

2025

SUSTAINABILITY ANNUAL REPORT



TABLE OF CONTENTS

3

EXECUTIVE SUMMARY

- 2025 Key Highlights **by EHS Department**
- Key Priorities for 2026 & Beyond **by EHS Department**
- Our Approach to ESG **by Doug Gudenburr**
- DMI Sustainability Mission Statement

6

ENVIRONMENTAL

- 2025 Highlights **by EHS Department**
- TRUE Zero Waste Update **by EHS Department**
- Sustainable Sourcing **by Ashley Clawson**
- Lean Operations **by Andrew Nosbisch**

9

SOCIAL

- People First Culture **by Katie Hager**
- Responsible Operations **by Melissa Lourimore**
- Safety **by EHS Department**
- Wellness **by EHS Department**
- Operational Strengths **by Doug Poundstone**

11

GOVERNANCE

- Financial Responsibility **by Dan Bruno**
- Governance Framework **by Don Adams**
- Operational Alignment **by Doug Poundstone**

12

2026 & BEYOND

- Future Initiatives & Goals **by EHS Department**

EXECUTIVE SUMMARY

DMI Companies continues to embed Environmental, Social, and Governance (ESG) practices into day-to-day operations with a focus on measurable outcomes. In 2025, the organization advanced energy efficiency, waste diversion, and operational governance while strengthening employee well-being, safety, and community impact.

The initiatives summarized below highlight progress across facilities and functions, along with the forward-looking priorities planned for 2026 and beyond.

2025 KEY HIGHLIGHTS by EHS Department



ENERGY REDUCTION THROUGH LIGHTING UPGRADES:

Shop-floor LED conversions contributed to using **244,378 kWh less than in 2024** and **402,376 kWh less than in 2023**.



CHARLEROI ENERGY PERFORMANCE:

Airoverse delivered a **9,766 kWh (28%) consumption reduction** in its first full year; Charleroi earned its **fourth ENERGY STAR certification** with a **93-point score**.



MONONGAHELA GRANT & EFFICIENCY PLAN:

PennTAP identified air-leak fixes **estimated to reduce annual electricity by 378,481 kWh**; six proposed **wind turbines add an estimated 63,072 kWh reduction**—together **equivalent to approximately 162 tons of CO₂e avoided** (as stated in the report).



PORTSMOUTH WATER REDUCTION TRAJECTORY:

New metering indicates an annual pace of **291,720 gallons versus 2025 usage of 606,628 gallons** (a **52% reduction** based on current pace).



WASTE DIVERSION (TRUE CERTIFICATION):

2025 **diversion reached 96.7%** (Monongahela) **and 95.8%** (Wagoner), supporting continued progress toward higher certification levels.



COMPANY SAFETY MILESTONE:

On May 23, 2025, DMI **reached one full year without an OSHA lost-time incident across all locations**; momentum continues into 2026 at Portsmouth.

KEY PRIORITIES FOR 2026 & BEYOND by EHS Department



ADVANCE TRUE CERTIFICATIONS:

Execute the plan to reach the next TRUE certification levels in PA, OK, and VA (including a potential first-time certification for Portsmouth and a path toward Platinum in Monongahela).



WIND TURBINE IMPLEMENTATION:

Complete the final inspection (planned May 2026) to confirm **installation of six wind turbines** at Monongahela, **targeting 63,072 kWh electricity savings**.



AIR-LEAK REMEDIATION PROGRAM:

Address approximately **15%** of identified compressed-air leaks per quarter until corrected (per the stated plan).



INCREASE PLASTIC BANDING RECYCLING:

Deploy banding-shredding equipment to enable recycling of material that previously jammed hauler machinery; start with Monongahela and evaluate a second unit for Wagoner.



EXPAND EFFICIENT PROCUREMENT STANDARDS:

Apply new procurement SOPs, purchase ENERGY STAR products when applicable, and replace motor part numbers with **≥90% efficiency** motors (average ROI stated as approximately three years).



REDUCE COMPRESSED-AIR DEMAND:

Pilot an air management system on the Doors frame line; studies cited suggest **up to 25% power consumption reduction**.



