

2014 SUSTAINABILITY STATEMENT

Contech Medical is an OEM medical device contract manufacturer, servicing medical device companies around the globe. We share our customers' commitments to sustainability and feel a deep responsibility to make a positive impact in that regard. Contech operates in an extremely competitive business environment and hence we are constantly striving to control and reduce costs while always working toward making our overall business operations more efficient. That effort is carefully balanced with our overall goal to reduce our carbon footprint and make a positive impact on the world, our local community and all of the people that we come in contact with while carrying out our daily business. The following are highlights of our ongoing efforts.

COST CONTROL AND EFFICIENCIES:

As noted, Contech operates in a very competitive business environment. Cost control and reduction along with efforts to increase our overall business efficiency is something we take very seriously. The following is an overview:

- We are constantly reviewing production processes to achieve greater output with the same resources or less
- Promote employee training programs toward working more efficiently
- Promote lean initiatives and 5S training to keep our work areas neat, clean and organized
- Work with current vendors and new vendors to control raw material costs wherever possible
- Promote inventory control procedures to keep inventory levels in control, while making sure we meet the needs of our customers
- Work with our customers to improve product design with the goal of reducing overall cost

ENERGY:

Over the past several years, Contech has made significant improvements to its Rhode Island facility. The improvements resulted in significant reductions in energy use.

- Replaced the roof on our facility
- Installed energy efficient HVAC systems
- Installed energy efficient dehumidifiers
- Installed programmable thermostats
- Upgraded to energy efficient lighting indoor & outdoor at end of 2013
- Installed automatic on/off switches on machinery and lighting
- Currently replacing all hot water heater tanks with energy efficient units

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ENVIRONMENTAL:

Contech is committed to eliminating any negative impacts on the environment. Instead, we strive to find ways to make a positive impact. Some of our efforts are as follows:

- We are constantly working toward eliminating the use of paper by moving more and more of our administrative and regulatory records to an electronic record keeping system
- In 2014 we installed software to store and retrieve paper files electronically
- Recycle, ink cartridges, paper, cardboard, plastic, bottles, cans, fluorescent light bulbs, batteries etc.
- Installed low flow toilets throughout the facility
- Installed paper towel dispensers that dispense only one sheet to reduce waste
- Use only environmentally friendly janitorial products which are dispensed out of automatic dispensers to ensure a perfect mix every time and reduce waste
- Contech is located along the Woonasquatucket River and we support community cleanup initiatives

COMMUNITY SUPPORT:

Contech believes it is important to not only be a part of the local community but to also make a positive contribution towards improving local living conditions, keeping the neighborhood safe, improving the overall business environment and offering employment opportunities to local residents.

- Contech is a partner with Olneyville Housing Corporation, which is a local non-profit whose mission is to promote the comprehensive revitalization of the Olneyville neighborhood in Providence, Rhode Island. They strive toward building a safe, healthy and stable community. We support their efforts and we have a regular dialogue about ways to achieve the goals they are working toward.
- We are proud to announce that Contech received The Olneyville Housing “Community Catalyst Award” on 5/01/14.
- Contech is also a Certified Federal HUB Zone Company. As part of that certification, we support the hiring of minorities from the local neighborhood.
- As discussed in the environmental section, Contech supports local initiatives to ensure that the Woonasquatucket River is constantly improving, as it is a vital part of the local community

CHARITY:

Contech is committed to supporting the work of local and national based charities. We encourage our employees to do the same. Although it varies from year to year, the following are some of the charities we contribute to:

- American Cancer Society
- Veteran Organizations
- American Diabetes Association
- The Lions Club
- The Rotary Club
- American Heart Association
- Leukemia Society

- Local youth sports
- Local high schools, colleges and universities

SAFETY:

Contech is committed to safety in the workplace and we promote training programs and encourage our employees to always be conscious of safety. We have a stellar safety record and constantly make improvements to maintain our level of safety. Although they are too numerous to list, highlights of our safety programs are as follows:

- Lock out/tag out training
- Forklift operators are trained and licensed. We recently adopted an internal forklift training course.
- All injuries, no matter how slight are required to be reported to supervisors and proper protocol follows
- Safety guards or devices are used on all machinery and are not allowed to be removed or altered in any manner
- 5S initiatives are in place which promote clean and therefore safer work areas
- Fire exits and doors are kept free and clear at all times
- Fire alarms and sprinkler systems are inspected and tested regularly, fire exit lighting is kept in good working condition, and fire extinguishers are fully charged and maintained monthly
- Protective clothing and gloves are worn when handling any types of chemicals

BUSINESS CONTINUITY PLAN:

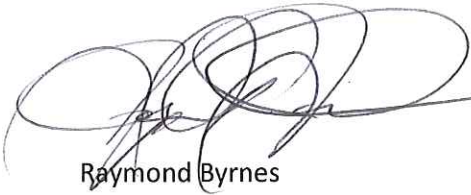
In 2009, Contech Medical Inc. engaged in the development and implementation of a full scale, all-hazards Emergency Preparedness/Business Continuity Planning Program in consultation with a New York based disaster preparedness consulting firm. The primary objective of this process was to assess current capabilities and institute new measures to maintain continuity of operations for all aspects of Contech's operations and to provide for the safety and security of all employees and visitors. The assessment resulted in the publishing of the Contech Business Continuity Plan in June 2010. As disaster preparedness is an ongoing evolution, Contech recognizes the importance of maintaining a current plan.

CONTECH CODE OF CONDUCT:

Contech Medical Inc. is committed to providing its' employees with a working environment that promotes their overall performance and professional development. We are an equal opportunity employer and we ensure that all of our employees are treated fairly and respectfully by company officials and fellow employees. Mistreatment or harassment of employees is not tolerated.

CONCLUSION:

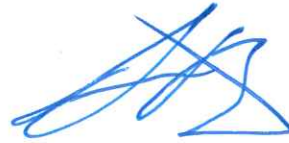
Contech's sustainability effort is an ongoing process. While we feel our sustainability efforts have made great strides we know we have room to improve and will continue to make every effort in the coming years. We look forward to showing further progress in next year's report.



Raymond Byrnes
CEO



Christopher Byrnes
President



Frank Barrett
Executive Vice President