HTS is a division of Howard Industries, Inc., a privately held company, and thus does not have reporting obligations under the Dodd-Frank Wall Street Reform and Consumer Protection Act, which was enacted in 2010. However, we support the policy behind the Act and, to the extent possible, will not knowingly purchase any Conflict Minerals that we have reason to believe may support conflict in the Covered Countries, and we will continue to endeavor to source responsibly with respect to Conflict Minerals. (Conflict Minerals Policy statement provided as Attachment A. HTS complies with the Restriction of Hazardous Substances (RoHS) to design and then select components to support health, safety, and environmental stewardship by reducing the amount of hazardous chemicals used in its manufacturing. HTS does not use known carcinogens and makes reasonable efforts to avoid use of materials classified as suspected carcinogens by the International Agency for Research on Cancer and the National Toxicity Program.

HTS has been ISO 9001:2015 and ISO 14000:2015 certified since February 2009. The current ISO 9001 certification is valid until March 29, 2027. The current ISO 14001 certification is valid until December 25, 2026. These ISO certifications are provided in Attachments B and C.

HTS participates in the Electronics Product Environmental Assessment Tool and Energy Star. HTS complies with RoHS by purchasing components that are RoHS listed. HTS is an Intel Titanium Level Partner. HTS has an Institute of Electrical and Electronics Engineers (IEEE) membership.

STRATEGY AND ANALYSIS

The following Environmental, Health, and Safety Policy is communicated to all employees and made available to the public on request. The policy applies to all employees, departments, and functions throughout HTS.

Environmental, Health, and Safety Policy Statement

Howard is committed to excellence and leadership in the areas of workplace health and safety and environmental stewardship. Providing a safe and healthy work environment for our employees and protecting the environment are priorities in our planning, operations, and development of new products and processes.

The company allocates significant resources in support of our efforts to provide as safe and healthy a workplace as possible. But our approach to health and safety also entails a recognition that success in this area requires a team effort, one in which all personnel must play an active role. Training is provided to employees on safe work habits and practices, as well as the requirement to report dangerous conditions. In turn, all personnel must make safety a top priority, utilizing safe work habits and reporting any unsafe conditions.

We strive to operate our facilities and handle materials and products in a manner that ensures protection of the environment. Our objective is to continually seek ways to reduce both hazardous and nonhazardous waste. When waste cannot be avoided, we are committed to recycling, treatment, and disposal in ways that will minimize any undesirable impact on the environment.

We seek to promote environmental awareness and responsibility at our facilities, and we expect our personnel to take ownership of their responsibility to follow all environmental policies and procedures and do their part to protect the environment.

Howard is committed to maintaining compliance with all applicable federal, state, and local regulations and laws governing workplace health and safety and environmental protection.

We have extensive policies, procedures, and training programs in place, along with a dedicated staff of employees committed to implementing our compliance efforts in these areas. We continually seek to enhance our policies, procedures, and practices, and we encourage suggestions from all personnel that may lead to such improvements.



Michael Howard, CEO

ETHICS AND INTEGRITY

HTS is committed to promoting the highest standards of professional integrity and ethics in the global business community. Our focus is on people, excellence, and results, acting with honesty, integrity, fairness, and personal accountability. Daily adherence to these values and standards must be demonstrated by all employees and evident in business dealings and relationships, whether they be with customers, the general public, suppliers, partners, regulators, competitors, or each other.

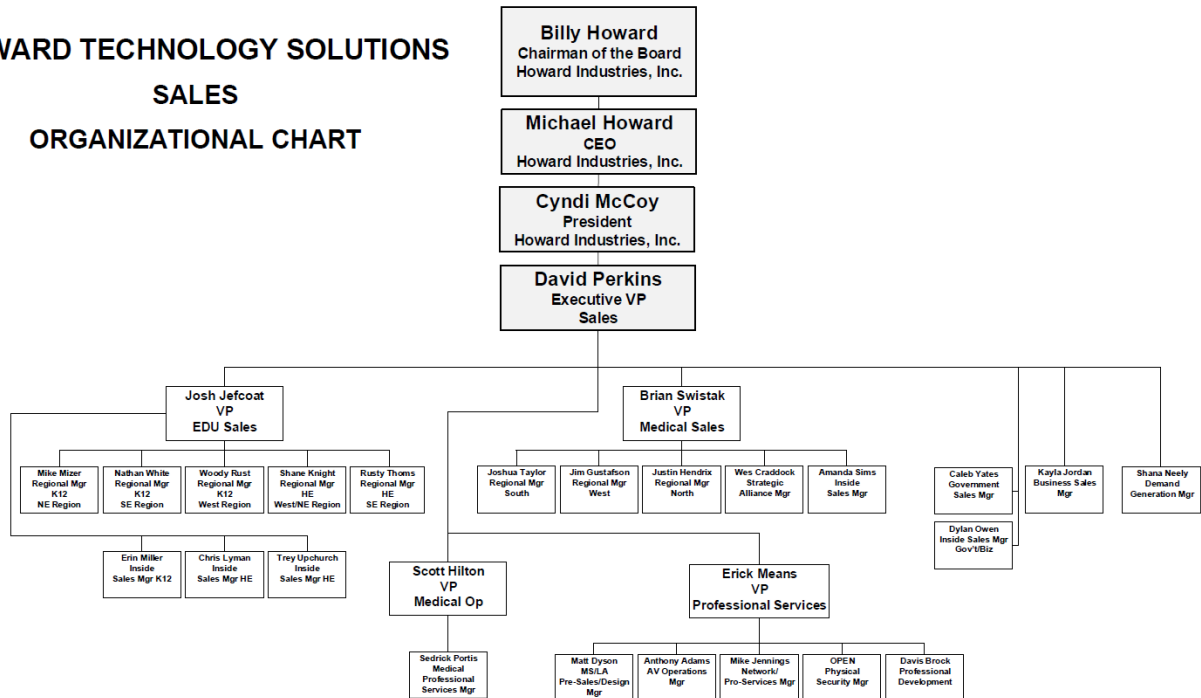
Regardless of the situation or who we are working or dealing with, HTS employees should always adhere to the core values of Honesty, Integrity, Fairness, and Communication. These core values are described fully in the Howard Industries, Inc., Compliance Program and Code of Business Conduct and Ethics.

HTS has a Compliance Officer who can be contacted to ask questions and/or report potential concerns by calling a number provided in the compliance program document if uncomfortable contacting the Compliance Officer directly. Employees are invited to leave messages on this number in English, Spanish, or any language. To preserve confidentiality, Howard will work with its outside counsel to respond to any messages left in a language other than English.

