

GHG REDUCTION

ACTION PLAN

crystal Σ quation

2025-2030

REDUCING GHG EMISSIONS

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PROCESS FOR IDENTIFYING RISKS AND OPPORTUNITIES



Internal Operations Assessment

We begin by reviewing our own operational practices and environmental impacts. As a professional staffing and workforce solutions firm, Crystal Equation's primary internal environmental risks and opportunities are connected to office energy use, employee commuting patterns, and business travel.

Key Areas of Focus

- Office Energy Use
 - We monitor the energy consumption of our office spaces, identifying areas where reductions or efficiency improvements can be made. This includes reviewing electricity consumption patterns, lighting systems, and technology use.
- Employee Commuting and Travel Patterns
 - Annual reviews are conducted of employee commuting behaviors (modes of transport, average distances, and frequency) and business travel practices. This helps identify environmental risks such as high carbon emissions and opportunities to encourage remote work, carpooling, public transit use, or virtual meetings.

Internal Data Collection Process

To support these assessments:

- Energy usage data is gathered from utility bills.
- Employee commuting and travel data is collected through annual employee surveys and travel logs.

The outcomes of these reviews are documented in an Environmental Review Checklist.



We recognize that proactive management of environmental and operational risks, as well as seizing emerging opportunities, is essential to safeguarding our long-term resilience, meeting stakeholder expectations, and contributing positively to the communities and industries we serve.



Monitoring External Factors

In addition to examining our internal operations, Crystal Equation actively monitors external developments that could present environmental, regulatory, or market risks and opportunities.

Key External Factors Reviewed

- New Environmental Regulations
 - We track legislative and regulatory changes at local, state, federal, and international levels that could impact our operations, clients, or supplier relationships. This includes laws on greenhouse gas reporting, office energy efficiency standards, and workplace sustainability disclosures.
- Industry Trends
 - As part of our business intelligence function, we regularly scan staffing industry reports, climate action insights, and market forecasts to identify trends such as increased demand for green workforce solutions, remote work policies, or carbon-neutral operational models.
- Lender and Client Expectations
 - As financial institutions and enterprise clients increasingly prioritize climate action performance in their procurement and partnership decisions, we monitor evolving expectations, standards, and reporting frameworks.



Beyond managing risks, Crystal Equation actively seeks out opportunities to innovate and create value through environmentally responsible services and operational improvements.



Identifying Market Opportunities

Key Opportunity Areas

- Emerging Green Technologies
 - We assess the potential for integrating green technologies into our operations and client service offerings. This includes using energy-efficient office equipment, cloud-based collaboration tools, and carbon offset programs for business travel.
- Sustainable Services for Clients
 - Opportunities are explored to offer workforce solutions that support clients' environmental goals, such as staffing for renewable energy projects, green IT initiatives, or climate action reporting programs.
- Operational Process Improvements
 - Continuous improvement initiatives aim to reduce waste, improve resource efficiency, and enhance environmental reporting capabilities. Examples include digitizing onboarding processes, reducing paper use, and adopting remote work arrangements.

Opportunity Evaluation Process

Potential opportunities are evaluated based on:

- Alignment with Crystal Equation's strategic goals
- Financial and operational feasibility
- Environmental benefit and stakeholder value
- Competitive advantage

Approved opportunities are documented in the Risk & Opportunity Register and incorporated into operational plans.



All identified risks and opportunities are formally assessed and documented using a standardized review process. This ensures consistency, transparency, and accountability in environmental decision-making.

