

At Magnetic Holdings (Dexter Magnetic Technologies, Inc., Electron Energy, LLC d/b/a Electron Energy Corporation / EEC, and Magnetic Component Engineering / MCE Products) we are committed to driving sustainable practices across our operations to minimize our environmental impact and create a positive influence on the communities we serve. Our sustainability efforts focus on key areas that align with our values and the expectations of our stakeholders, investors, employees, suppliers, and customers, ensuring responsible growth and long-term success.

### Energy Conservation

We strive to reduce our energy consumption through the implementation of energy-efficient technologies, facility upgrades, and operational optimizations. Our goal is to continually improve energy efficiency across our manufacturing processes and office environments globally, contributing to a lower carbon footprint.

- **CO<sub>2</sub> Emissions:** Dexter actively implements measures to limit CO<sub>2</sub> emissions, including process optimizations and efficiency improvements in our facilities.

### Waste Reduction

Dexter is committed to minimizing waste generation by enhancing our production processes, promoting material efficiency, and investing in recycling initiatives. Through responsible waste management and circular economy principles, we aim to reduce landfill contributions and improve resource utilization.

- **Scrap Reduction Initiatives:** Our scrap recycling program ensures proper sorting and disposal of magnetized materials.
- **Recycling Rate:** Dexter Magnetic Technologies recycles metallic waste streams quarterly and has implemented structured procedures to ensure compliance and efficiency.

### Water Conservation

Water is a precious resource, and Magnetic Holdings, across its different businesses, actively seeks to reduce consumption through improved processes, water recycling initiatives, and employee awareness programs. We continuously assess our operations to identify opportunities for reducing water usage while maintaining product quality and operational efficiency.

### Compliance

We uphold the highest standards of environmental and regulatory compliance by adhering to all applicable laws, regulations, and industry best practices. Our sustainability programs are designed to ensure transparency, accountability, and alignment with global standards and industry expectations.

- **Regulatory Compliance:** Dexter Magnetic Technologies adheres to all relevant environmental regulations, including REACH, RoHS, and Proposition 65.
- **Chemical Compliance:** Dexter has maintained full compliance with the Toxic Substances Control Act (TSCA), ensuring responsible management of chemical substances.
- **Air Quality Monitoring:** Our recent air monitoring event demonstrated that exposure levels to airborne contaminants remain below OSHA limits, confirming the effectiveness of our ventilation systems.

# MAGNETIC HOLDINGS, LLC

## Continuous Improvement

Sustainability is an evolving journey, and we are dedicated to continuous improvement in our environmental and social performance. By leveraging innovation, employee training, and strategic partnerships, we continuously identify new opportunities to improve our sustainability initiatives.

- **Employee Training Hours:** Our personnel are trained on hazardous material handling, personal protective equipment (PPE) use, and regulatory compliance.
- **EcoVadis Score:** Earned a Committed rating of 51 (Assessed Q4 2024)
- **Safety Records:** Dexter maintains compliance with hazardous waste disposal protocols and safety regulations.
- **Employee Safety:** Dexter is committed to employee safety with a Total Case Incident Rate (TCIR) KPI of less than 1.0 and through sustained efforts we have attained less than 0.5.
- **Diversity in Leadership:** Dexter understands the value of leveraging diversity in its leadership team, including the importance of representation by women and people of color.

## Conflict Minerals

Dexter is committed to ethical sourcing practices and works diligently to ensure that all materials used in our products are sourced responsibly. We comply with conflict mineral regulations and engage with suppliers to promote responsible supply chain practices that support human rights and environmental stewardship, leveraging the international Conflict Minerals Reporting Template standard both in our reporting and our supply chain flowdowns.

## Social Responsibility

Our commitment to sustainability extends beyond environmental stewardship to include social responsibility. We invest in the well-being of our employees, support community initiatives, and uphold ethical business practices that foster trust and transparency across all our operations.

- **Social Responsibility Initiatives:** Eight volunteer hours per employee per year with annual company-led volunteering opportunities.
- **Regional Charity Support:** Over \$40,000 in annual donations to employee-selected charities.

At Magnetic Holdings, sustainability is at the core of our mission, and we will continue to explore new ways to reduce our environmental impact, support our people, and operate responsibly for a better tomorrow.