HTS employees receive ethics and values compliance training and are provided with a copy of the HTS Ethics and Compliance handbook for reference. Reviews are conducted annually.

GOVERNANCE

**HOWARD TECHNOLOGY SOLUTIONS
SALES
ORGANIZATIONAL CHART**



:Revised: 8/9/23

John Risher has direct responsibility for environmental and safety, while Michael and Billy Howard have overall responsibility for all economic, sustainability, and social areas. In addition, EnSafe Inc. supports Howard as a technical and compliance resource for environmental and safety issues.

STAKEHOLDER ENGAGEMENT

HTS considers stakeholders to be any individual or group who may be positively or negatively affected by the organization's activities or by any economic, environmental, or social decision made by the organization. HTS stakeholders include shareholders, employees, suppliers, customers, and community members.

Stakeholders are engaged through the annual stockholder meetings. Additionally, HTS maintains an open-door policy, allowing employees, suppliers, customers, and community members to visit at any time. To date, no key topics or issues have been raised by stakeholders regarding environmental or safety concerns.

REPORTING PRACTICE

All proprietary company information, including financial statements, is considered confidential and is not publicly available.

The scope of this report is limited to HTS. The information given within this report is not comprehensive and does not include activities of any other division or entity of Howard. This Sustainability Report is a key element in our ongoing environmental improvement initiatives around our "HowGreen" PC products.

Report content was determined by the degree of impact each potentially material factor may have on environmental and social aspects as they relate to HTS stakeholders, employees, suppliers, customers, and community members.

HTS previously described stakeholders as any individual or group who may be positively or negatively affected by the organization's activities or by any economic, environmental, or social decision made by the organization. HTS stakeholders include shareholders, employees, suppliers, customers, and community members. The expectations and needs of these stakeholders were considered when decisions were made about the list of material topics and what to include in the report. Currently, stakeholders are engaged through the annual stockholders' meetings and an open-door policy.

Going forward, HTS is developing a more targeted method for engaging the stakeholders who are not invited or able to attend the annual stockholders' meeting, or to readily make use of the open-door policy. Currently, in addition to the processes described, HTS sales and technical support employees bring back supplier and customer feedback for the organization to digest and respond to. The future stakeholder engagement tools may include media monitoring, surveys, and stakeholder feedback sessions.

HTS's reporting accuracy and quality are in part assured by the use of outside professional environmental, health, and safety organizations to assist with data gathering, interpretation, and presentation.

LIST OF MATERIAL TOPICS

The following is a list of material topics identified as relevant to the report based on the reporting principles described in the sections above, and keeping in mind that HTS is a privately held company and all proprietary company information is considered confidential and is not publicly available:

- Environmental:
 - Energy use
 - Emissions (Scope 1 and Scope 2 Greenhouse Gas [GHG])
 - Water use
 - Recycling

- Social:
 - Safety performance
 - Labor management relations
 - Diversity and equal opportunity
 - Non-discrimination
 - Marketing and labeling

Information provided is based on a calendar year reporting period for HTS. The current report is for 2024. HTS submits a Global Reporting Initiative (GRI) compliant sustainability report annually.

The points of contact for questions regarding this report or its contents are:

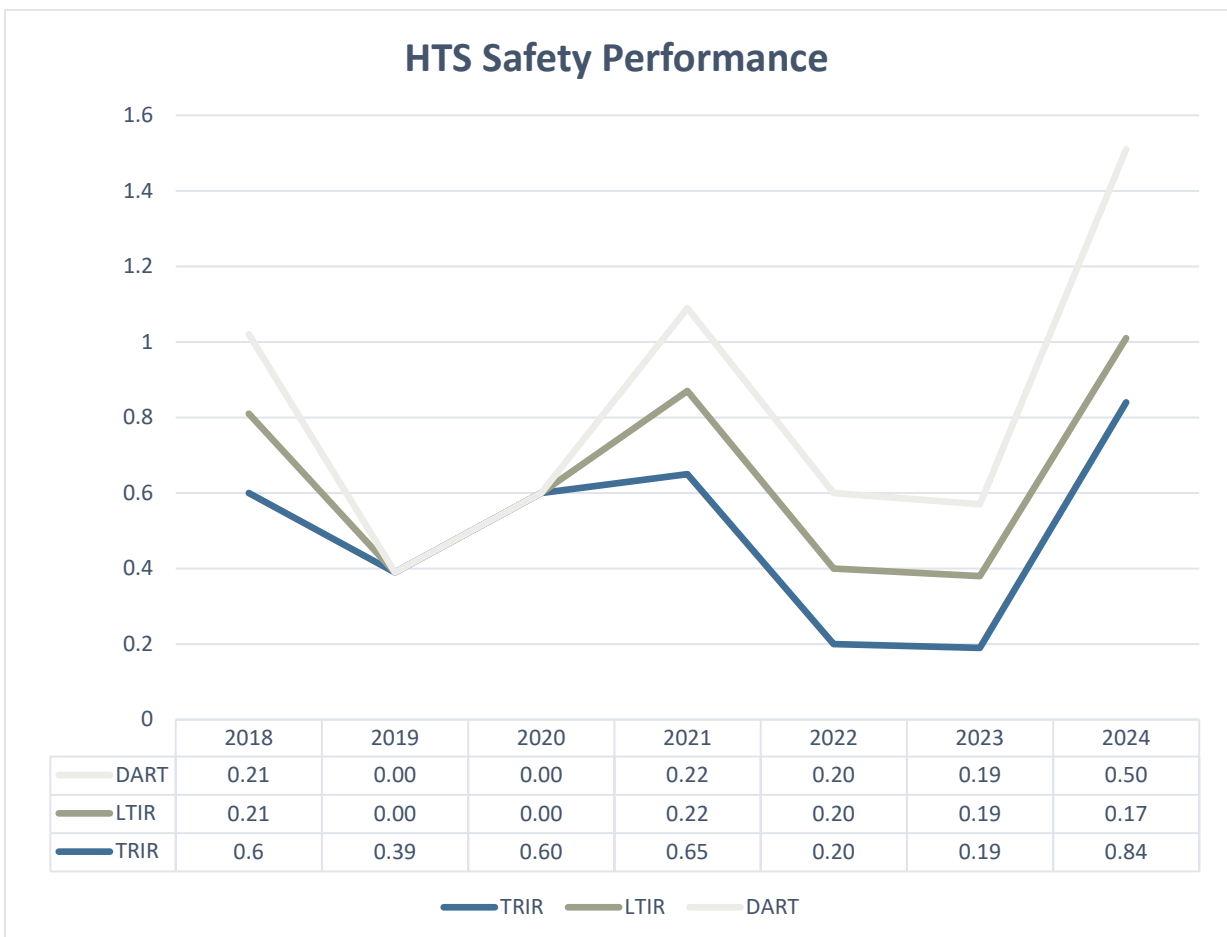
- HTS Engineering Manager — Justin Fontenot, jfontenot@howard.com
- HTS Vice President of Manufacturing — Eric Brown, ebrown@howard.com

LEADING THROUGH SAFETY

HTS leadership believes everyone has responsibility for safety and that the positive safety culture of the organization starts at the top with the leadership team. Our leaders are expected to support and lead a workplace culture of safety, and every employee is expected to understand the risks inherent in their work and maintain our high standards for safety compliance.