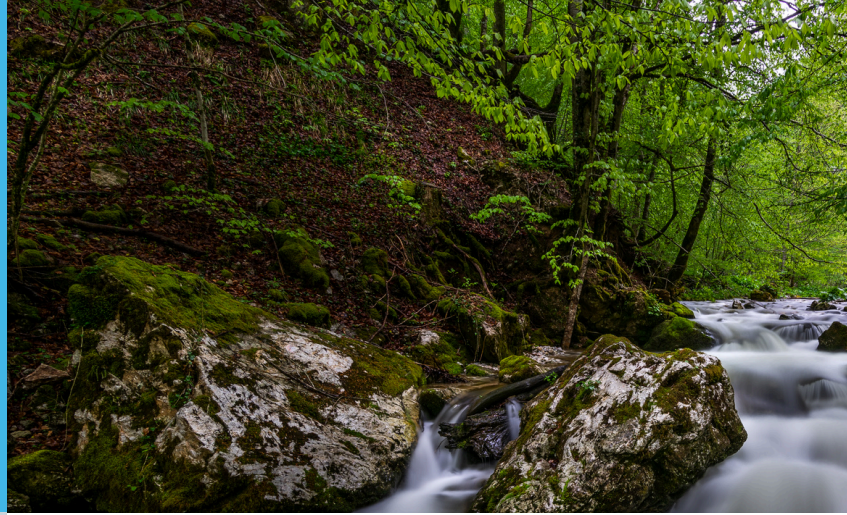


Risk and Opportunity Review Process

Process Steps

- Identification
 - Risks and opportunities are identified through the processes outlined above: internal reviews, external monitoring, stakeholder feedback, and market scanning.
- Assessment
 - Each item is evaluated for:
 - Likelihood of occurrence
 - Potential impact on operations, reputation, compliance, and financial performance
 - Required mitigation or investment actions
 - Alignment with strategic priorities
- Documentation
 - Risks and opportunities are entered into a centralized Risk & Opportunity Register, capturing:
 - Description of the issue
 - Source (internal, external, stakeholder, or market)
 - Assessment results (likelihood and impact)
 - Proposed actions and responsible parties
 - Status (open, in progress, ongoing, or closed)
- Action Planning
 - Priority items are assigned action plans, timelines, and accountability owners. These plans are incorporated into operational and business continuity programs.
- Review and Reporting
 - The Leadership Team meets annually to review updates, track progress, and recommend adjustments.

Crystal Equation's environmental risk and opportunity management process is overseen by the Leadership Team, comprising representatives from operations, human resources, finance, marketing and client services.



Governance and Roles

Key Responsibilities

- Leadership Team
 - Lead annual reviews
 - Update the Risk & Opportunity Register
 - Propose mitigation and improvement actions
- Executive Leadership
 - Approve high-impact initiatives and resource allocations
 - Integrate environmental risks and opportunities into business strategy
 - Monitor overall program effectiveness
- GHG Reduction Operational Team
 - Implement action plans
 - Track and report progress on assigned initiatives
 - Provide feedback on operational challenges and opportunities

Continuous Improvement & Transparency

Crystal Equation is committed to continuously enhancing our approach to risk and opportunity management. This includes:

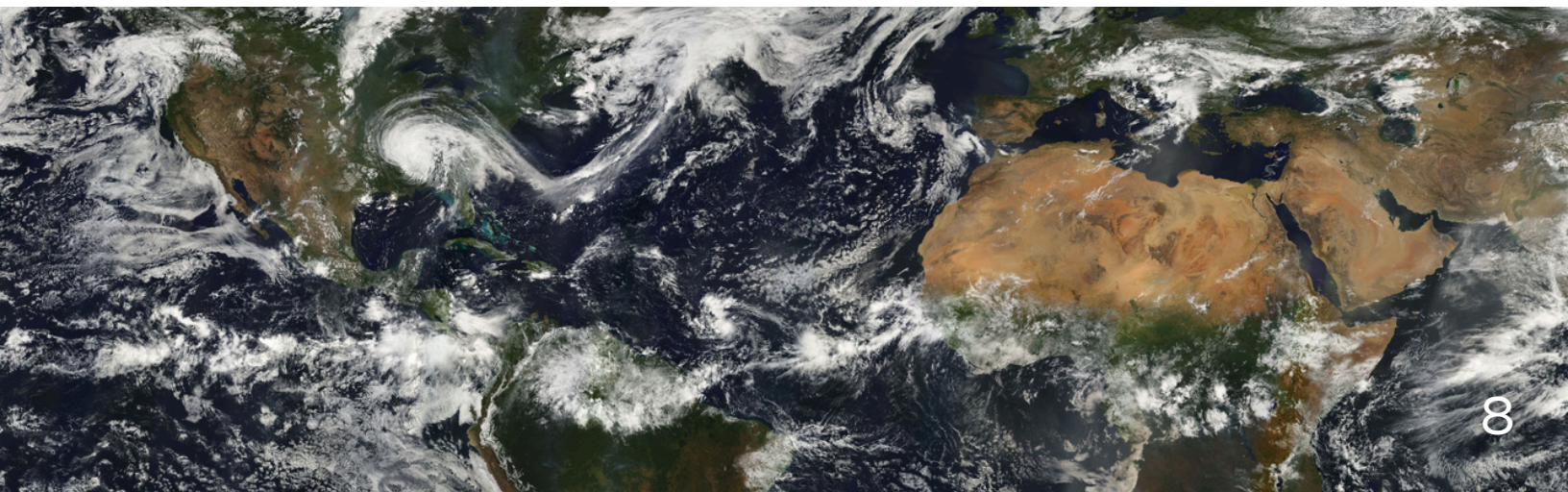
- Annual reviews of the process to identify improvement areas
- Communicating to employees on environmental initiatives
- Sharing outcomes and best practices in internal newsletters and reporting
- Engaging stakeholders in the review process to gather fresh perspectives

