



Environmental Policy

XCEL POWER SYSTEMS believes that environmental protection should form an integral part of standard operating procedures. The Company is concerned not only with its direct impact on the environment, but also any indirect effects caused by the Company's activities affecting the local community. To support this, the company is committed to implementing an Environmental Management System compliant with the International Standards ISO 14001. Our system will be incorporated into all company operations.

Our Environmental Policy Statement articulates the Company's commitment to sound environmental management and its framework enables us manage our environmental performance and minimize risks. This emphasizes that everyone at XCEL – from individual employees to teams and managers – is accountable and responsible for the environmental impacts of our operations.

This policy shall be upheld through the following:

- Implementation and maintenance of an Environmental Management System in line with the International Standard ISO 14001.
- Maintaining effective environmental control procedures for all significant environmental aspects of the Company's undertakings.
- Promotion of business development through strategies which take account of environmental impact.
- To ensure that our product life cycle is environmentally sound.
- Commitment to comply with all legal and regulatory requirements relevant to the Company's activities.
- Commitment to prevent pollution and to avoid the use of hazardous materials on site and in products wherever practicable.
- Commitment to minimising the consumption of energy and natural resources in all our establishments.
- Setting of objectives and targets on a regular basis in line with our commitment to continual improvement of the Environmental Management System.
- We monitor our performance using environmental reporting indicators. Improvement targets are regularly set.
- Involvement and motivation of all staff keeping all personnel well informed and appropriately trained.
- Measure and report our environmental performance annually.
- Assessment of the environmental performance of key suppliers. Co-operation with suppliers and customers to achieve higher environmental standards.

This proactive stance shall be implemented throughout the Company. All employees are expected to observe sound environmental practices and to support the Company in its environmental objectives and targets.

This policy is reviewed and revised as necessary to ensure its continuing effectiveness and suitability in line with changes to the Environmental Management System, legislation and the achievement of objectives.

Signed BY:

Richard Weller (Managing Director)

Date 03-01-2008

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A handwritten signature in blue ink, appearing to read "R. Weller", is written over the printed name of Richard Weller.