HTS is unwavering in its commitment to safety. We measure Total Recordable Injury Rate, Days Away, Restricted, or Transferred, and Lost Time Injury Rate. There have been no fatalities at HTS during this time. HTS is evaluating potential programs to further enhance the company’s positive safety performance. The HTS rates for 2018 — 2024 are shown below in Figure 1.

Figure 1. Safety Performance, 2018 - 2024.



Notes:

- TRIR = Total Recordable Injury Rate
- LTIR = Lost Time Injury Rate
- DART = Days Away, Restricted, or Transferred

Bureau of Labor Statistics Semiconductor and Other Electronic Component Manufacturing (Standard Industrial Classification 3344) safety data¹ for 2023 (the most current data set available) is provided below:

OSHA Metric	General Industry	Semiconductor and Other Electronic Component Manufacturing
TRIR	2.4	1.0
LTIR	0.9	0.3
DART	1.5	0.5

Notes:

- OSHA = Occupational Safety and Health Administration
- TRIR = Total Recordable Injury Rate
- LTIR = Lost Time Injury Rate
- DART = Days Away, Restricted, or Transferred

¹ Data from <https://www.bls.gov/web/osh/table-1-industry-rates-national.htm>

ENVIRONMENTAL MANAGEMENT

HTS believes that responsible stewardship of the natural environment is essential for business efficiency and success.

To provide structure and coordination for the Environmental Policy and actions, the International Standard for Environmental Management Systems (ISO 14001: 2015) has been selected as the basis of the management system.

In accordance with the GRI framework, HTS is providing environmental disclosures as outlined in the GRI Standards 302, 303, and 305, which cover Energy, Water, and Emissions, respectively. HTS selected these material topics because they best represent the environmental-related impacts of the HTS operation relevant to key HTS stakeholders and are required to comply with the Institute of Electrical and Electronics Engineers IEEE 1680.1-2018 Section 4.9.2.1 requirements needed for Electronics Product Environmental Assessment Tool registration. Based on a review of environmental data from 2017 to 2024, HTS has selected 2018 as the baseline year for measuring environmental metrics, trends, and improvements.

ENERGY

Energy Consumption Within the Organization

Energy usage at HTS consists of fuel (propane, gasoline, diesel) and electricity. Propane is used to power HTS’s single propane-fired forklift. Gasoline and diesel usage at HTS consists of fuel consumed by the HTS–Kiosk and HTS–Medical fleet vehicles. Electricity is used to power the HTS facility, which includes administrative and light-manufacturing space.

Propane usage was estimated from the number of propane-fired fork trucks (one), the size of the tank (33 pounds), and the number of hours per tank (8 hours). Diesel and gasoline usage by the HTS fleet was provided by HTS, in units of gallons consumed and miles traveled. Electricity usage data was provided in the form of a spreadsheet, which tabulated monthly electricity bills from Mississippi Power, for the period of January to December 2024, in units of kilowatt-hours.

The specific disclosures required under 302-1 are provided below.

Total fuel and energy consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used, is provided in Table 1.

No renewable fuels (e.g., biodiesel, hydrogen) were used at HTS in 2024.

Table 1 — Energy Consumption within the Organization		
Disclosure (302-1)		
Total fuel consumption from non-renewable sources (GJ)		2,454
Total fuel consumption from renewable sources (GJ)		0
Total energy consumed, by type (Joules)	Electricity	8,709
	Heating	0
	Cooling	0
	Steam	0
Total energy sold, by type (Joules)	Electricity	0
	Heating	0
	Cooling	0
	Steam	0
Total Energy Consumption within the Organization (GJ)		11,163

Note:

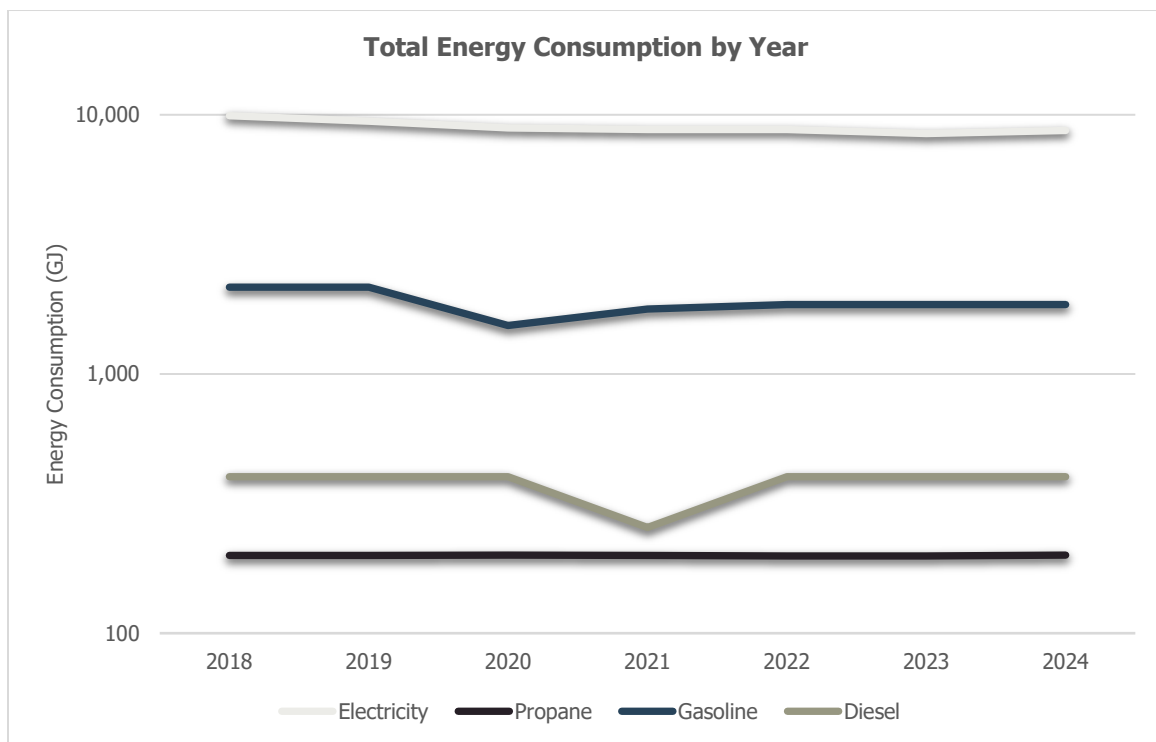
GJ = gigajoule

The total electricity consumption in 2024 is provided in Table 1. There was no heating, cooling, or steam consumption in 2024. In 2024, HTS did not sell electricity, heating, cooling, or steam. HTS does not produce its own energy but purchases it from commercial providers.