IDENTIFIED RISKS AND OPPORTUNITIES

As part of Crystal Equation's annual environmental risk assessment, we reviewed both current and emerging environmental risks that could have a substantive operational, financial, or strategic effect on our organization. While our operational footprint is comparatively low as a professional services firm, we recognize several environmental risks that could materially impact our business directly or through our value chain.

Identified Risks

- **Regulatory Compliance Risks**
 - New or evolving environmental regulations, such as office energy efficiency standards, greenhouse gas reporting requirements, and workplace sustainability disclosures, could impose compliance costs or operational changes on our business. Proposed climate action reporting frameworks and client sustainability requirements could lead to added administrative, reporting, or operational adjustments in the future.
- **Client and Lender ESG Expectations**
 - Increasing expectations from enterprise clients and financial institutions for measurable climate action performance may affect Crystal Equation's ability to compete for contracts or secure financing if we are unable to demonstrate robust environmental management. This risk could impact revenue growth or strategic partnerships if not proactively managed.
- **Employee Attraction and Retention Risk**
 - A growing portion of the workforce values employers that align with environmental and social responsibility. Failure to advance sustainable workplace practices (e.g., reducing commuting emissions, remote work flexibility, or office energy efficiency) could negatively affect talent attraction, retention, and employee engagement.
- **Operational Disruption Risk Due to Climate Events**
 - While we do not own manufacturing or physical distribution infrastructure, severe weather events, natural disasters, or regional disruptions could temporarily impact office operations, employee commuting, and client service delivery in affected locations, particularly in major markets where we operate or source talent.
- **Reputational Risk**
 - As climate action standards become more visible, a perceived lack of environmental responsibility, whether in our operations or in client engagements, could impact our brand reputation, client trust, and competitive positioning.



