



2023 Corporate Social Responsibility Report

PowerFilm, Inc.
1287 XE Place
Ames, IA 50014



Forward Looking Statements

This release includes forward-looking statements which are based on certain assumptions and reflect management's current expectations as contemplated under the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Some of these factors include: uncertainty as to whether our strategies, partnerships and business plans will yield the expected benefits; general global economic conditions; general industry and market conditions and growth rates; increasing competition; the ability to identify, develop and achieve commercial success for new products, services and technologies; changes in technology; changes in laws and regulations, including government incentive programs; intellectual property rights; our ability to secure and maintain strategic relationships, including key supply relationships; the availability and cost of capital; the availability of, and our ability to retain, key personnel; and the failure of the Company to effectively integrate acquisitions. Additional factors are discussed in our public disclosure materials from time to time. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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PowerFilm[®]

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Who are we

PowerFilm is a company offering custom design, engineering and manufacturing of remote, portable solar solutions to meet client needs. We make our home in Ames, Iowa, and our solutions are manufactured in the United States.

We pride ourselves in building complete solutions tailored to each customer's specific needs. This includes a rapid prototyping process and volume production.

Founded in 1988, we bring deep expertise to both government and commercial customers across a wide range of solar technologies, encapsulants, substrates, and electronics.

As a small business with fewer than 50 employees, this CSR report will be simpler than one produced by many larger corporations. We believe, however, that it contains the information necessary for readers to get to know us.

Mission, Purpose, and Strategy

We design and produce custom remote/portable solar power solutions by applying the right technology and components to exceed customer expectations.

As a renewable energy company, many of our products are significant contributors to reductions in pollution and waste for our customers. For example, in the transportation market, our 27W solar solution is fitted to refrigerated semi-trailers to provide starter battery reliability, multiple years of extended battery life, and 0.09 gallon per hour of operation reduction in diesel fuel usage on some transportation refrigeration units (TRU).

Our values

- **Innovative** – Ability and desire to identify and solve problems creatively and resourcefully, bringing new solutions to PowerFilm's customers, products, and operations
- **Driven** – Relentless energy, passion, and dedication to meet and exceed PowerFilm's goals, while continually seeking new opportunities for improvement and growth
- **Trustworthy** – Doing the right thing in every situation for PowerFilm's teammates and customers, while reliably keeping commitments and meeting deadlines
- **Collaborative** – Working effectively across PowerFilm's teams and projects at all levels and stages, dedicated to define and deliver the best possible solution for all stakeholders

Energy and Climate

Scope 1 GHG Emissions

PowerFilm is still in its early stages of quantifying emissions from our equipment. In 2023 we have identified our emissions sources. Our emissions come from three sources.

The first source is our natural gas furnaces used to heat our building in the winter.

The second source is our fleet of vehicles and forklifts. Within this fleet, 40% are battery electric. In 2023, we purchased approximately 100 gallons of fuel. In addition, we purchased 100 pounds of propane for forklifts.

The third source is our natural gas backup generator. In 2023 this generator used about 260 therms of natural gas during short term power outages and monthly testing.

Scope 2 GHG Emissions

Our primary source of energy for our manufacturing operations is electricity from Alliant Energy. Alliant disclosed in their ESG report for 2023 that in 2022, 40% of the electrical energy sold was generated from renewable sources including solar and wind power. This amount has continued to grow each year and their stated goal is to reach zero emission for their entire operation by 2050.

PowerFilm has processes in place to control and reduce our peak electrical demand. In 2023 our peak demand was 368kW in comparison to 389kW in 2022. Our processes control when high draw electrical equipment can be operated, so that the peak demand for our building remains as low as possible. In 2023, PowerFilm consumed 1,075,200 kWh of electrical energy. Based on the ESG published by Alliant, this would equate to the greenhouse emissions shown in the table below.

Emission	Quantity (tons)
NOx	0.28
CO2	852
PM	0.043
PM10	0.037
SO2	0.29
Hg	1.7e-6
Lead	8.1e-6
VOCs	0.0054

Social

Human Capital

Human Rights

At PowerFilm we believe that human rights are rights for all regardless of race, ethnicity, religion, physical or mental disability, gender, sexual orientation, gender identity, or age. Human rights include the right to life, liberty, freedom from slavery, freedom from harassment, freedom from discrimination, freedom of opinion, and the right to work to name a few. Our managers and supervisors work to maintain a positive accessible relationship with all employees and encourage employees to talk with any manager or supervisor if they are involved in or observe any form of harassment or anything that makes working conditions unhealthy or unsafe in any way.