COMMUNITY CARBON-SINK PROJECTS:

Continue site-level tree-planting/forestry volunteer projects to reduce the impact of community greenhouse gas (GHG) emissions.

The remainder of this report offers additional context, narrative examples, and functional perspectives that support these results and priorities.

DMI Companies applies an Environmental, Social, and Governance (ESG) approach to sustainability with an emphasis on measurable performance. This report summarizes the company's 2025 results—spanning energy, waste, and resource management; employee safety, wellness, and community engagement; and governance systems that reinforce accountability, ethics, and execution—along with priorities for 2026 and beyond.

OUR APPROACH TO ESG by Doug Gudenburr, President

Our approach to ESG starts with how we work together every day. Clear governance helps ensure our ESG commitments are more than goals on paper—they are part of how decisions are made across the organization. Board oversight and defined leadership roles provide direction and accountability, while giving teams across the business clarity on how ESG considerations fit into their work.

Open and transparent communication helps everyone stay aligned. Regular updates and reporting allow employees, leaders, and stakeholders to understand where we are making progress and where we need to keep improving. This shared visibility supports collaboration, encourages learning, and helps us make informed choices that reflect our values.

Ethical behavior is a responsibility we all share. Our code of conduct, ethics training, and compliance resources are designed to support employees in making sound decisions and speaking up when something doesn't feel right. ESG-related topics—such as safety, fairness, and environmental responsibility—are managed with the same care and attention as other business risks.

Together, these practices create a supportive framework that helps employees contribute confidently and consistently to our ESG goals, strengthening our culture and supporting long-term success for our people, our communities, and our business.

SUSTAINABILITY MISSION STATEMENT

DMI Companies' sustainability mission is to build and sustain a culture that reduces environmental impact through practical, everyday actions—reducing waste, improving energy and resource efficiency, and promoting responsible behaviors across all locations.

We focus on source reduction, reuse, and recycling to protect natural resources while supporting our employees and strengthening the communities where we operate.

By embedding sustainable practices into operations and decision-making, we aim to leave a lasting positive impact for future generations.

ENVIRONMENTAL

DMI Companies continues to embed Environmental, Social, and Governance (ESG) practices into day-to-day operations with a focus on measurable outcomes. In 2025, the organization advanced energy efficiency, waste diversion, and operational governance while strengthening employee well-being, safety, and community impact.

The initiatives summarized below highlight progress across facilities and functions, along with the forward-looking priorities planned for 2026 and beyond.

2025 HIGHLIGHTS by EHS Department



MONONGAHELA EFFICIENCY ROADMAP (PENNTAP):

Identified air-leak corrections **estimated to reduce annual electricity by 378,481 kWh**; potential installation of up to **six wind turbines adds an estimated 63,072 kWh reduction** (reported **equivalent: approximately 162 tons of CO₂e avoided**). The goal is to complete air-leak corrections by the end of 2027.



LED LIGHTING CONVERSIONS:

Production floor LED lighting upgrades reduced electricity use by **244,378 kWh less than in 2024 and 402,376 kWh less than in 2023**.



CHARLEROI ENERGY PERFORMANCE:

Airoverse delivered a **9,766 kWh (28%) consumption reduction** in its first full year; Charleroi earned its **fourth ENERGY STAR certification** with a **93-point score**.



PORTSMOUTH WATER MANAGEMENT:

Updated metering indicates an annual pace of **291,720 gallons versus 2025 usage of 606,628 gallons**, representing a **52% reduction** based on the current pace.



CARBON-SINK PROJECTS:

Wagoner **planted four native trees**; Monongahela continued a facility garden program to support community carbon-offset benefits.

TRUE WASTE UPDATE by EHS Department

The TRUE Certification program provides an assessor-based standard for reducing waste and improving resource efficiency, with a **minimum threshold of 90% diversion** from landfill. DMI's Wagoner site is certified at the **Silver level** and Monongahela at the **Gold level**, with 2023–2025 diversion performance shown below.