IDENTIFIED RISKS AND OPPORTUNITIES

Identified Opportunities

- **Adopt Energy-Saving Office Practices**
 - Crystal Equation has the opportunity to reduce operational costs and environmental impact by adopting targeted energy-saving practices within its office spaces. While our business is not energy-intensive, workplace energy use from lighting and office equipment presents a meaningful area for efficiency gains and emissions reduction.
 - Opportunities include the use of LED lighting, smart thermostats and occupancy sensors, optimizing equipment power settings, and promoting employee awareness on responsible energy use.
 - These improvements support Crystal Equation's ESG commitments by lowering greenhouse gas emissions, enhancing operational sustainability, and meeting growing client expectations for responsible business practices.
- **Offer Green Recruitment Initiatives and Environmental Project Staffing**
 - Crystal Equation has a strategic opportunity to expand its service offerings by providing green recruitment initiatives and staffing support for clients' environmental and sustainability projects. As more organizations invest in GHG reduction programs, renewable energy projects, green IT initiatives, and corporate sustainability reporting, demand for specialized talent in these areas is rapidly growing.
 - By developing targeted recruitment campaigns, building a network of candidates with experience in environmental roles, and offering staffing solutions for climate action, sustainability, and clean technology projects, Crystal Equation can position itself as a value-added partner to clients pursuing sustainability goals.
 - This initiative aligns with our broader climate action commitments while opening new revenue streams and strengthening client relationships with businesses prioritizing responsible, future-focused operations. It also supports Crystal Equation's reputation as a forward-thinking, climate-conscious staffing firm.
- **Position Crystal Equation as an Climate-Conscious Staffing Partner**
 - Crystal Equation has the opportunity to strengthen its market position by formally positioning itself as an climate-conscious staffing and workforce solutions partner. As enterprise clients and financial institutions increasingly prioritize climate action criteria in their procurement and partnership decisions, demonstrating clear climate commitments can create a competitive advantage.
 - This opportunity involves integrating climate action principles into client service offerings, such as providing workforce solutions for renewable energy, green IT, and reporting projects.
 - By highlighting these commitments in marketing, client proposals, and climate action disclosures, Crystal Equation can meet evolving client expectations, differentiate itself in a crowded market, and build stronger, values-driven partnerships with organizations focused on responsible business practices.