We are committed to provide a safe, diverse workplace for all employees. We follow all federal, state, and local laws concerning equal employment opportunities for all, harassment, discrimination, forced labor, human trafficking, child labor, work hours, wages, and benefits.

To ensure all employees and candidates are of the appropriate age and can legally work within the US, we require our employees to pass a background check including the federal I-9 check.

In our handbook we have a strict non-harrassment policy and provide non-harassement training to all employees. We are serious about preventing discrimination, including physical, psychological, and verbal abuse in the work environment.

Employee Benefits

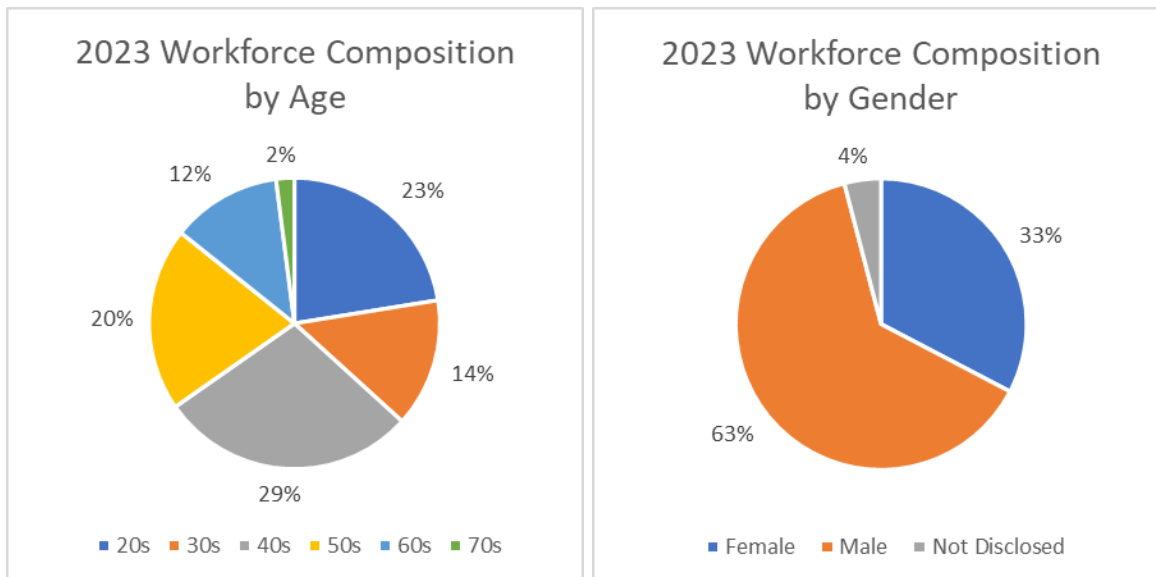
At PowerFilm we work to provide our employees with a wide array of benefits to meet the needs of the employees and their families. Our benefits program includes:

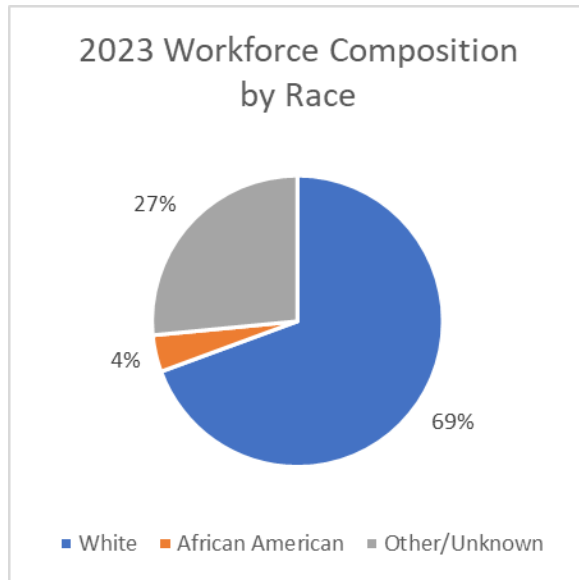
- Flexible work schedules to all employees including manufacturing workers.
- Leave for voting, military leave, jury duty, pregnancy/childbirth, and bereavement.
- Celebrating accomplishments together and having occasional social gatherings. This included 11 company-sponsored events in 2023.
- Eligibility for medical, dental, and vision insurance for all employees scheduled to work more than 30 hours per week. At PowerFilm we feel that employee health is critical to our success as a business, so we offer four different medical plans that cover three different health networks and a range of deductibles from \$2,000 up to 5,000 for our high deductible health plan that is eligible for a Health Savings Account. In addition to the medical insurance options, PowerFilm also offers two different vision and dental plans. This enables our employees the ability to pick the health insurance plan that best fits their situation. PowerFilm also pays 65 to 70% of the total cost of health insurance depending on the plan chosen including health coverage for the entire family.
- Access to an EAP program with counseling in a few different areas including family, health/addiction, personal finance, and work.

- \$15,000 of term life insurance to each full time employee to provide support to their families if a tragedy were to occur. Beyond that the employees also have the ability to add optional term life insurance, short and long term disability, accident, and critical illness insurance.
- A generous paid time off program that allows employees to start accruing paid time off immediately.
- A minimum of nine paid holidays per year.
- A 401k to employees with a company match program.

Goals and Performance

At PowerFilm our goal is to create a diverse workforce that represents our community. Below are a few charts that demonstrate how our workforce mirrors the population of our community.





Workforce Readiness

At PowerFilm we recognize that training is a key path to success for both our employees and the Company. We provide a number of different training opportunities. In 2023, in addition to the on-the-job training of manufacturing skills, eight employees were trained in Reasonable Suspicion Drug Identification, seven employees were trained in CPR, one employee was trained in Google Analytics, and one employee was trained in cybersecurity.

All employees have also been trained in Bullying and Respect in the Workplace, Lockout/Tagout, Workplace Bloodborne Pathogens, Chemical Safety, Personal Protective Equipment, and Harassment: Sex, Religion, and Beyond.

In addition to on-the-job training in manufacturing, all employees also receive training on our Quality Policy and Programs. We have an ongoing Lean manufacturing culture and pull a diverse group of employees into various events. During each event there is a short training on Lean manufacturing and the specific type of event that is being done.

In addition to internal employee training we also offer an internship program where we provide relevant positive work experiences for engineering and industrial technology bachelor's degree students. We find this program to be very positive for both the students and PowerFilm.

Suppliers

At PowerFilm human rights are important to us and choosing suppliers that have the same values is done whenever possible. In 2023, 67% of suppliers that PowerFilm spent more than \$50k with were signers of the UN Global Compact.

Employee Safety

Programs and Management

PowerFilm believes that it is critical to maintain a safe working environment, so that employees feel safe coming to work each day, working their best, and enjoying what they do. We track our safety record according to Occupational Safety and Health Administration (OSHA) requirements. We encourage our employees to keep their areas clean and neat and report anything potentially unsafe.

We have a Safety Committee that meets monthly. This committee is composed of members of many different departments at PowerFilm. The committee addresses any safety issues, reviews accidents and near misses, and identifies training to be provided.

In 2023 PowerFilm had no recordable accidents.

Supply Chain

Anti-Bribery and Anti-Corruption

PowerFilm does not tolerate any corrupt activities. We comply with all anti-corruption laws. We do not tolerate any form of paid bribes or kickbacks to influence decision makers or outcomes.

Economic Development

Community Partnerships

In our community, we have partnered with a few underserved communities for job placement. When we look for employees, in addition to posting on job boards, we specifically reach out to the Bridge Home (an organization that helps transition people from homeless to housed), Martha's House of Hope (an organization that helps expectant, single mothers find the care that they need for themselves and their children), Ames Interfaith Refugee Alliance (an organization that helps refugees adjust to life in the US) and Iowa Workforce Development (an organization that helps match disabled workers with local employers).

Governance

Regulatory Alignment

PowerFilm does not employ anyone to perform lobbying activities on our behalf. We do work to maintain compliance with a number of different initiatives including careful selection of vendors when purchasing potential conflict minerals, complying with the REACH program, maintaining products that are RoHS compliant, and maintaining products that are Berry Act compliant.