	2023	2024	2025
Monongahela	91.0%	95.3%	96.7%
Wagoner	91.1%	91.9%	95.8%

- **PERFORMANCE IMPROVEMENT:**

Both sites **increased diversion** year-over-year, reaching **96.7% (Monongahela) and 95.8% (Wagoner)** in 2025.

- **CERTIFICATION ROADMAP:**

EHS representatives have a plan to **achieve the next TRUE level** at PA and OK, and to pursue certification in VA (Portsmouth) for the first time.

- **STRETCH OBJECTIVE:**

The plan includes positioning PA to **pursue TRUE Platinum**, which would place it among a small number of facilities nationally.

SUSTAINABLE SOURCING by Ashley Clawson, Procurement Manager

In 2025, DMI's procurement strategy strengthened operational resilience by expanding sustainable sourcing practices while managing inflation, tariffs, and supply-chain volatility. The team emphasized total cost of ownership and supplier risk management—evaluating materials and partners through a broader lens that includes lifecycle cost, environmental impact, and social responsibility—to protect continuity, quality, and long-term value.

By incorporating ESG considerations into sourcing decisions, DMI reduced exposure to sudden cost spikes and disruptions and reinforced a supplier ecosystem aligned to responsible production. This approach supports stronger risk mitigation, improved long-term economics, and increased customer confidence as market and policy expectations evolve.

LEAN OPERATIONS by Andrew Nosbisch, Lean Engineer

In 2025, DMI's Lean team advanced sustainability by standardizing work, modernizing training, and embedding practical energy and waste-reduction behaviors into daily operations. Through an ongoing rebuild of SOPs and work instructions, supported by a new Learning Management System (LMS), DMI is enabling consistent execution across work centers and making sustainable practices easier for employees to adopt.

- **REDUCED ENERGY & MATERIAL WASTE (GSI):**

Standardized processes and updated instructions enabled equipment to use standby modes, reducing utility demand and minimizing charred hot-melt waste; a newer hot-melt material also requires less heat to process.

- **INCREASED REUSE OF MATERIALS (ATI):**

Repurposed previously discarded metal plates as clinching tabs for select configurations, reducing scrap and improving material utilization with stable performance.

- **SCALED VISIBILITY:**

Updated SOPs will be accessible at MES terminals to support training, adoption, and continuous improvement across SBUs.

SOCIAL

PEOPLE-FIRST CULTURE by Katie Hager, Workforce Development Manager

DMI's workforce development approach supports a people-first culture by investing in training, technology-enabled learning, and career pathways that help employees grow while improving safety, engagement, and operational capability. As a family-owned organization, DMI also prioritizes community impact by creating hands-on opportunities for students and local partners to explore modern manufacturing careers.

- **CONTINUOUS LEARNING:**

Training programs that help employees build skills, advance careers, and adapt to new processes and technologies.

- **YOUTH OUTREACH & CAREER EXPLORATION:**

MFG Day, classroom presentations, facility tours, job shadows, BotsIQ, internships, and related programs.

- **COMMUNITY-CENTERED CULTURE:**

Ongoing charitable work and partnerships that are aligned with DMI's values of people, commitment, collaboration, and innovation.

RESPONSIBLE OPERATIONS by Melissa Lourimore, Human Resources Manager

DMI reinforces its ESG commitments through strong internal controls and a workplace culture grounded in safety, respect, and compliance.

In 2025, the company continued to strengthen quality and regulatory discipline across operations, finance, technology, and sales while supporting employees through active committees focused on wellness, safety, sustainability, and philanthropy—extending positive impact into the communities where DMI operates.

SAFETY by Nick Dadig, EHS Manager

In 2025, DMI reached a major safety milestone: **one full year without an OSHA lost-time incident** across all locations (May 23, 2025). The EHS team sustains performance through monthly all-employee training, monthly Safety Committee meetings, and quarterly safety-focused improvement projects.

In 2026, DMI will expand its emphasis on mental health through enhanced training and on-site specialist support.

WELLNESS by Nick Dadig, EHS Manager

Now nearly two decades strong, DMI's Wellness program continues to drive employee engagement and community contribution.