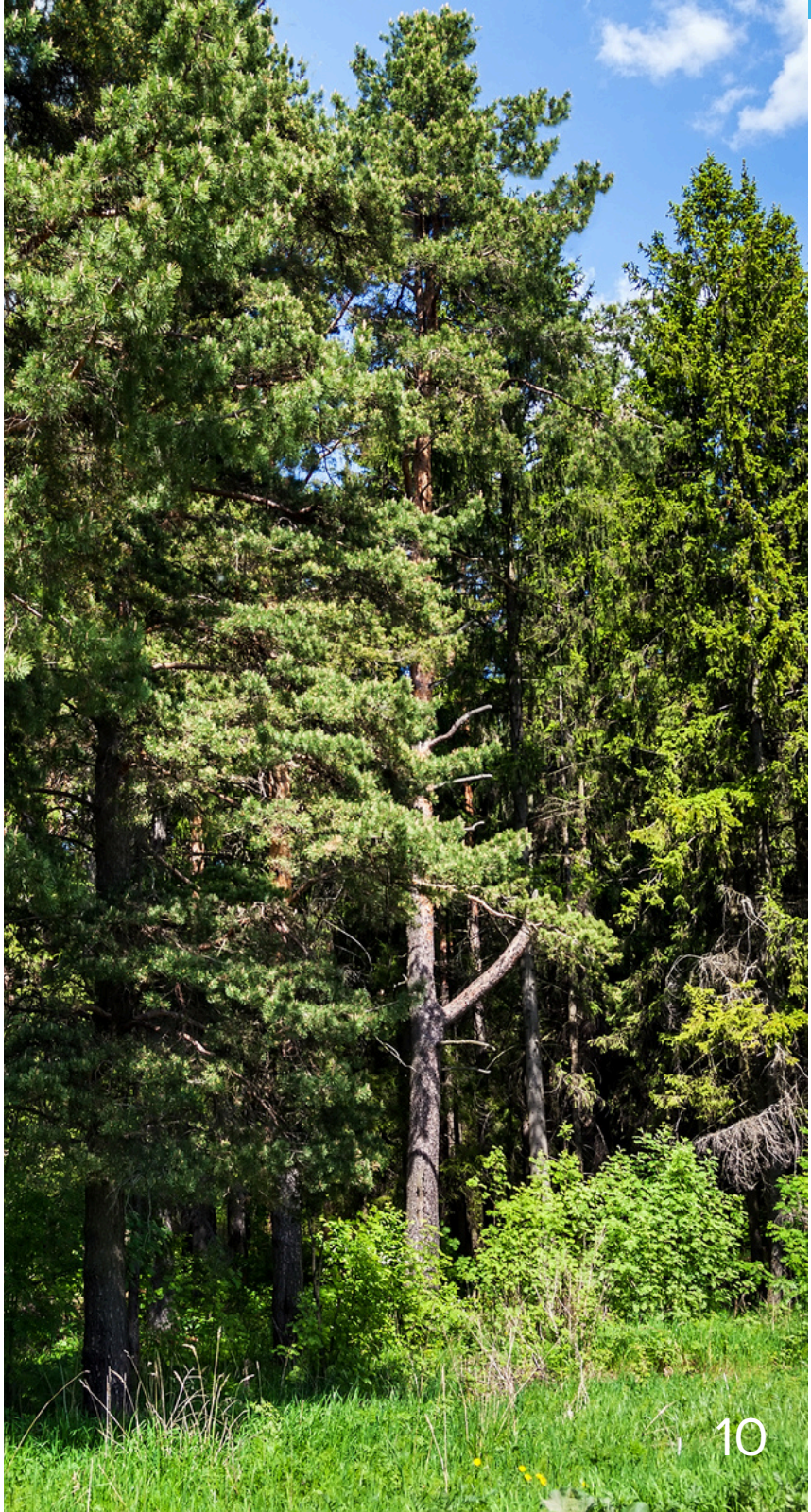
CONSOLIDATION APPROACH

Operational Control

Crystal Equation utilizes the operational control approach to consolidate its Greenhouse Gas (GHG) inventory because this method provides clear boundaries over the emissions sources the company can directly influence and manage. By focusing on operations where Crystal Equation has the authority to implement policies and control operational practices, the company ensures its GHG inventory accurately reflects the emissions it can actively reduce or manage.

This approach allows Crystal Equation to capture emissions from offices, employee commuting, and business travel under its operational control, while excluding emissions from third-party suppliers or investments over which it has no direct control. This results in a more precise, actionable inventory that aligns with the company's sustainability goals and accountability measures.

Using operational control also simplifies reporting, making it consistent with regulatory standards and recognized GHG accounting protocols. Ultimately, it supports Crystal Equation's commitment to transparency and effectiveness in managing its environmental impact.



NEAR-TERM REDUCTION TARGETS

Proposed Initiatives for GHG Reduction

Crystal Equation is committed to aligning its operations and services with the goals of the Paris Agreement – supporting efforts to limit global warming to well below 2°C, and pursuing efforts toward 1.5°C.

- Utilize energy-saving measures in office environments (LED lighting, smart devices).
- Optimize remote and hybrid work to reduce commuting emissions.
- Promote virtual client meetings to lower business travel-related emissions.

Crystal Equation partnered with a third-party vendor specializing in environmental sustainability and GHG emissions accounting to conduct a comprehensive emissions assessment, which determined that Crystal Equation has no Scope 1 emissions; therefore, its emissions-reduction efforts will focus primarily on Scope 2 and Scope 3 emissions.

NEAR-TERM GHG REDUCTION TARGETS (2025-2030)

Scope	Initiative	Actions	Expected Progress	Actual Progress	Timeline
Scope 2	Increase renewable office energy use	Partner with a renewable energy provider and purchase REC's to achieve Net Zero	100% emissions reduction	NA	By 2030
Scope 3	Reduce commuting emissions by increasing remote work participation	Work with client through discussions and advocacy to increase remote work participation and purchase Carbon Credits to achieve Net Zero	100% emissions reduction from 2024 baseline	NA	By 2030
Scope 3	Reduce business travel emissions	Work with client through discussions and advocacy to reduce business travel requirements and purchase Carbon Credits to achieve Net Zero	100% emissions reduction from 2024 baseline	NA	By 2030

LONG-TERM REDUCTION TARGETS

LONG TERM GHG REDUCTION PRIORITIES (2050)

Crystal Equation is committed to aligning its long-term greenhouse gas (GHG) reduction strategy with the goals of the Paris Agreement, supporting efforts to limit global warming to well below 2°C and pursuing efforts toward 1.5°C. The company's primary objective is to achieve Net Zero emissions by 2030 and establish a long-term framework that maintains this status through 2050. To accomplish this, Crystal Equation will continue to evaluate and implement practical emissions-reduction opportunities across its operations, with a focus on energy efficiency, reduced business travel, and lower-emission work practices.