Total energy usage for electricity, propane, diesel, and gasoline was calculated by converting all energy usage to Gigajoules. The heating value for liquid propane was obtained from the Environmental Protection Agency (EPA)'s AP-42 Appendix A in British Thermal Units per gallon and converted to Gigajoules. The heating value for diesel fuel and gasoline fuel was obtained from the EPA's Center for Corporate Leadership, "Emission Factors for Greenhouse Gas Inventories," dated 9 March 2018, in units of Million British Thermal Units per gallon and converted to Gigajoules. The emission factors for electricity usage were obtained from the EPA's Center for Corporate Leadership, "Emission Factors for Greenhouse Gas Inventories," dated 9 March 2018, for the eGRID Subregion SRSO (SERC South). In accordance with EPA's instructions, the Total Output Emission Factors were used.

Figure 2 shows that energy consumption has been relatively consistent from the baseline year of 2018 to 2024.

Figure 2. Total Energy Consumption by Year, 2018 – 2024.



WATER

Water Withdrawal

HTS receives water from the City of Ellisville. The amount of water withdrawn in 2024 was calculated from monthly statements from the City of Ellisville, which provided the amount of water withdrawn in units of 1,000 gallons. The monthly water usage was summed from January to December 2024 and converted to gallons.

In 2024, the total water withdrawn was 6.28 Megaliters (ML), as seen in Table 2. All water withdrawn by HTS is from the City of Ellisville utility, which is considered a third-party source.

GRI 303 defines a “water-stressed” area as areas classified as “high (40-80%)” or “extremely high”.

Table 2 – Water Withdrawal Disclosure (303-3)				
		All Areas	Areas with Water Stress	
Water withdrawal by source (ML)	Surface water (total)	0	0	
	Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	0	0	
	Other water ($> 1,000$ mg/L Total Dissolved Solids)	0	0	
	Groundwater (total)	0	0	
	Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	0	0	
	Other water ($> 1,000$ mg/L Total Dissolved Solids)	0	0	
	Seawater (total)	0	0	
	Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	0	0	
	Other water ($> 1,000$ mg/L Total Dissolved Solids)	0	0	
	Produced water (total)	0	0	
	Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	0	0	
	Other water ($> 1,000$ mg/L Total Dissolved Solids)	0	0	
	Third-party water (total)	6.28	6.28	
	Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	6.28	6.28	
	Other water ($> 1,000$ mg/L Total Dissolved Solids)	0	0	
	Total third-party water withdrawal by withdrawal source	Surface water	0	0
		Groundwater	0	6.28
Seawater		0	0	
Produced Water		0	0	
Total water withdrawal (ML)	Surface water (total) + groundwater (total) + seawater (total) + produced water (total) + third-party water (total)	6.28	6.28	

Notes:

ML = Megaliters
mg/L = milligram per Liter

According to the City of Ellisville's 2024 Annual Drinking Water Quality Report (most current data available), their water source is "from four wells drawing from the Catahoula Formation Aquifer." Therefore, the source of the City of Ellisville's water was classified as "groundwater."

The City of Ellisville did not include analytical results for Total Dissolved Solids in their 2024 Annual Drinking Water Quality Report. However, the report states that the water "meets all federal and state requirements." The National Secondary Drinking Water Standard is 500 milligrams per liter (mg/L) for total dissolved solids. Therefore, it is assumed the water supplied by the City of Ellisville meets the freshwater criteria ($\leq 1,000$ mg/L Total).

Water Discharge

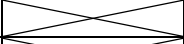
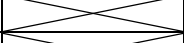
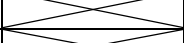

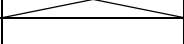
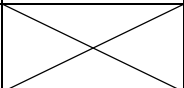
HTS discharges water to the City of Ellisville Publicly Owned Treatment Works. The water is not treated before being discharged.

The specific disclosures required under 303-4 are provided below.

HTS discharges 100% of its used water to the City of Ellisville Publicly Owned Treatment Works, as seen in Table 3; this is considered a third-party destination.

The water discharged by HTS has not been analyzed for total dissolved solids; however, it is assumed that it does not meet the freshwater criteria ($\leq 1,000$ mg/L total dissolved solids).

The GRI standard defines "water-stressed" areas as areas classified as "high (40-80%)" or "extremely high (>80%)." Since all the water withdrawn by HTS comes from the City of Ellisville, this was the only area assessed for water stress. The World Resources Institute's "Aqueduct Water Risk Atlas" was used to assess the City of Ellisville's water stress. The baseline water stress in Ellisville's location is classified as "medium high (20%-40%)." Therefore, this is not considered to be a water-stressed area.

Table 3 — Water Discharge Disclosure (303-4)			
		All Areas	Areas with Water Stress
Water discharge by destination	Surface water	0	
	Groundwater	0	
	Seawater	0	
	Third-party water (total)	6.28	
	Third-party water sent for use to other organizations	0	
Total water discharge	Surface water (total) + groundwater (total) + seawater (total) + third-party water (total)	6.28	0
Water discharge by freshwater and other water	Freshwater ($\leq 1,000$ mg/L total dissolved solids)	0	0
	Other water ($> 1,000$ mg/L total dissolved solids)	6.28	0
Water discharge by level of treatment	No treatment	6.28	

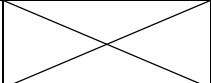
Note:
mg/L = milligram per liter

Water Consumption

GRI Standard 303 defines “water consumption” as the “sum of all water that has been withdrawn and incorporated into products, used in the production of crops or generated as waste, has evaporated, transpired, or been consumed by humans or livestock, or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third-party over the course of the reporting period.

The total water consumption from all areas at HTS in 2024 was 0 Megaliters.