In 2025, **122 employees participated in a weight-loss competition**, with the top three individuals each **losing more than 40 lbs.** Community outreach remains a core component, including an annual blood drive that collected 92 units in 2025.

OPERATIONAL STRENGTHS by Doug Poundstone, Director of Manufacturing Operations

DMI's operations are supported by a culture that prioritizes safety, continuous improvement, and workforce stability to deliver consistent performance across our facilities.

- **SAFETY-FIRST OPERATIONS:**

Safety is treated as a daily operational requirement—every employee goes home in the same condition they arrived.

- **EFFICIENCY TEAMS:**

Cross-functional teams partner with production to solve problems, improve processes, and drive continuous improvement on the floor.

- **WORKFORCE STABILITY:**

Long-tenured teams across locations support consistent safety performance, operational knowledge, and product quality.

GOVERNANCE

FINANCIAL RESPONSIBILITY by Dan Bruno, Chief Financial Officer

DMI's financial governance supports sustainable growth by investing in efficiency, operational strength, and innovation while protecting long-term value for employees, customers, and communities.

Performance is tracked through both financial measures (e.g., cash flow, margin, ROI) and sustainability indicators (e.g., energy use, waste reduction, recycling progress) to manage trade-offs responsibly and drive continuous improvement.

GOVERNANCE FRAMEWORK by Don Adams, Director of Operational Excellence

DMI's governance model enables sustainable environmental and social outcomes by embedding accountability, disciplined execution, and continuous improvement into daily operations

Standardized management systems, clear ownership, and data-driven reviews connect ESG priorities to enterprise risk management and operational performance—supporting consistent execution, corrective action when needed, and long-term resilience as customer and regulatory expectations evolve.

OPERATIONAL ALIGNMENT by Doug Poundstone, Director of Manufacturing Operations

Our operations are grounded in clear accountability, cross-functional coordination, and disciplined management systems that support consistent execution across the organization.

- **OPERATIONAL ACCOUNTABILITY:**

Clear leadership structures drive ownership from corporate leadership through plant and department management.

- **CROSS-FUNCTIONAL ALIGNMENT:**

Operations, sales, engineering, and leadership coordinate decisions with visibility into capacity, quality, and execution impacts.

- **MANAGEMENT SYSTEM & DISCIPLINE:**

Structured systems (e.g., EOS) and regular operational reporting reinforce alignment to objectives and performance accountability.

2026 & BEYOND

FUTURE PRIORITIES & GOALS by EHS Department

For 2026 and beyond, DMI is scaling initiatives that increase waste diversion, reduce energy use and compressed-air demand, and strengthen community impact—building on the measurable progress achieved in 2025.



TRUE CERTIFICATION LEVEL-UP:

Continue the plan to advance TRUE certification levels across locations.



PLASTIC BANDING RECYCLING:

Deploy banding-shredding equipment to **enable recycling of banding from ~15,000 incoming coil shipments per year**; purchase the first unit for Monongahela and evaluate a second for Wagoner.



WIND TURBINES & AIR-LEAK REMEDIATION (MONONGAHELA):

Complete final inspection (planned May 2026) to confirm installation of six wind turbines **targeting 63,072 kWh savings; address approximately 15% of identified compressed-air leaks per quarter** until closed.



COMMUNITY FORESTRY PROJECTS:

Site sustainability committees will volunteer on tree-planting efforts to **reduce GHG impacts** in local communities.



EFFICIENT PROCUREMENT STANDARDS:

Implement new procurement SOPs, buy ENERGY STAR products where applicable, and replace motor part numbers with **≥90% efficiency** motors (stated average ROI: **approximately 3 years**).



AIR MANAGEMENT SYSTEM PILOT:

Install and measure an air management system on the Doors frame line to control flow, detect leaks, and shut off air when idle; studies cited suggest **up to 25% power consumption reduction**.



For questions regarding our sustainable practices or content discussed in this report, please email sustainability@dmicompanies.com.

CONTACT US:

210 Fifth Street, Charleroi, PA 15022
www.dmicompanies.com

CONNECT WITH US:

