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ON THE SIDELINES

CHAMPIONS

# 2024

Corporate and Environmental Responsibility Report



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# Frequently Used Terms

(the) Board	The Board of Directors of Ducommun Incorporated
AST	Above-ground Storage Tanks
BCP	Business Continuity Plans
BLR	BLR Aerospace, LLC
CDP	Carbon Disclosure Project
CERCLA	U.S. Comprehensive Environmental Response Compensation, and Liability Act
CER	Corporate & Environmental Responsibility
CEU	Continuing Education
CFR	Code of Federal Regulations
CSRD	Corporate Sustainability Reporting Directive
СТР	Certified Thermoplastics Co., LLC
DMA	Double Materiality Assessment
Ducommun, the Company, we, our, us	Ducommun Incorporated (NYSE: DCO) and its wholly-owned subsidiaries
EHS	Environmental, Health and Safety
EMS	Environmental Management System
EPA	Environmental Protection Agency
ERM	Enterprise Risk Management
ESPP	Employee Stock Purchase Plan
FMA	Fabricators and Manufacturers Association
FY	Fiscal Year
GHG	Greenhouse Gas
GJ	Gigajoules
GWP	Global Warming Potential
Governance Committee	Corporate Governance and Nominating Committee of the Board of Directors of Ducommun Incorporated
GRI	Global Reporting Initiative
	Hazardous Air Pollutant
НАР	
HVAC	Heating, Ventilation and Air Conditioning
IFRS	International Financial Reporting Standard
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
IWD	Individuals with Disabilities
kg	Kilograms
KPI	Key Performance Indicator
kWh	Kilowatt per hour
LDS	Lightning Diversion Systems, LLC
LED	Light-emitting diode
LMS	Learning Management System
MagSeal	Magnetic Seal, LLC
MBD	Model Based Definition
MFGDay	Manufacturing Day
MT	Metric Tons
NDEAM	National Disability Employment Awareness Month

Nobles	Nobles Worldwide, Inc.
NOV	Notice of Violation
NOx	Nitrogen Oxides
NYPA	New York Power Authority
NYSE	New York Stock Exchange
OC United Way	Orange County United Way
OSHA	U.S. Occupational Health and Safety Administration
ODS	Ozone Depleting Substances
PERC	Perchloroethylene
POTW	Publicly Owned Treatment Works
this Report	This 2024 CER Report
SASB	SASB Standards, now overseen by the International Sustainability Standards Board
	(ISSB) of the International Financial Reporting Standards Foundation.
SEC	Securities and Exchange Commission
SOx	Sulfur Oxides
STEM	Science, Technology, Engineering and Math
TCFD	Task Force on Climate-Relate Financial Disclosure
TSDF	Treatment, Storage, and Disposal Facilities
UST	Underground Storage Tanks
VOC	Volatile Organic Compounds
WSU	Wichita State University
YoY	Year-over-Year

# A Message from Our Chairman and CEO

Entering into our 176<sup>th</sup> year in business, I am proud to present our fifth annual Corporate and Environmental Responsibility Report to our stakeholders, a strong testament to our continuing effort to make a positive impact in the communities in which we operate through responsible and sustainable business practices.

As always, safety lies at the heart of our results-driven culture and we made significant progress in this area with continued improvements along key metrics, including decreasing our total recordable incident rate (TRIR) by 54% over the last four years and incurring only three lost time incidents since 2022. We are also very mindful of our environmental footprint and implemented several initiatives that helped to continue reducing our combined Scope 1 and 2 GHG emissions by 50% in 2024 compared to 2019 levels, increasing our reliance on renewable energy sources and implementing recycling efforts across Ducommun to minimize waste sent to landfills.

In addition to reducing our environmental footprint, we continued to actively support local, regional, and national non-profit and charitable organizations that make a difference in the communities in which we operate. The Ducommun Foundation, a Section 501(c)(3) organization that serves as Ducommun's philanthropic arm, has donated approximately \$1.8 million since its inception in 2019 to assist organizations that support our veterans, active service members and military families, aid in natural disaster recovery and efforts to end homelessness. This past November, my wife Regina and I were also proud to serve as Gala Chairs and Centennial Sponsors of the Orange County United Way's Centennial Gala commemorating its 100<sup>th</sup> anniversary and honoring the visionaries and game-changers who help improve lives in Orange County. The event raised over \$850,000 to help local students receive the support they need to thrive academically, families gain financial stability, our neighbors experiencing homelessness find a safe and secure place to call home and providing vital resources to those in need. Additionally, we again sponsored the STEM on the Sidelines<sup>™</sup> initiative, now in its seventh year, which is an annual regional competition promoting STEM education in L.A. and Orange County high schools, with over 850 students from 119 high schools having benefited from their involvement in the program since its inception in 2018.

As a result of these efforts, we were thrilled to be named to *Newsweek* magazine's list of most responsible companies for the second consecutive year in recognition of our commitment to corporate social responsibility and long-term sustainability.

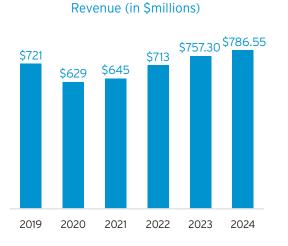
Thank you for your continued trust in Ducommun. We are very proud of our accomplishments and look forward to sharing our future progress on the focus areas identified in this report.

**Stephen G. Oswald** Chairman, President and Chief Executive Officer

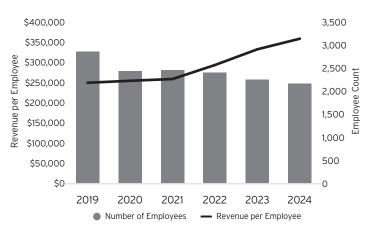
# **Company Overview**

Ducommun delivers value-added innovative manufacturing solutions to customers in the aerospace, defense and industrial markets. Founded in 1849, the Company specializes in two core areas - Electronic Systems and Structural Systems - to produce complex products and components for commercial aircraft platforms, mission-critical military and space programs and sophisticated industrial applications. Ducommun is committed to respecting, fostering, and advancing the interests of its stakeholders, including customers, suppliers, shareholders and the communities where we operate.

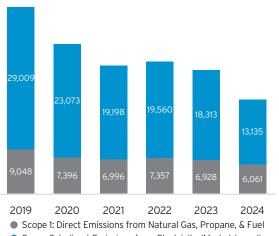
Below is a summary of Ducommun's operations between 2019 and 2024:



#### Revenue per Employee

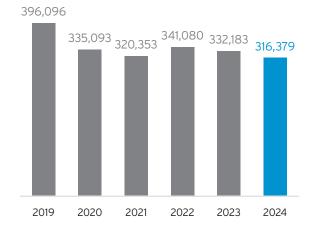


#### Total Greenhouse Gas Emissions 2019-2024



• Scope 2: Indirect Emissions from Electricity (Market-based)

Total Energy Usage 2019-2024



# 2024 Corporate & Environmental Responsibility Report Highlights

Ducommun is proud to present this report to communicate to our stakeholders the key initiatives and continued development of our CER program since the publication of Ducommun's first report for the 2020 FY. Below is a summary of our CER highlights from 2024.

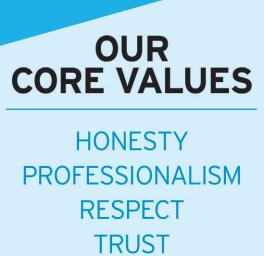
Key Topic	2024 Totals	Highlights
GHG Emissions	6,061 MT Scope 1 <sup>1</sup> emissions	<b>33%</b> reduction in Scope 1 GHG emissions over 2019 baseline, on an absolute basis <sup>3</sup>
	<b>13,135 MT</b> Scope 2 <sup>2</sup> emissions	<b>55%</b> reduction in Scope 2 GHG emissions over 2019 baseline, on an absolute basis
Energy	316,379 GJ of Total Energy Use	20% reduction over 2019 baseline, on an absolute basis
	<b>45%</b> energy derived from renewable sources <sup>4</sup>	Over 100% increase since 2019
Water	<b>55.1M gallons</b> total water withdrawn from utilities and groundwater	16.4M gallons total returned to source or recycled
	13M gallons of total wastewater discharge	1.6M gallons in total wastewater reduction
Waste	<b>3.9K MT</b> of hazardous waste generated	<b>68%</b> of hazardous waste volume reclaimed and recycled
	1.1 MT of non-hazardous waste generated	<b>38%</b> of non-hazardous waste volume recycled
Operational Safety	<b>0.34</b> Total Recordable Incident Rate <sup>5</sup>	<b>86%</b> reduction in the Total Recordable Incident Rate since 2019.
	<b>0.04</b> Total Lost Time Incident Rate <sup>6</sup>	<b>89%</b> reduction in the Total Lost Time Incident Rate since 2019.
Scholarships	\$258,500 of scholarships awarded <sup>7</sup>	9% increase over 2023
	92 scholarships awarded	11% increase over 2023
IT & Cybersecurity	<b>73M</b> nefarious firewall connection attempts denied	Over 300% increase over 2023
	${\bf 4M} \text{ emails inspected for malicious content every month}$	Over 500% increase over 2023
	<b>1,460</b> hours of cybersecurity training delivered to all members of management and employees with assigned email boxes.	
Awards & Recognition	<b>Four</b> awards and recognitions received in 2024 related to our CER program	Newsweek's Most Responsible Companies, 2025 and 2024
		Appleton Performance Center: Gold-level Employee Friendly Workplace by the Fox Cities Chamber of Commerce Appleton Performance Center: Exemplary Employer Award by the Wisconsin Department of Workforce Development's Division of Vocational Rehabilitation Appleton Performance Center: Plastics recycling award from the Wisconsin Department of Environmental Protection

- <sup>1</sup> Scope 1 GHG emissions are calculated by multiplying the amount of natural gas and propane consumed by the respective emission factors. Refrigerant emissions are determined based on the quantity of refrigerant used, adjusted for its GWP as outlined in the GHG Protocol.
- <sup>2</sup> Scope 2 emissions are calculated using both location-based and market-based methods, in line with the *GHG Protocol*. The location-based method reflects the average emission intensity of the electricity grid, while the market-based method takes into account the emissions associated with purchased electricity, including renewable energy purchases and contractual agreements. Ducommun does not use carbon credits or renewable energy credits to offset its Scope 2 emissions.
- <sup>3</sup> Absolute basis refers to a value or number change by comparing results on a year over year basis or to a set of baseline data.
- <sup>4</sup> Please see pages 25-26 for additional information regarding Ducommun's renewable energy usage.
- <sup>5</sup> The Total Recordable Incident Rate (TRIR), as defined by OSHA, measures the frequency of workplace injuries and illnesses. It is calculated as the number of recordable incidents per 100 full time workers over a year. To calculate TRIR, divide the number of recordable incidents by the total hours worked by all employees then multiply the results by 200,000 to standardize it to 100 full-time workers.
- <sup>6</sup> The Lost Time Incident Rate (LTIR), as defined by OSHA, is a metric used to track the frequency of work-related injuries and illness that result in lost workdays. It is calculated by dividing the number of incidents that caused employees to miss work by the total hours worked by all employees, then multiplying the results by 200,000.
- <sup>7</sup> Please see pages 41-42 for additional information about the Ducommun Scholars Program.

# **Core Values and CER Principles**

Our CER principles, guided by the core values of honesty, professionalism, respect, trust and teamwork, focus on environmental stewardship, human capital developments, community support and governance, shaping our actions and decisions across all aspects of our business. Figure 1 below depicts our core values:

#### Figure 1



**TEAMWORK** 

Figure 2 below illustrates our CER principles:

#### Figure 2

## **Environmental**

We will focus on setting and achieving key goals in EHS excellence, continuously improve our EMS, prioritize employee awareness and performance and ensure compliance with all relevant environmental laws and regulations

We will continue to maintain human capital programs that provide for equal employment opportunity in our work force in accordance with applicable laws

## **Human Capital**

### Governance

We foster a culture of compliance and transparency through our governance framework, ensuring full adherence to all applicable laws in everything that we do. This is guided by our core values, which serve as the foundation for our commitment to ethical practices and accountability in all aspects of our business

## How We Think About Materiality for CER Reporting Purposes

In 2024, we restructured our materiality assessment to align with the CSRD's double materiality requirements, which includes both traditional notions of financial materiality (i.e., the potential risks and opportunities our CER initiatives may have on our financial performance as well as external impacts of environmental or social matters on our business) and impact materiality (i.e., the effect our operations and value chain may have on people or the environment). We designed a comprehensive DMA that not only confirms our existing prioritization of the CER initiatives below, but also provides a thorough analysis of critical enablers and emerging issues important to our wide range of stakeholders amid an evolving regulatory landscape.

We distributed the DMA survey to over 160 key stakeholders, both internal and external, including customers, vendors, regulatory agencies, community members, our performance center leadership, HR business partners and employees to identify impacts, risks and opportunities across our manufacturing operations.

This process helped frame our sustainability ambitions and clarified the steps needed to achieve meaningful impact in the areas that matter most to our stakeholders. With each assessment, we gain deeper insights into our audience, focusing where our business can truly make a difference.

Regular updates to our materiality assessment are beneficial for fostering collaboration among employees at all levels and across all departments, and enhancing our sustainability performance and progress. As a result of this effort, we have identified the following CER initiatives as critical to Ducommun's long-term sustainability, as depicted in order of importance based on survey responses.

The following table represents the results of our DMA. The topics listed were ranked based on their significance to both our organizational success and their impact on our external stakeholders. Topics within each section are listed from most to least significant, reflecting the priorities that matter most to both our Company and our stakeholders.

#### **Environmental**

- > Waste Reduction
- Accurate and Auditable ESG Reporting/Disclosures
- > Energy Efficiency
- > Wastewater Efficiency
- > Water Usage
- > Carbon Emissions

#### Human Capital

- Employee Health, Safety and Wellness
- Employee Training and Development
- > Talent Acquisition
- > Equal Employment Opportunity
- > Employee Engagement
- > Community Engagement

#### Governance

- > Ethics and Compliance
- Financial Performance and Profitable Growth
- > IT and Cybersecurity
- > Supply Chain Sustainability
- > Corporate Governance

# **CER Program**

Our CER program integrates sustainability across four main environmental pillars: energy efficiency, waste reduction, wastewater efficiency and accurate, verifiable and auditable CER data. Our human capital initiatives prioritize equal opportunity and workforce development, ensuring that all employees contribute to and benefit from our success. Additionally, our strong community support program actively supports nonprofit and charitable organizations that make significant impact in the communities in which we operate. Ducommun has a strong governance framework, covering CER governance, IT and cybersecurity, supply chain management and ethics and the protection of human rights. Our governance framework aids in the oversight of these critical areas, facilitating our ability to provide long-term value to our shareholders while contributing positively to the environment.