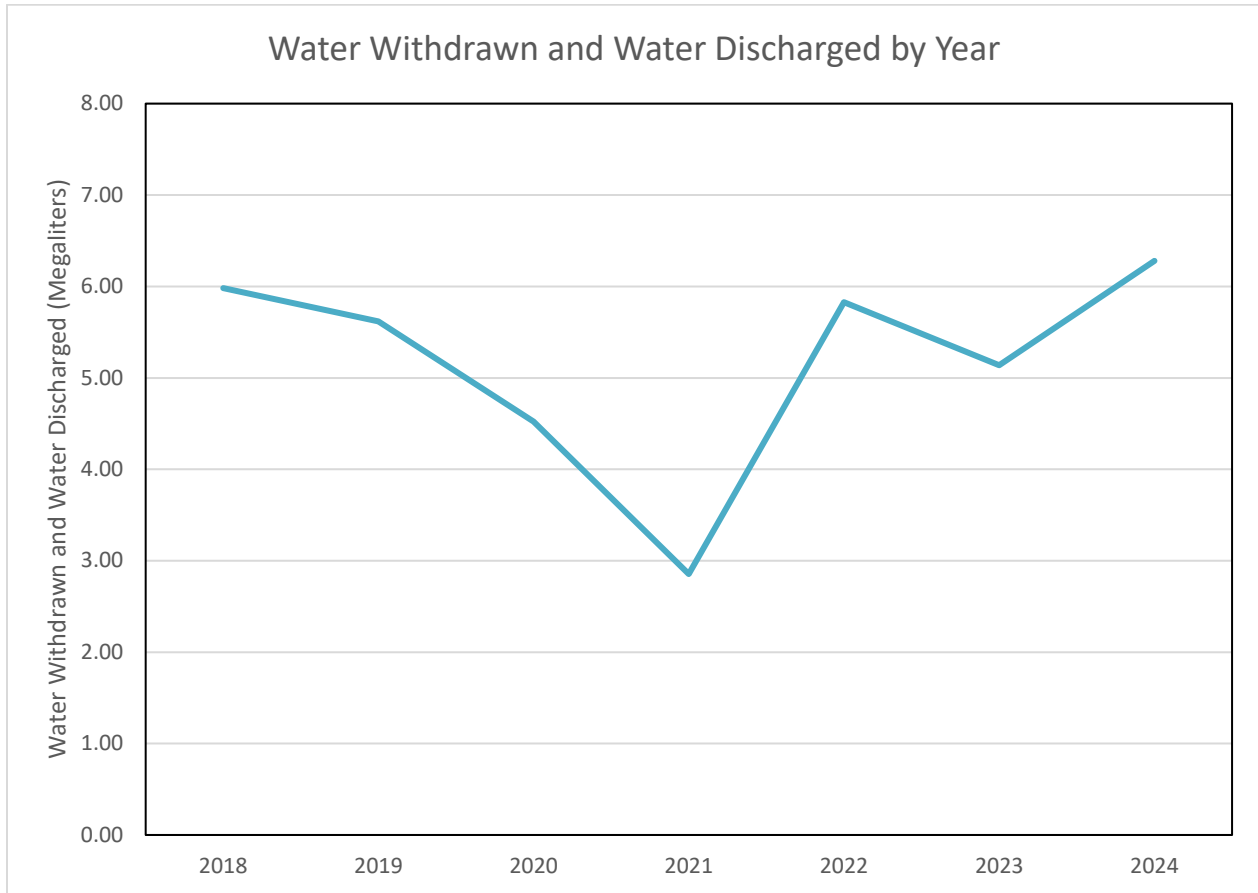
The specific disclosures required under 303-4 are provided in Table 4.

Table 4 — Water Discharge Disclosure (303-5)			
		All Areas	Areas with Water Stress
Water consumption (ML)	Total water consumption	0	
	Change in water storage, if water storage has been identified as having a significant water-related impact	0	

Note:
ML = megaliters

The water withdrawn and discharged at HTS is equivalent, since water is neither generated nor consumed on the site. Therefore, either metric is representative of the overall water “footprint” of HTS.

Figure 3. Water withdrawn and water discharged by year, 2018 – 2024.



The water withdrawn and water discharged was 6.28ML in 2024, which is an approximate 4.8% increase from the baseline year of 2018. The water usage at HTS is strictly for domestic purposes; there is no process water. Therefore, usage is expected to trend with the number of employees and the number of shifts worked.

EMISSIONS

According to the GRI Standard 305, direct emissions, known as "Scope 1" GHG emissions, comprise emissions from sources that are owned or controlled by an organization. Indirect emissions, known as "Scope 2" GHG emissions, are emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organization.

Direct (Scope 1) Greenhouse Gas Emissions

Scope 1 emission sources at HTS include: HTS fleet vehicles (propane, gasoline, and diesel-fired) and refrigerant leaks from heating, ventilation, and air conditioning equipment.

The specific disclosures required under 305-1 are provided in Table 5 below.

Gross Direct (Scope 1) Greenhouse Gas emissions in metric tons of Carbon Dioxide Equivalent

The Scope 1 GHG emissions at HTS include emissions from refrigerant leaks, propane combustion in the fork truck, and diesel and gasoline combustion in the HTS vehicle fleet.

The emissions associated with refrigerant leaks are based upon the type of refrigerant that leaked, which is assumed to be equal to the amount of refrigerant added. Records of refrigerant purchases in 2024, including the type of refrigerant, were provided by HTS. The composition of each refrigerant blend was obtained from EPA's Significant New Alternatives Policy website. The emission factor for each refrigerant was obtained from the EPA's Center for Corporate Leadership, "Emission Factors for Greenhouse Gas Inventories," dated 9 March 2018, in units of 100-year Global Warming Potential. The 100-year Global Warming Potential was used to convert the pounds of refrigerant purchased to units of CO₂e (carbon dioxide equivalent).

GHG emissions from the combustion of propane, diesel, and gasoline were calculated by first calculating the carbon dioxide, methane, and nitrogen dioxide emissions, and then multiplying by the GWP for each compound. Emission factors for carbon dioxide, methane, and nitrogen dioxide were obtained, for each fuel combusted, from the EPA's Center for Corporate Leadership, "Emission Factors for Greenhouse Gas Inventories," dated 9 March 2018. The GWP for carbon dioxide, methane, and nitrogen dioxide emissions was obtained from the Climate Change Connection. Once the total CO₂e was calculated for each fuel, the CO₂e from refrigerant leaks and all combustion operations were summed to obtain the total Scope 1 GHG emissions (see Table 5).

Gases included in the calculation

Emission factors for sulfur hexafluoride and nitrogen trifluoride resulting from the combustion of propane, diesel, or gasoline were not provided in the EPA's "Emission Factors for Greenhouse Gas Inventories"; therefore, these compounds were not included.

Biogenic Carbon Dioxide emissions in metric tons of Carbon Dioxide Equivalent

Biogenic carbon dioxide emissions are defined as the emission of CO₂ (carbon dioxide) from the combustion or biodegradation of biomass. HTS did not combust or degrade biomass in 2024.

The following sources were used in the GHG calculations:

- AP-42 Appendix A, "Miscellaneous Data and Conversion Factors." EPA. September 1985. <https://www3.epa.gov/ttnchie1/ap42/appendix/appa.pdf>
- "Emission Factors for Greenhouse Gas Inventories." EPA Center for Corporate Climate Leadership. Mar 2018. https://www.epa.gov/sites/production/files/2018-03/documents/emissionfactors_mar_2018_0.pdf
- "Compositions of Refrigerant Blends." EPA. <https://www.epa.gov/snap/compositions-refrigerant-blends>
- "CO₂ Equivalents". Climate Change Connection. June 2020. <https://climatechangeconnection.org/emissions/co2-equivalents/>

The consolidation approach for emissions was taken to be in operational control.

Table 5 — Direct (Scope 1) GHG Emissions Disclosure (305-1)		
Gross direct (Scope 1) GHG emissions (metric tons CO2e)		404
Gases included in the Scope 1 calculation	CO2	✓
	CH4	✓
	N2O	✓
	HFCs	✓
	PFCs	✓
	SF6	NA
	NF3	NA
Biogenic CO2 emissions (metric tons CO2e)		0
Base year for calculation	Base year	2018
	Emissions in the base year (metric tons CO2e)	269
Consolidation approach for emissions	Equity Share	
	Financial control	
	Operational control	X

Notes:

GHG	=	Greenhouse Gas
CO ₂	=	Carbon Dioxide
CO ₂ e	=	Carbon Dioxide equivalent
CH ₄	=	Methane
N ₂ O	=	Nitrous oxide
NF ₃	=	Nitrogen trifluoride
HFC	=	hydrofluorocarbons
PFC	=	perfluorocarbons
SF ₆	=	Sulphur hexafluoride
NA	=	not applicable

Energy Indirect (Scope 2) Greenhouse Gas Emissions

Scope 2 emissions consist of the emissions resulting from the generation of electricity that is consumed by HTS. The specific disclosures required under 305-2 are provided in Table 6 below.

Gross location-based energy indirect (Scope 2) Greenhouse Gas emissions in metric tons of Carbon Dioxide Equivalent

The Scope 2 GHG emissions at HTS include emissions associated with the generation of the electricity consumed by the facility. HTS is in Mississippi, which falls into the SRSO (SERC South) eGRID Subregion. Emission factors for carbon dioxide, methane, and nitrous oxide were obtained from the EPA's Center for Corporate Leadership, "Emission Factors for Greenhouse Gas Inventories," dated 9 March 2018. Emission factors were provided in units of pounds of pollutant per megawatt-hour of electricity. The emissions of carbon dioxide, methane, and nitrogen dioxide were calculated based on the 2024 electricity usage. Electricity usage data was provided in the form of a spreadsheet summarizing monthly electricity usage for the period of January to December 2024, in units of kilowatt-hours. The calculated emissions of each pollutant were then multiplied by the GWP for each pollutant to obtain emissions in units of carbon dioxide equivalent (CO₂e). The CO₂e was then summed to obtain the total Scope 2 GHG emissions in metric tons per year (see Table 6).

Emission factors for hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride resulting from electricity generation were not provided in the EPA's "Emission Factors for Greenhouse Gas Inventories"; therefore, these compounds were not included.

The following sources were used in the calculation of Scope 2 GHG emissions:

- "Emission Factors for Greenhouse Gas Inventories." EPA Center for Corporate Climate Leadership. Mar 2018. https://www.epa.gov/sites/production/files/2018-03/documents/emissionfactors_mar_2018_0.pdf
- "CO₂ Equivalents." Climate Change Connection. June 2020. <https://climatechangeconnection.org/emissions/co2-equivalents/>

The consolidation approach for emissions was taken to be operational control.

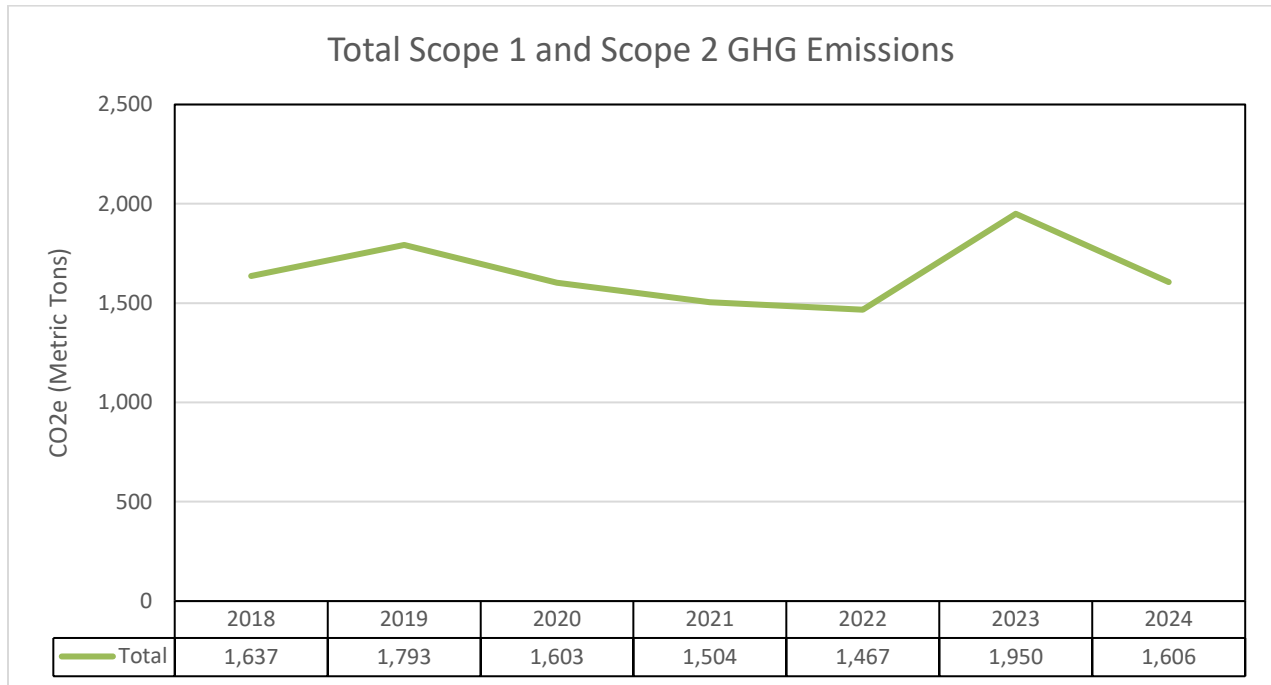
Table 6 — Energy Indirect (Scope 2) Greenhouse Gas Emissions Disclosure (305-2)		
Gross location-based energy indirect (Scope 2) GHG emissions (metric tons CO ₂ e)		1,202
Gross market-based energy indirect (Scope 2) GHG emissions (CO ₂ e)		NA
Gases included in the Scope 2 calculation	CO ₂	✓
	CH ₄	✓
	N ₂ O	✓
	HFCs	
	PFCs	
	SF ₆	
	NF ₃	
Base year for calculation	Base year	2018
	Emissions in the base year (metric tons CO ₂ e)	1,368
Consolidation approach for emissions	Equity Share	
	Financial control	
	Operational control	X

Notes:

GHG	=	Greenhouse Gas
CO ₂ e	=	Carbon dioxide equivalent
CO ₂	=	Carbon dioxide
CH ₄	=	Methane
N ₂ O	=	Nitrous oxide
HFC	=	hydrofluorocarbons
SF ₆	=	sulfur hexafluoride
NF ₃	=	Nitrogen trifluoride
PFC	=	perfluorocarbons
NA	=	not applicable

In 2024, Scope 2 emissions made up approximately 75% of the overall GHG emissions at HTS. Figure 4 shows the total GHG emissions in Metric Tons from 2018 to 2024. In 2024, the total Scope 1 and Scope 2 GHG emissions were 1,606 metric tons CO₂e, compared to 1,637 metric tons in the baseline year of 2018.

Figure 4. Total Scope 1 and Scope 2 Greenhouse Gas Emissions, 2018 – 2024.



ENVIRONMENTAL COMPLIANCE

HTS has received no fines or non-monetary sanctions for non-compliance during the reported period.

LABOR/MANAGEMENT RELATIONS

HTS recognizes that our employees are the company's most critical resource. All HTS employees are non-contract, full-time workers in recognition of the criticality of this resource.

HTS is an equal opportunity employer and bases the hiring process on the qualifications of its applicants. For this reason, an applicant's individual race, color, sex, religion, political or other opinion, national or social origin has no relevance in the hiring process.

HTS currently has no collective bargaining agreements. Howard determines minimum notice periods in the event of operational changes on a case-by-case basis and makes every attempt to provide reasonable and adequate discussion of significant changes.

HTS is a privately owned company and is not required to comply with the Dodd-Frank Act; however, HTS does comply with the Conflict Minerals portion of the Act as described in Attachment A.

This report has been prepared in accordance with GRI Core Standards. The Index in Attachment D shows all the Core option requirements and where they are found in this report.

EXTERNAL ASSURANCE

Howard prepares environmental performance reports based on aggregated data from utility bills, material purchase records, fleet vehicle records, and annual hours of operation.

From this data, conversion factors from literature were used to convert usage data into the following environmental metrics:

- Energy consumed (gigajoules)
- Water consumed and water discharged (ML)
- Scope 1 and Scope 2 GHG emissions (metric tons)

In addition to the GRI standards, the following sources were used in developing the environmental performance metrics:

- Mississippi State Department of Health Consumer Confidence Reports 2022 — City of Ellisville
<https://msdh.ms.gov/ccr/2022/ccrList.html>
- The World Resources Institute “Aqueduct Water Risk Atlas”
<https://www.wri.org/data/aqueduct-water-risk-atlas>
- EPA’s Significant New Alternatives Policy website
<https://www.epa.gov/snap>
- Appendix A, “Miscellaneous Data and Conversion Factors.” EPA. September 1985.
<https://www3.epa.gov/ttnchie1/ap42/appendix/appa.pdf>
- “Emission Factors for Greenhouse Gas Inventories.” EPA Center for Corporate Climate Leadership. March 2018. https://www.epa.gov/sites/production/files/2018-03/documents/emissionfactors_mar_2018_0.pdf
- “Compositions of Refrigerant Blends.” EPA.
<https://www.epa.gov/snap/compositions-refrigerant-blends>
- “CO₂ Equivalents”. Climate Change Connection. June 2020.
<https://climatechangeconnection.org/emissions/co2-equivalents/>

The specific calculations are detailed in the corresponding sections (Energy, Water, Emissions) of this report.

Once the environmental metrics are prepared, HTS contracts an external third-party for review. In 2024, EnSafe Inc. (Memphis, Tennessee) provided external assurance for the environmental metrics, in accordance with IEEE 4.9.2.1.



Attachment A
Conflict Minerals Policy Statement

Public disclosure regarding conflict minerals in products Conflict Minerals Policy Statement.

The Conflict Minerals section of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Act) that was enacted in 2010 requires certain publicly traded companies to report to the United States Securities and Exchange Commission on the presence of certain "Conflict Minerals" in the products they manufacture or contract to manufacture and the due diligence that they have conducted with respect to the supply chain of those minerals. The Act defines "Conflict Minerals" as tantalum, tin, tungsten, and gold and their derivatives. In particular, the Act requires the reporting company to determine the source and chain-of-custody of Conflict Minerals contained in their products, including conducting a "reasonable country of origin inquiry" to determine whether any Conflict Mineral contained in and necessary to the functionality or production of a covered product originated in the Democratic Republic of Congo or any of the adjoining countries of Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia, i.e., the "Covered Countries," and, if so, whether such Conflict Minerals financed or benefited any armed groups in those countries.

Howard Technology Solutions (HTS) is a division of Howard Industries, Inc., which is a privately held company and thus does not have reporting obligations under the Act. However, we support the policy behind the Act and are committed to assisting our customers who do have reporting obligations.

The laptop and desktop computers, servers, kiosks, and medical carts manufactured by HTS contain one or more of the Conflict Minerals. In particular, tin, tungsten, tantalum, and gold may be found in certain component parts we purchase from vendors and incorporate into our products. To date, HTS has not received any information indicating, nor do we have any reason to believe, that any of the Conflict Minerals contained in any of our products may have originated in any of the Covered Countries. HTS will not knowingly purchase any Conflict Minerals which we have reason to believe may support conflict in the Covered Countries, and we will continue to endeavor to source responsibly with respect to Conflict Minerals.