Through 2050, Crystal Equation will prioritize continued reductions in emissions at their source wherever feasible. This includes expanding energy-saving measures within office environments, such as LED lighting, smart energy-management devices, and other efficiency improvements. The company will also continue to optimize remote and hybrid work arrangements to reduce employee commuting emissions while promoting virtual client meetings and collaboration to minimize emissions associated with business travel. These initiatives will be periodically evaluated to identify additional opportunities to improve operational efficiency and reduce Crystal Equation's overall GHG footprint.



REC and High-Quality Carbon Credits

To address residual emissions that cannot be eliminated through operational improvements, Crystal Equation intends to continue utilizing Renewable Energy Certificates (RECs) and high-quality carbon credits as part of its long-term Net Zero strategy. The company will assess opportunities to increase the use of renewable electricity and support credible emissions-reduction and removal projects as appropriate. By combining ongoing emissions reductions, renewable energy procurement, carbon credit purchasing, and additional sustainability initiatives, Crystal Equation intends to achieve Net Zero by 2030 and maintain its Net Zero position through 2050 while continuing to align its business practices with the long-term objectives of the Paris Agreement.

SCOPE 2 MILESTONES: RENEWABLE OFFICE ENERGY USE

Scope 2 Target: Increase Renewable Office Energy Use

Year	Actions	Metrics
2024	Report to be developed on current carbon emissions	Report to be developed on current carbon emissions
2025	Build a report of sustainable vs. non-sustainable energy options used in the office	Report to be created, showing sustainable vs. non-sustainable energy options used in the office
2026*	Implement recommendations from the report to maximize sustainable energy options used in the office	Goal of 50% sustainable energy to be used
2027	Monitor progress of sustainable energy usage within the office	10% increase in sustainable energy usage (maximum 100%)
2028	Monitor progress of sustainable energy usage within the office and purchase RECs	10% increase in sustainable energy usage (maximum 100%)
2029	Monitor progress of sustainable energy usage within the office and purchase RECs	10% increase in sustainable energy usage (maximum 100%)
2030**	Monitor progress of sustainable energy usage within the office and purchase RECs	100% sustainable energy usage within the office

SCOPE 3 MILESTONES: REDUCE COMMUTING EMISSIONS

Scope 3 Target: Reduce commuting emissions by increasing remote work participation

Year	Actions	Metrics
2024	Establish baseline of current carbon emissions	Report to be developed on current carbon emissions
2025	Improve internal data collection on employee transportation	Annual reporting on employee transportation to be implemented
2026*	Advocate for the ability for Crystal Equation contractors to work in a fully remote environment. This would result in 100% reduction in transportation-related emissions	Target 10% reduction in GHG emissions due to travel
2027	Continue to advocate for fully remote work for CE contractors	Target additional 10% reduction in GHG emissions due to travel
2028	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target additional 10% reduction in GHG emissions due to travel
2029	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target additional 10% reduction in GHG emissions due to travel
2030**	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target 100% from baseline reduction in GHG emissions due to travel

SCOPE 3 MILESTONES: REDUCE BUSINESS TRAVEL EMISSIONS

Scope 3 Target: Reduce business travel emissions

Year	Actions	Metrics
2024	Establish baseline of current carbon emissions	Report to be developed on current carbon emissions
2025	Provide information to employees on available options for travel and optimize booking channels for that help to reduce its carbon footprint.	Report baseline business travel emissions
2026*	Advocate for the ability for Crystal Equation contractors to decrease in person meetings. This would help achieve in continued reduction in transportation-related emissions	Target 5% reduction in GHG due to travel
2027	Continue to advocate for fully remote work for CE contractors	Target additional 5% reduction in GHG emissions due to travel
2028	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target additional 5% reduction in GHG emissions due to travel
2029	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target additional 5% reduction in GHG emissions due to travel
2030**	Continue to advocate for fully remote work for CE contractors and purchase Carbon Credits.	Target 25% reduction in GHG emissions due to travel



**HAVE QUESTIONS,
COMMENTS OR
CONCERNS?**

CONTACT US!

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