Ducommun's comprehensive CER program can be most easily conceptualized in Figure 3 below:

#### Figure 3



Equal Opportunity Leadership
Health and Safety A high-level summary of the CER program over the 2024 FY reporting period can be found in Figure 4 below:

#### Figure 4

#### **Resource Conservation in Production: Energy Efficiency**

#### GHG Emissions Reductions (2019 Baseline vs 2024)

- Ducommun reduced its combined Scope 1 and 2 GHG emissions by approximately 54% and 34%, normalized to revenue<sup>8</sup> and employee count<sup>9</sup>, respectively, compared to 2019 baseline levels.
- Ducommun reduced its Scope 3 GHG emissions by approximately 21% and 14%, normalized to revenue and employee count, respectively, compared to 2023 levels.
- All performance centers have fixed natural gas leakages, contributing to a reduction in 28,800 therms of natural gas usage.

#### Total Energy Use Reductions (2019 Baseline vs 2024)

- We reduced our total energy usage by approximately 20% on an absolute basis, compared to 2019 baseline levels.
- > Our use of renewable energy has increased to approximately 89,837 GJ (25.0M kWh) through partnerships with local utility providers and the use of rooftop solar panels, compared to 2019. In 2019, Ducommun utilized only 122 GJ of renewable energy.

#### Energy Efficiency Projects

- Many of our performance centers installed automatic light switches, which reduced our energy consumption by 49K kWh.
- All of Ducommun's performance centers are either in the process of, or have fully completed, installing LED lighting. Fourteen performance centers have completed the transition and the remaining four are expected to complete the process by 2026.

Scope 1



DIRECT Emissions from Sources (On Site)



Scope 2

INDIRECT Emissions from Energy/Utilities



INDIRECT Emissions from Value Chain/Service

<sup>&</sup>lt;sup>3</sup> The reduction in 2024 combined Scope 1 and 2 GHG emissions, normalized to revenue, is calculated by subtracting the 2019 emissions-to-revenue ratio from the 2024 emissions-to-revenue ratio, and then dividing by the 2019 emissions-to-revenue ratio. Calculation is based on MSCI Research LLC. Methodology, a leading ESG firm.

<sup>&</sup>lt;sup>9</sup> The reduction in 2024 combined Scope 1 and 2 GHG emissions, by employee count, is calculated by subtracting the 2019 emissions-to-employee count ratio from the 2024 emissions-to-employee count ratio and then dividing by the 2019 emissions-to-employee count ratio. Calculation is based on MSCI Research LLC. Methodology, a leading ESG firm.

#### **Resource Conservation in Production: Waste Reduction**

#### Hazardous Waste Generation and Reductions

- In 2024, Ducommun generated 8.8M lbs of hazardous waste, disposed of 2.8M lbs and recycled or reclaimed 6M lbs.
- Three performance centers have diverted their empty chemical containers from hazardous waste landfills, reducing our volume of waste sent to hazardous waste landfills by 2 MT.
- Two performance centers utilize onsite evaporators, reducing the volume of hazardous waste shipped by 590 MT.

#### Non-Hazardous Waste Generation and Reductions

- In 2024, Ducommun generated 2.4M lbs of non-hazardous waste, approximately 13K lbs of electronic waste and 3.2K lbs of universal waste.
- All of Ducommun's performance centers recycle cardboard, scrap metal and toner, reducing our non-hazardous waste disposed by approximately 926K lbs.

#### Waste Recycling and Reclamation Efforts

- Reclaiming and reusing PERC solvent has led to the recycling of 85 MT of hazardous waste.
- Onsite regeneration of spent etchant has resulted in the recycling of 1,937 MT of hazardous waste.
- Recycling excess plastics and packaging has helped divert
   25.8K lbs of non-hazardous waste away from landfills.
- Two performance centers have converted plastic waste into fuel pellets, recycling 24 MT of plastic and diverting it away from landfills.

#### **Resource Conservation in Production: Wastewater Efficiency**

#### Water Demand

- In 2024, Ducommun withdrew 55M gals of water from utilities and groundwater and returned 13.5M gallons back to its source.
- Ducommun's total water demand for 2024 was 41.2M gallons.
- Closed loop water recycling systems have reduced our water demand by 3.7M gallons annually.

#### Water Recycling Efforts

- The Santa Clarita, CA performance center has recycled over 200,000 gallons of freshwater in 2024 through their burnt-off oven water recycling system.
- The rinse water recycling systems at two performance centers has recycled 167,800 gallons of water annually.
- The water recycling program at the Tulsa, OK performance center has reduced overall freshwater demand by 226,000 gallons annually.

#### Wastewater Discharge

- In 2024, Ducommun discharged approximately 13M gallons of wastewater. Wastewater reductions totalled 1.6M gallons in 2024.
- All performance centers comply with the local, state and federal regulatory standards when treating and discharging wastewater.

#### Resource Conservation in Production: Accurate, Verifiable and Auditable CER Data

#### Data Management Standards

> Data is crucial for ensuring transparency, accountability and compliance. Our data management incorporates rigorous verification procedures to ensure the accuracy of our CER environmental metrics through automated data validation, periodic reviews and third-party limited assurance.

#### Data Management Software

Novisto and Green Project are the data management software solutions used to manage our sustainability goals and metrics. Novisto is a sustainability management software used to collect, manage and report data. Green Project<sup>10</sup> is a carbon accounting software that automates the collection and reporting of greenhouse gas emissions.

# Third-Party Limited Verification

- In 2024, Ducommun engaged Yorke Engineering to complete a third-party limited assurance of our Scope 1, 2 and 3 GHG emissions.
- The limited assurance verification activities found no inconsistencies in reporting nor any material misstatements. They also found no deviations from the GHG protocol methodology.

#### Human Capital and Equal Employment Opportunity

#### Health and Safety

- We remain committed to prioritizing employee health, safety and wellness.
- > Between January 1, 2021 and December 31, 2024, Ducommun's lost time incident rate dropped by 87% to 0.04, which was a remarkable achievement, and our total recordable incident rate decreased by approximately 54% during that same period.

#### Equal Opportunity Leadership

In compliance with applicable law and in futherance of its core values of integrity, respect and excellence, Ducommun is committed to being an equal opportunity employer. Ducommun makes all employment decisions based on individual merit and prohibits all forms of unlawful discrimination.

#### **Workplace Culture**

> Ducommun strives to create a collaborative culture at every performance center, including by promoting and instilling values of fairness and equity at all times during the employment relationship.

<sup>&</sup>lt;sup>o</sup> Green Project software is used for all of Ducommun's GHG emissions calculations, including Scope 1, 2, and 3 GHG emissions calculations. The platform was designed in full compliance with, and per the technical requirements of, the GHG Protocol Corporate Accounting and Reporting Standard, undergoing an annual audit by industry leading third-party GHG accreditation service providers to ensure the methodology remains up-to-date.

#### **Community Support**

#### **Company Donations**

- > The Ducommun Foundation supports charitable organizations in the communities in which we operate and has donated \$1.8 million to support social justice causes and underrepresented communities since 2019.
- The Ducommun Cares ePledge Campaign, in partnership with the OC United Way, raised over \$65K from our corporate employees and Company matching donations in 2024.

#### Awards and Recognition

- Ducommun is honored to be included on Newsweek magazine and Statista America's Most Responsible Companies Award List for the second consecutive year in 2025.
- Ducommun's Appleton performance center received an award from the Wisconsin Department of Environmental Protection for its plastics recycling initiatives, was certified as a gold-level Employee Friendly Workplace by the Fox Cities Chamber of Commerce and was awarded the Exemplary Employer Award by the Wisconsin Department of Workforce Development's Division of Vocational Rehabilitation.
- > Ducommun once again sponsored the Orange County United Way's Women's Philanthropy Fund and won the Corporate Climber Award at the Orange County United Way's 2024 Rally for Change event. The Company was also recognized by our Nation's Veterans at the annual Patriot Awards Gala.

# Community Investment & Scholarships

- > In conjunction with the Los Angeles Chargers and the University of California, Irvine, our STEM on the Sidelines™ initiative serves as a contest to promote STEM education in high schools in Los Angeles and Orange Counties, in which over 850 students from approximately 119 high schools have participated since the program's inception seven years ago.
- > We awarded a record 92 merit-based scholarships in 2024 to children and grandchildren of employees, a total of over 340 scholarships awarded since 2019. The total value of scholarships awarded in 2024 was approximately \$259,000, an almost 9% increase in awards compared to 2023.

#### Corporate Governance Programs: Ethics and the Protection of Human Rights

#### **Core Values**

> We continued to promote a culture of honesty, professionalism, respect, trust and teamwork through our Company Core Values and Code of Business Conduct, supported by our ethics hotline, employee communications and training.

#### **Code of Conduct**

 We aim to train all employees on ethical decision-making skills and the other values in Ducommun's Code of Conduct.

#### **Human Rights**

> Our Prohibition Against Trafficking in Persons Policy and California Transparency in Supply Chains Act disclosure statement continued to promote responsible sourcing practices.

#### Corporate Governance Programs: IT & Cybersecurity

#### **Risk Reduction**

> We leverage established standard cybersecurity frameworks to help reduce the likelihood of catastrophic failures resulting in significant loss of data or revenue.

#### Securing the Enterprise

> We use a multi-layered IT infrastructure approach designed to identify, protect, detect, respond and recover from directed attacks from cybercriminals and adversarial nation-state actors.

#### Security Controls & Privacy

- > We install anti-malware software on computers and servers, and badge access controls to manufacturing sites to help secure our production environment.
- We strive to implement procedures to comply with all applicable privacy laws to secure personally identifiable information collected for business purposes.

#### Corporate Governance Programs: CER Governance and Supply Chain

#### Supply Chain Sustainability

- In 2024, Ducommun sent a supply chain questionnaire to the top 50 suppliers at each performance center to assess their impact on environmental and social topics.
- > 200 suppliers responded, with 96 suppliers stating they have a CER program in place, 40 suppliers tracking their GHG emissions, 84 suppliers with energy reduction goals in place, 94 with established waste and water recycling programs and 56 reporting on social metrics.

#### **CER Governance**

- > Our Board of Directors (the "Board") oversees risk management, and reviews risks associated with our operations, liquidity, cybersecurity and the CER program.
- Ducommun's CER initiatives are overseen by the Governance Committee.

#### **Conflict Minerals**

- > Ducommun is committed to responsible sourcing of specific minerals and materials and avoiding any contribution to humans rights violations.
   Ducommun sources from suppliers who share these values.
- Our conflict minerals report is submitted to the SEC annually and is made publicly available on our website.



#### Environmental Philosophy

Ducommun believes that operating sustainably and appropriately incorporating climate change factors into decision-making helps to strengthen our organization over the long term and makes good business sense. We believe this approach not only enhances the resilience of our organization but also aligns with sound business practices. By fostering collaboration with our customers, supply chain partners and employees, we strive to continuously improve our environmental performance across our entire enterprise. This collaboration helps us to create shared values, reduce our environmental impact and contribute positively to the communities we serve.

#### **Environmental Policy**

Our environmental policy goals are driven by our belief that environmental protection is important to consider when setting business practices and reducing operational risks for the long-term sustainability of our business. Accordingly, management is committed to environmental protection through leadership, investment and engagement. As such, we strive to:

- 1. Eliminate spills, releases or other environmental incidents by implementing effective administrative and engineering controls, training our employees on proper material handling practices and promptly investigating and correcting non-conformances.
- 2. Partner with suppliers who share Ducommun's commitment to the environment and the prudent and safe use of natural resources.
- **3.** Work collaboratively with state, local and federal environmental agencies to seek ways to reduce our environmental footprint and improve the sustainability of our operations.

#### **Environmental Management System**

At Ducommun, our commitment to environmental stewardship is a cornerstone of our operations. In 2023, we achieved ISO 14001 certification for our New York performance center, and in 2024, we successfully certified four additional performance centers: Parsons, KS and Orange, El Mirage and Carson, CA. Currently, five out of eighteen, or 28% of the performance centers, are ISO 14001 certified. Our goal is to have all performance centers certified by 2026.

ISO 14001 certification is awarded to organizations that demonstrate the successful implementation of an EMS in compliance with the standard's requirements. This involves integrating rigorous environmental practices and undergoing an independent audit by a certifying body. Over time, we hope that implementing this standardized management system will facilitate data-driven decision making, promote the efficient use of resources through a risk-based approach, and consequently enhance both environmental performance and operational efficiencies.

Additionally, we hope that earning ISO 14001 certification will aid in increasing the transparency and visibility of our environmental program, and build trust with all stakeholders. We are also committed to sharing insights and lessons learned from the certification processes with our other performance centers, which will support our broader goal of achieving comprehensive environmental excellence across our organization.

#### **Environmental Compliance and Excellence**

As manufacturing facilities operating in a highly regulated environment, Ducommun's performance centers underwent several routine environmental regulatory inspections in 2024. We are proud to report that there were no environmental regulatory NOVs identified during these inspections.

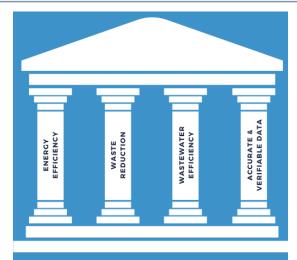
Through the use of EHS and GHG emission software, we're modernizing our processes. These solutions automate tracking of key metrics like injuries, near misses, first aid, GHG emissions and energy usage, reducing manual data entry and improving overall efficiency and accuracy.

#### The Four Key Pillars

The approach to the environmental portion of our CER program is built on four key pillars: energy efficiency, waste reduction, wastewater efficiency, and the importance of accurate, verifiable, and auditable data. These pillars are linked to resource conservation in production, driving reductions in GHG emissions, uncovering cost-savings opportunities, and ensuring sustainable long-term value for our stakeholders.

#### Figure 5

Key Pillar No. 1	<b>Energy Efficiency:</b> Our commitment to reducing GHG emissions starts with a focus on lowering energy consumption. We pursue this goal through various initiatives, including the implementation of LED lighting and motor and compressor conversion projects. Additionally, we collaborate with our utility providers to secure renewable energy sources for our operations and invest in equipment upgrades. These efforts are aimed at the reduction of Scope 1 and 2 GHG emissions.
Key Pillar No. 2	<b>Waste Reduction:</b> Building on our past successes, we continue to make progress in reducing both hazardous and non-hazardous waste generation, including reducing our landfill waste generation. Central to this endeavor is our application of the 'circular economy concept <sup>11</sup> ' which involves recapturing and reusing certain materials to minimize waste generated in our manufacturing operations. Additionally, this approach can contribute to a reduction in Scope 3 GHG emissions <sup>12</sup> , by curbing the miles traveled and fuel consumption of our third-party waste haulers.
Key Pillar No. 3	<b>Wastewater Efficiency:</b> We are committed to exploring opportunities for reducing water consumption. Furthermore, we strive to emphasize the importance of operating wastewater systems at our facilities to meet applicable wastewater discharge limits and identify ways to reuse treated water in our operations. This not only promotes compliance, but also enables POTWs to repurpose wastewater for non-potable uses such as irrigation and cleaning, thereby helping to support sustainability and resource conservation in our communities.
Key Pillar No. 4	Accurate, Verifiable and Auditable CER Data: A fundamental pillar of our program is the robust collection, verification and auditability of CER data. This data forms the basis of our sustainability efforts and helps to provide transparency and accountability in our reporting. By maintaining rigorous data management standards, we aim to enhance our ability to assess and communicate our environmental impact accurately and effectively. In 2024, we began limited assurance verification of our Scope 1, 2 and 3 GHG emissions data completed by an independent third party to provide key stakeholders with data-driven evidence that our GHG emissions reporting is accurate and auditable.



#### ENVIRONMENTAL PILLARS

<sup>&</sup>lt;sup>n</sup> A circular economy entails keeping materials, products, and services in circulation for as long as possible. A circular economy reduces material usage, results in materials, products, and services being less resource-intensive, and recaptures "waste" as a resource to manufacture new materials and products. Source: https://www.epa.gov/recyclingstrategy/what-circular-economy.

<sup>&</sup>lt;sup>12</sup> Scope 3 GHG emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. For this Report, Scope 3 GHG emissions are calculated using current EPA guidelines and emission factors on third party transportation waste haulers. Current EPA Scope 3 Inventory Guidance can be found at: https://www.epa.gov/climateleadership/scope-3-inventory-guidance. All values are estimated based on current third-party haulers' miles driven.

# 2024 Environmental Performance

# >Identifying and Mitigating Climate-Related Risks

Ducommun understands that global warming and climate change may pose an increased risk to, and have the potential to impact, its business and operations. The Corporate Governance and Nominating Committee of our Board of Directors oversees our CER program, including the mitigation of climate-related risks to the business and strategies for decreasing GHG emissions and incorporating such measures into the Company's overall strategy.

We believe the first step in reducing the severity of such risks is by identifying them before they materialize, and therefore, we implemented a process to evaluate, identify and mitigate climate-related risks and opportunities through the creation and implementation of business continuity plans ("BCPs"). The BCPs developed for each of our performance centers provide a process for identifying and managing both short-term (by 2030) climate change-related risks, such as tornados and floods, as well as long-term (by 2050) risks like extreme drought, sea level rise and shifts in weather patterns. Moreover, during the past year, we also partnered with our third-party property insurer to assess both the short-and long-term impacts of climate change on our operations and the resulting findings included an analysis of our acute and chronic risks for each performance center, categorized by peril and evaluated under various climate scenarios, again, over both short- and long-term horizons. Each BCP contains processes and methodologies to help us prepare for, respond to and recover from natural disasters caused by climate change and the steps implemented in developing and updating our BCPs include:

1. Climate Change Impact Report: The findings from a report prepared by our property insurer combined engineering and site visit data from performance center visits with the latest insights on climate change, utilizing the IPCC Representative Concentration Pathways (RCPs) of 2.6 (low), 4.5 (intermediate) and 8.5 (high). It included a breakdown of property values, business interruption risks and the outlook for climate change impacts in both the short- and long-term.

- 2. Risk Assessment & Business Impact Analysis ("BIA"): Each performance center conducts a risk assessment to identify potential natural disasters unique to its location that could compromise the entire facility, building or its operations. The potential impacts from, and appropriate mitigation measures in response to, each type of natural disaster are identified to help preserve the continuity of operations, and cover various functional areas such as procurement, engineering, maintenance, operations and EHS. These risk assessments and BIAs are reviewed annually by teams at each of our performance centers.
- Crisis Response Plan: Each BCP includes communication and notification protocols for each performance center and their respective leadership teams in the event of a climate-related crisis.
- 4. Business Continuity and Response Plan: Each of our performance centers regularly updates their respective BCPs to better plan for and mitigate climate-related risks. In addition, they conduct annual tabletop exercises and drills, simulating real-life scenarios to test the effectiveness of their plans. These exercises help identify potential gaps, refine response strategies and ensure that all key personnel are familiar with their roles during an emergency, ultimately enhancing a performance center's overall resilience and ability to maintain operations during unforeseen events. For climate risk assessment and business impact analysis, refer to Figure 6.
- 5. Annual Training and Exercise: All employees at each of our performance centers are required to undergo mandatory annual training on BCP processes. In addition, tabletop exercises and drills are scheduled annually to assess the effectiveness of our BCPs.



Our BCPs identified the following risks that could potentially adversely impact our business along with concomitant mitigation measures, which are summarized in Figure 6 below:

#### Figure 6

Category	General Description	Business Impact	Mitigation
Physical Risks	Risks associated with natural disasters such as tornadoes, earthquakes and floods.	Business interruption, supply chain and operations impacts, and employee disruptions.	Each BCP defines relevant threats, identifies response measures and requires training on remedial actions.
Regulatory Risks	Risks associated with new climate-related regulatory requirements that could impact energy pricing, emission restrictions and compliance costs.	Increased compliance and operational costs.	Continued implementation of energy efficiency projects to reduce our GHG emissions.
Market Risks	Risks associated with customers' expectations relating to value chain emissions reduction efforts and competitive risks associated with third parties who come to market with products enabling our customers to reduce their carbon footprints.	Significant investment in technologies, new emerging renewable energy sources and energy storage capabilities.	Long-term strategic planning and roadmap development.

## >Greenhouse Gas Emissions

Since publishing our first CER report for FY 2020, we have worked diligently to enhance the transparency of our corporate responsibility program and related disclosures. For instance, we made significant improvements to our GHG calculation methodologies to align more closely with GHG protocol recommendations, which includes the critical practice of reviewing our GHG baseline when appropriate.

In 2024, we contracted with a third-party vendor to conduct a limited assurance review of our Scope 1, 2 and 3 GHG emissions. We believe this limited assurance<sup>13</sup> will help to ensure our GHG reporting is robust and credible. Through these efforts, we aim to provide stakeholders with clear and reliable information regarding our environmental impact.

In this Report, we first present comprehensive data on our Scope 1 and Scope 2 GHG emissions. Scope 1 GHG emissions include our onsite natural gas consumption, refrigerant use and gasoline and propane usage in both on- and off-road vehicles. Scope 2 GHG emissions encompass the indirect emissions associated with sourcing energy from local utilities for our operations. Both Scope 1 and Scope 2 GHG emissions were thoroughly audited and compared against the following baseline:

1. **2019 Baseline:** We chose 2019 as a baseline year since it reflects our operations prior to the COVID-19 pandemic. By reviewing our 2024 GHG emission levels against those of 2019, we are better able to evaluate the effectiveness of our CER initiatives exclusive of any significant impact from pandemic-related disruptions.

Our emissions data, depicted in <u>Table 1</u> of <u>Appendix 1</u> and <u>Figure 7</u> below, illustrates a 50% decrease in our combined Scope 1 and Scope 2 GHG emissions in 2024 compared to 2019 baseline levels, on an absolute basis. Specifically, we observed a 33% decrease in Scope 1 GHG emissions and a 55% reduction in Scope 2 levels in 2024, compared to those of 2019.

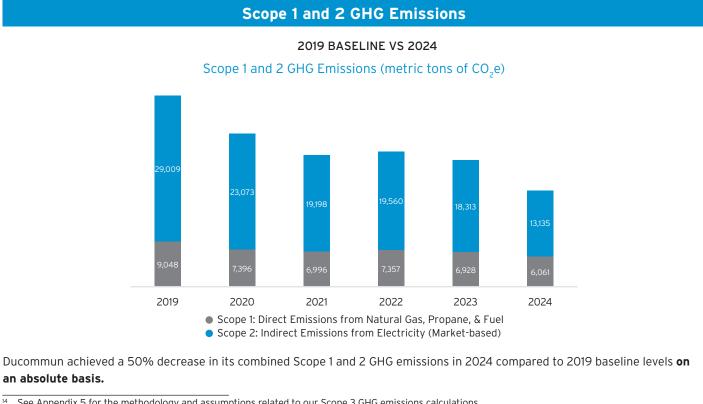
<sup>&</sup>lt;sup>13</sup> A limited assurance confirmation letter and processes for our Scope 1, 2 and 3 GHG emissions limited assurance calculations can be found in Appendix 8 of this Report.

In 2023, we initiated the reporting of certain categories of our Scope 3 GHG emissions. We identified six material subcategories within our Scope 3 GHG emissions, reflecting their relevance to our business and potential impact on environmental performance. These subcategories encompass various aspects of our value chain, such as raw material suppliers, transportation and product use<sup>14</sup>. The six material subcategories are purchased goods and services<sup>15</sup>, capital expenditure<sup>16</sup>, business travel<sup>17</sup>, employee travel<sup>18</sup> and waste and transportation (upstream and downstream)<sup>19</sup>. In 2024, we are continuing to include these disclosures to help enhance our understanding of our carbon footprint, covering selected upstream and downstream activities within our value chain. Our Scope 3 GHG emissions data is depicted in Figure 8 below. We observed an 18% reduction in Scope 3 GHG emissions in 2024 compared to 2023 on an absolute basis as shown in Figure 9. A summary of our Scope 1, 2 and 3 GHG emissions for 2024 is shown in Figure 10.

# >Footprint Consolidation for Greater Efficiency and Sustainability

As part of our footprint consolidation efforts, our Monrovia, California and Berryville, Arkansas performance centers ceased operations in late 2024, with production moving to our Coxsackie, New York and Guaymas, Mexico performance centers. We expect this consolidation will positively impact our sustainability and operational goals by removing redundant operations and reducing our overall energy consumption, GHG emissions, waste and water consumption. We also hope that our footprint consolidation will lead to a decrease in our Scope 1, 2 and 3 GHG emissions in 2025.

#### Figure 7

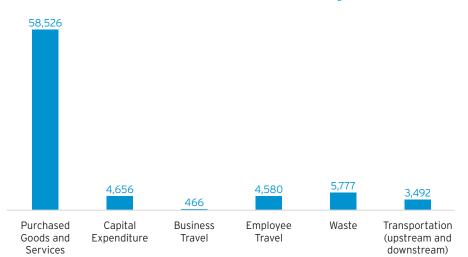


- See Appendix 5 for the methodology and assumptions related to our Scope 3 GHG emissions calculations.
- To provide the highest granularity for Ducommun's spend data, Green Project matched expense items to Supply Chain Emissions Factors at the "Sub-Comm Family" or "Class" level when the "Commodity Category" name likely spanned many product/industry emissions factors (e.g., "Indirect" or "Raw Material"). Within this approach, Green Project started with the 16 unique Commodity Categories in the "Spend Detail" workbook and indicated which matched cleanly to a single Supply Chain Emissions Factor (e.g., "Connectors"), and which required consideration of their "Sub-Comm Family" and "Class" to ascertain the relevant emissions factor. Green Project then mapped over 300 expense descriptions from Ducommun to relevant Supply Chain Emissions Factors from the USEPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6, April 2024, and had Ducommun review these mappings to ensure alignment with Ducommun's accounting controls and expense categorization.
- <sup>16</sup> As any capital expenditures for 2024 were captured in the spend data with the Purchased Goods & Services, please see the methodology in category 3.1 above for more detail on how the spend data was assigned relevant emissions factors.
- 17 As the data from Christopherson was already calculated in the CO<sub>2</sub>e for the various quarters, Green Project directly input the CO<sub>2</sub>e into the platform. For the spend data, Green Project used the US EIA Average Monthly Gas & Diesel prices to convert the spend data to approximate gallons of fuel used and assumed that gasoline was the fuel type used.
- Employee travel is calculated by first determining the daily miles commuted for each employee along with the number of days and weeks each employee drives to work, then using a CO<sub>2</sub> emission factor to determine CO<sub>2</sub> GHG emissions for Scope 3 employee commute time. Green Project utilized the 2024 US EPA GHG Inventory for the emissions factors for the employee commute data.
- For hazardous and non-hazardous waste, Green Project utilized the 2024 US EPA GHG Inventory for the emissions factors for the employee commute data. For transportation, Green Project used the US EPA's emissions factor for "General Freight Trucking, Long-Distance, Truckload" from the US EPA's NAICS 2024 dataset. The spend data was then calculated per quarter and applied to this emission factor.

#### Figure 8

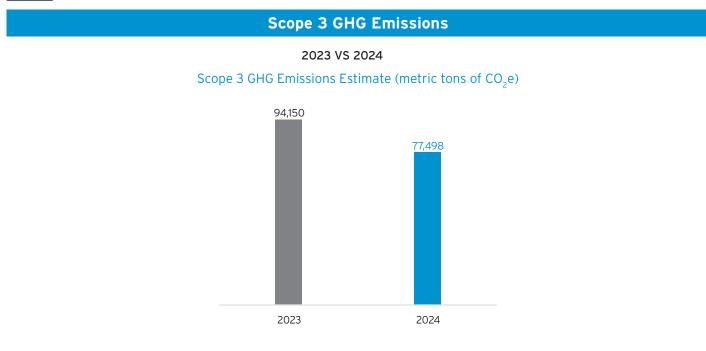
#### Scope 3 GHG Emissions

#### Scope 3 GHG Emissions Estimate (metric tons of CO<sub>2</sub>e) by Category



This Report includes estimates<sup>20</sup> of our Scope 3 GHG emissions categorized into six areas that we identified as the most material to our enterprise.

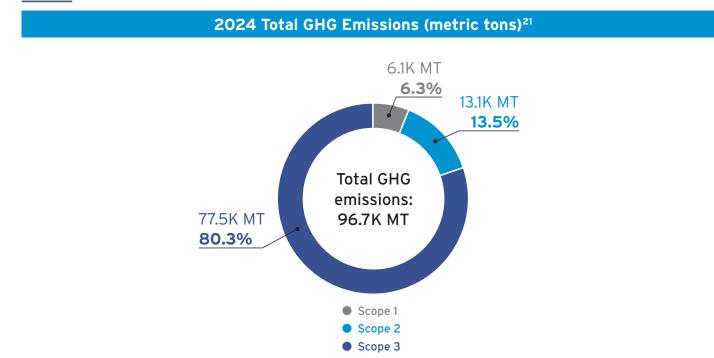
#### Figure 9



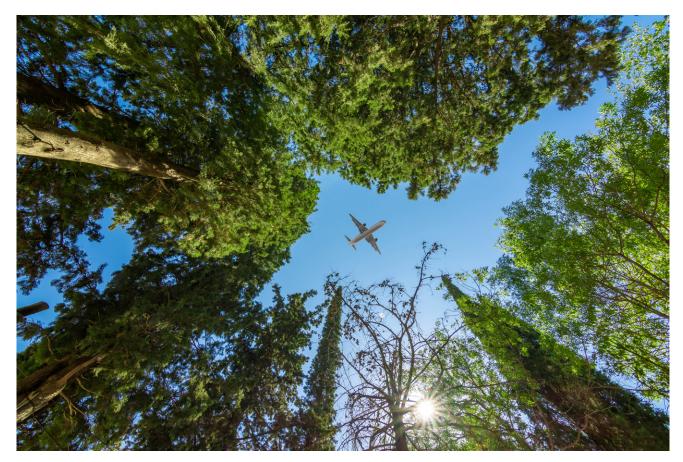
Ducommun achieved an 18% reduction in Scope 3 GHG emissions in 2024 compared to 2023 on an absolute basis.

<sup>&</sup>lt;sup>20</sup> See Appendix 5 for the methodology and assumptions related to our Scope 3 GHG emissions calculations.

#### Figure 10



In 2024, Ducommun emitted an estimated 6.1k metric tons of Scope 1 GHG emissions, or 6% of total reported emissions; 13.1k metric tons of Scope 2 GHG emissions, or 14% of total reported emissions; and 77.5k metric tons of Scope 3 GHG emissions, or 80% of total reported emissions.



<sup>&</sup>lt;sup>21</sup> 1 metric ton equates to 1,000 kg, which is approximately 2,204.6 pounds.

## >Climate and Energy

## Reducing Scopes 1 and 2 GHG Emissions: De-carbonizing Our Operations

In 2024, with the ongoing support of our CER champions, we continue to identify and implement additional energy-saving projects across all Ducommun performance centers. Our CER champions are a multifaceted team of employees representing maintenance, engineering, EHS and operations. They drive initiatives that support our four key environmental pillars, forming the foundation of our CER program. These champions collaborate across departments and performance centers to implement practical and measurable actions that help to improve our environmental performance. Additionally, monthly meetings are held for all CER champions, where current and future projects are discussed to foster collaboration and knowledge-sharing across teams. The following is a summary of projects implemented in 2024 across Ducommun's performance centers:

Performance Center(s)	Energy Efficiency Project(s) Type	Scope	Estimated GHG Impact (Reduction) <sup>22</sup>	Estimated Energy Impact <sup>23</sup>
> All performance centers	<ul> <li>Fixing natural gas leakage</li> </ul>	> Scope 1	<ul> <li>6.3 metric tons of Scope 1 GHG emissions</li> </ul>	<ul> <li>Reduced overall natural gas usage by 28,800 therms<sup>24</sup></li> </ul>
> Orange, CA	<ul> <li>Gas fired unit conversion to electric fired units</li> </ul>	> Scope 1	<ul> <li>5 metric tons of Scope 1 GHG emissions</li> </ul>	<ul> <li>Reduced natural gas usage by 23k therms</li> </ul>
> Appleton, WI	<ul> <li>Compressor heat recovery</li> </ul>	> Scope 1	<ul> <li>5 metric tons of Scope 1 GHG emissions</li> </ul>	<ul> <li>Reduced natural gas usage by 30k therms</li> </ul>
<ul> <li>Coxsackie, NY</li> <li>Carson, CA</li> <li>St. Croix Falls, WI</li> <li>Warren, RI</li> <li>Tulsa, OK</li> <li>Appleton, WI</li> <li>Joplin, MO</li> <li>Huntington Beach, CA</li> <li>Guaymas, MX</li> <li>Everett, WA</li> <li>Berryville, AR</li> <li>Santa Clarita, CA</li> <li>Gardena, CA</li> <li>Monrovia, CA</li> </ul>	<ul> <li>LED Lighting conversion completed</li> </ul>	Scope 2	<ul> <li>1,226 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 4.6M kWh</li> </ul>
> El Mirage, CA	<ul> <li>Pneumatic pump conversion to electric</li> </ul>	> Scope 2	<ul> <li>29 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 98.5K kWh</li> </ul>
> Gardena, CA	<ul> <li>Motor replacement and conversion projects</li> </ul>	> Scope 2	<ul> <li>29 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 127K kWh</li> </ul>
<ul> <li>&gt; Joplin, MO</li> <li>&gt; Tulsa, OK</li> <li>&gt; Gardena, CA</li> <li>&gt; Carson, CA</li> <li>&gt; Monrovia, CA</li> </ul>	<ul> <li>Installation of automatic lights off switches</li> </ul>	<ul> <li>Scope 2</li> </ul>	<ul> <li>24 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 49,000 kWh</li> </ul>

<sup>&</sup>lt;sup>22</sup> Scope 2 GHG reductions in metric tons are calculated by multiplying the estimated energy usage reduction by the appropriate emission factors, as outlined in the GHG protocol.

<sup>&</sup>lt;sup>23</sup> Estimated energy impact reduction for our energy efficiency projects are calculated based on the projected savings from each initiative, using GHG protocol methodologies and assumptions.

<sup>&</sup>lt;sup>24</sup> A therm is a unit of heat equivalent to 100,000 British thermal units or 1.055 x 10 joules.

#### 2024 Environmental Performance

Performance Center(s)	Energy Efficiency Project(s) Type	Scope	Estimated GHG Impact (Reduction) <sup>22</sup>	Estimated Energy Impact <sup>23</sup>
> St. Croix Falls, WI	Increased use of	Scope 2	> 4,660 metric tons	> Reduced overall
<ul> <li>Huntington Beach, CA</li> </ul>	renewable energy		of Scope 2 GHG emissions	energy consumption by 6.6M kWh
> Gardena, CA	sources via utility providers partnerships	-	emissions	0.01/1 K / / 1
> Carson, CA	promuere partiterempe			
> Coxsackie, NY				
> Parsons, KS				
> Monrovia, CA				
<ul> <li>Santa Clarita, CA</li> </ul>	> Onsite solar	Scope 2	<ul> <li>5 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 21K kWh</li> </ul>
> Carson, CA	Replacement of HVAC	> Scope 2	> 14 metric tons	Reduced overall
> Coxsackie, NY	units		of Scope 2 GHG	energy consumption
> Gardena, CA			emissions	by 69K kWh
Huntington Beach, CA				
<ul> <li>Orange, CA</li> </ul>	<ul> <li>Air compressor replacement/retrofit</li> </ul>	Scope 2	<ul> <li>49 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 560K kWh</li> </ul>
> Carson, CA	<ul> <li>Equipment Consolidation</li> </ul>	<ul> <li>Scope 2</li> </ul>	<ul> <li>16 metric tons of Scope 2 GHG emissions</li> </ul>	<ul> <li>Reduced overall energy consumption by 68.5K kWh</li> </ul>

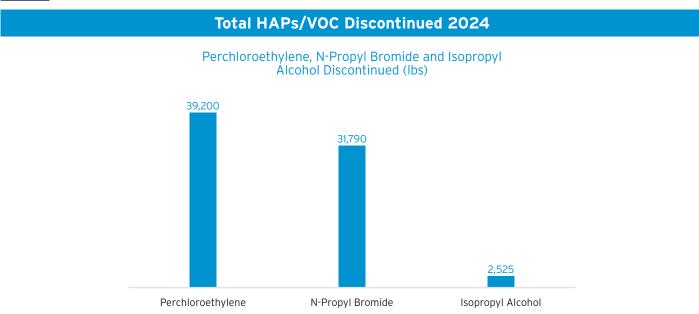
In 2024, the amount of renewable electricity utilized increased by approximately 89,715 GJ, or 25.0M kwh compared to the amount of renewable electricity utilized in 2019. We intend to provide updates on our progress in these areas in future CER reports.