HTS does not condone the use of unfair labor practices or any form of forced, indentured, or child labor or human trafficking in the manufacturing or distribution of our products, including in our supply chain. We abide by all applicable laws, and we strive to do business only with suppliers who likewise comply with applicable laws and who uphold values aligned with ours, including but not limited to in the areas of labor and human rights, health, safety, the environment, and ethics. HTS expects its suppliers to implement measures aimed toward ensuring such compliance and ethical practices in its supply chain.

HTS makes every effort to demonstrate ethical responsibility in advertising and marketing practices, adhering to a Code of Ethical Conduct that complies with the International Chamber of Commerce Code of Advertising Practices.



Attachment B
ISO 14001:2015 Certification



CERTIFICATE



This is to certify that

Howard Technology Solutions

A Division of Howard Industries

32 Howard Drive
Ellisville, MS 39437
United States of America

has implemented and maintains an **Environmental Management System**.

Scope:

The environmental activities and supporting processes associated with the design, manufacture, marketing, distribution, field installation and field servicing of personal computers, servers, medical carts, kiosks, digital signage, storage equipment, laptops and networking equipment, including the reselling and integration of associated peripheral items.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 14001 : 2015

Certificate registration no.	10008377 UM15
Date of original certification	2009-02-20
Date of certification	2023-12-13
Valid until	2026-12-25



DQS IS A MEMBER OF



DQS Inc.

David Tellez
Managing Director



Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA
The validity of this certificate can only be verified by the QR-code.



Attachment C
ISO 9001:2015 Certification



CERTIFICATE



This is to certify that

Howard Technology Solutions

A Division of Howard Industries

32 Howard Drive
Ellisville, MS 39437
United States of America

has implemented and maintains a **Quality Management System**.

Scope:

The design, manufacture, marketing, distribution, field installation and field servicing of personal computers, servers, medical carts, kiosks, digital signage, storage equipment, laptops and networking equipment, including the reselling and integration of associated peripheral items.

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

ISO 9001 : 2015

Certificate registration no.	10001999 QM15
Date of original certification	2002-02-13
Date of certification	2023-12-23
Valid until	2027-03-29



DQS IS A MEMBER OF



DQS Inc.

David Tellez
Managing Director



Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA
The validity of this certificate can only be verified by the QR-code.



Attachment D
Third-Party Verification Statement

THIRD-PARTY VERIFICATION STATEMENT

HOWARD INDUSTRIES, INC. — TECHNOLOGY SOLUTIONS
36 HOWARD DRIVE
ELLISVILLE, MISSISSIPPI

EnSafe Project Number
0888806911

Prepared for:



Howard Industries
3225 Pendorff Road
Laurel, Mississippi 39441

November 2025

711 Avignon Drive
Ridgeland, Mississippi 39157
(601) 981-4880 | (800) 588-7962

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ATTACHMENTS

Attachment A Summary of 2024 Data Subject to Assurance

1.0 INTRODUCTION AND OBJECTIVES OF WORK

EnSafe Inc. was engaged by Howard Technology Solutions (HTS) to conduct an independent verification of selected environmental data. This Verification Statement applies to the related information included within the Scope of Work as described below (Subject Matter).

The information and its presentation in the *HTS Annual Sustainability Report for 2024* (“the Report”) are the responsibility of HTS. EnSafe’s responsibility was to provide independent assurance on the accuracy of the Subject Matter.

2.0 SCOPE OF WORK

The Scope of Work was limited to assurance over the following environmental data included within the Report for the period of calendar year 2024 (the “Subject Matter”):

- Energy Use (direct and indirect)
- Greenhouse Gas Emissions (Scope 1 and Scope 2)
- Water Withdrawal and Discharge (Freshwater)

Our assurance does not extend to any other information included in the Report.

3.0 REPORTING BOUNDARIES

The following are the boundaries used by HTS for reporting sustainability data:

- Operational Control
- Howard Technology Solutions facility (36 Howard Drive, Ellisville, Mississippi 39437)

4.0 STANDARDS AND/OR FRAMEWORKS EMPLOYED

The basis of the environmental management system at HTS is the International Standard for Environmental Management Systems, ISO 14001:2015. The reporting criteria for environmental disclosures included in the Report follow the Global Reporting Initiative (GRI) Sustainability Reporting Standards, specifically GRI 300 (Environment). The GRI Sustainability Reporting Standards were also utilized as the third-party verification standards.

5.0 LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any verification of information relating to:

- Text or other written statements associated with the Report
- Activities outside the defined verification period of calendar year 2024

This limited assurance engagement relies on a risk-based, selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions, or misstatements that may exist.

6.0 RESPONSIBILITIES

This preparation and presentation of the Subject Matter in the Report were the responsibility of HTS.

Our responsibilities were to:

- Obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria
- Form an independent conclusion based on the assurance procedures performed and evidence obtained
- Report our conclusions to the management of HTS

7.0 SUMMARY OF WORK PERFORMED

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter
2. Conducting interviews with relevant HTS personnel regarding data collection and reporting systems
3. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries
4. Reviewing documentary evidence provided by HTS
5. Agreeing on a selection of the Subject Matter to the corresponding source documentation
6. Reviewing HTS' systems for quantitative data aggregation and analysis
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information

8.0 CONCLUSION

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects
- It is our opinion that HTS has established appropriate systems for the collection, aggregation, and analysis of quantitative data within the scope of this assurance

A summary of data within the scope of assurance for 2024 is attached.



By: Kristen Gould, PE
Environmental Engineer
EnSafe Inc.



Attachment A
Summary of 2024 Data Subject to Assurance

Summary of 2024 Data Subject to Assurance		
Metric Type	Value⁽¹⁾	Units⁽²⁾
Total Fuel Combustion (Direct Energy)		
Propane	200	GJ
Gasoline	1,852	GJ
Diesel	401	GJ
Total Purchased Energy (Indirect)		
Electricity	8,709	GJ
Direct (Scope 1 GHG Emissions)		
Stationary Combustion of Fuels	160	MT CO ₂ e
Process Emissions	0	MT CO ₂ e
Other Emissions	245	MT CO ₂ e
Indirect (Scope 2 GHG Emissions – Electricity)		
Location – Based	1,202	MT CO ₂ e
Water Withdrawal (By Source)		
Third-Party Water – Freshwater	6.28	ML
Water Discharge (By Destination)		
Third-Party Water	6.28	ML

Notes:

- (1) Numbers in this table have been rounded.
- (2) Unit Abbreviations:
 - GJ = Giga joules
 - GHG = Greenhouse Gas
 - MT CO₂e = Metric tons of carbon dioxide equivalents
 - ML = Mega liters