

## Environmental Policy Statement

Precision Hydraulic Cylinders, Inc (PHC) is dedicated to conduct all business activities in a responsible manner, free from recognized hazards to health, safety, and the environment. We will therefore manage our processes, our materials and our people in a thoughtful manner to eliminate exposure to potential risk. We believe that a sound environmental policy contributes to our competitive strength; benefits our customers; and employees by contributing to the overall well-being and economic health of the communities in which we live and work.

### PHC will:

- Provide a safe and healthful workplace and ensure that personnel are properly trained and have appropriate safety and emergency equipment.
- Be an environmentally responsible neighbor in the communities in which we work and live and act promptly and responsibly to correct incidents or conditions that may endanger health, safety, or the environment. Report them to authorities promptly and inform affected parties as appropriate.
- Conserve natural resources by reusing and recycling materials and using recyclable packaging and other materials.
- Plan, develop, and utilize manufacturing processes that do not adversely affect the environment, including developing and improving operations to minimize waste, prevent air, water, and other pollution, minimize health and safety risks and, dispose of waste safely and responsibly.
- Ensure the responsible use of energy throughout our organization, including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy sources when feasible.
- Conduct all our operations in compliance with applicable environmental laws and regulations, and corporate policies and procedures.
- Seek to continually improve our environmental performance by setting realistic goals for improvement, the proper training of employees and diligent attention to the details of hazardous waste management and recycling.
- Monitor our environmental performance on a regular basis.
- Communicate this policy throughout the company and make it available to the public.

Every employee and every contractor on PHC premises is expected to follow this policy and to report any environmental, health, or safety concern to management. Managers are expected to take prompt action.



Chris Barclay – President and CEO

3/15/05

Date