#### **Discontinuing HAPs and Reducing VOCs in Our Operations**

In 2024, we continued to build on our commitment to responsible operations by advancing efforts to eliminate harmful chemicals like n-propyl bromide and perchloroethylene (PERC) from our processes. We also implemented measures designed to reduce VOC usage, such as recycling spent isopropyl alcohol (IPA), thereby reducing waste and our reliance on the use of VOCs.

<u>Figure 11</u> below illustrates the reduction in the usage of n-propyl bromide, PERC, and VOCs in our operations during 2024, which helps reduce our overall ecological footprint.

#### Figure 11



#### **Energy Management**

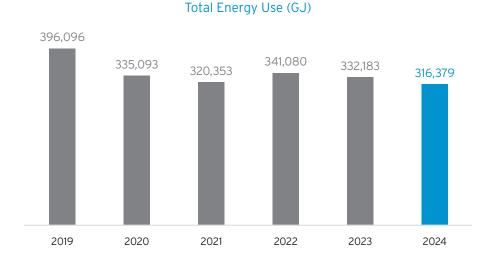
We rely on electricity and other forms of energy to power our operations and to heat, cool and light our facilities. Our performance centers utilize a diverse range of equipment, from traditional machinery like computerized numerical control (CNC) tools and mills, to advanced technologies such as high-powered laser cutters, industrial 3D printers and soldering and bonding machines. Additionally, we use large presses for high-temperature part and die processing, as well as ovens and autoclaves for curing paints, bonding components and heat-treating metal parts. Our surface processing involves heating and moving large quantities of fluids and managing substantial volumes of air. For aerospace parts, we operate large gantry mills and presses that apply thousands of tons of pressure. These machines require a large amount of energy from a reliable source.

Based on our demand, energy efficiency is a key element of our sustainability program. To advance our energy efficiency campaigns, we regularly identify opportunities for energy reduction through pilot energy efficiency projects at select performance centers. Successful initiatives are then adopted at other performance centers. Annual energy audits help us identify further opportunities for pilot energy savings projects across all our performance centers. As shown in <u>Table 1</u> of <u>Appendix 1</u> and <u>Figure 9</u>, in 2024, our total energy decreased by 20% on an absolute basis compared to the 2019 baseline. This reduction is attributed to our proactive energy efficiency initiatives and investments in energy-saving equipment and processes, despite the relatively recent acquisition of three new performance centers spread across the United States: BLR in Washington State, MagSeal in Rhode Island and Nobles in Wisconsin. Additionally, we added our Guaymas, Mexico operations to our reporting scope in 2023. Moreover, as part of our restructuring plan for 2024, we ceased operations at two performance centers - Monrovia, California and Berryville, Arkansas - shifting production to Coxsackie, New York and Guaymas, Mexico. Our 2019 baseline data did not include energy usage from our recent acquisitions.

As of December 31, 2024, approximately 55% of our energy consumption drew from the grid, with 45% sourced from renewable energy in partnership with local utility providers.

**Total Energy Use** 

2019 Baseline vs 2024 (absolute basis)



#### Figure 12

#### **Renewable Energy**

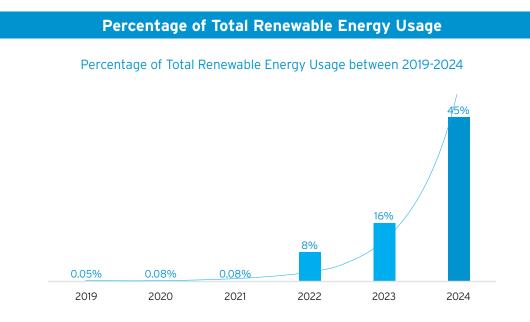
In 2024, we significantly increased our reliance on renewable energy sources through the use of power purchase agreements. Specifically, we solidified strategic partnerships with utility providers, such as the NYPA, to source 100% of our energy usage for the Coxsackie, NY performance center from hydroelectric power. Additionally, our Santa Clarita, CA performance center sources 10% of its energy from onsite rooftop solar panels.

Our performance centers in St. Croix Falls, WI, and Carson, Gardena and Huntington Beach, CA have been sourcing 100% of their energy needs from renewable sources, which we hope to continue in the future. Additionally, in 2024, our Parsons, KS performance center began sourcing 50% of its energy from renewable sources.

#### 2024 Environmental Performance

We are also pleased to report that we now derive approximately 45% of our energy needs from renewable sources on an enterprisewide basis. Figure 13 summarizes our journey towards increasing our renewable energy usage from 2019-2024.

#### Figure 13



## >Hazardous and Non-Hazardous Waste Reduction

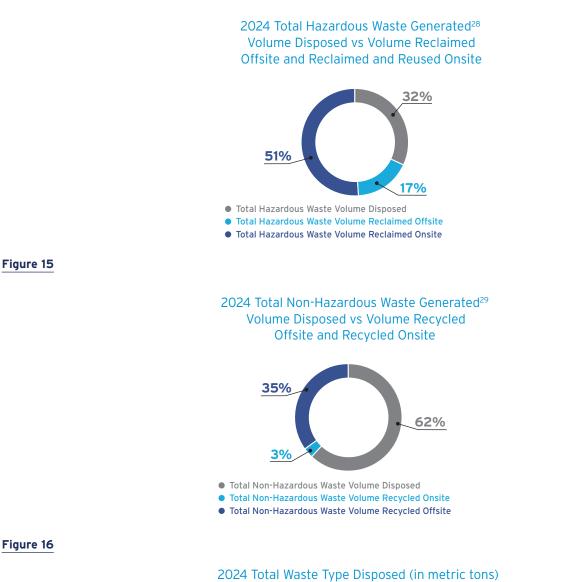
Ducommun continues to prioritize the responsible management of hazardous<sup>25</sup> and non-hazardous waste<sup>26</sup>, investing significant resources to help reduce our waste footprint by finding innovative ways to recycle, reuse and extend the service life of materials throughout our operations. The waste streams generated by Ducommun on an enterprise-wide basis are byproducts from various operational processes, such as spent chemicals from process tanks, coating operations and surface preparations. By recycling and reusing such materials, we may also reduce Scope 3 GHG emissions by decreasing the number of transportation miles driven by third-party waste haulers.

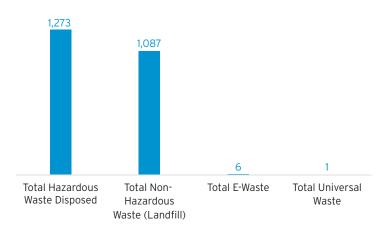
By working with third-party waste haulers, we have gained a clearer understanding of our overall waste profile, enabling us to increase the amount of hazardous and non-hazardous waste eligible for recycling and reclamation. In 2024, Ducommun successfully recycled 17% of hazardous waste offsite<sup>27</sup>, while 51% was recycled or reclaimed onsite. For non-hazardous waste, Ducommun recycled 35% offsite, disposed of 62% and recycled 3% onsite. <u>Figure 14</u> illustrates the total hazardous waste volumes, including disposal, reclamation and recycling data, and <u>Figure 15</u> illustrates the total non-hazardous waste volumes, including disposal and recycling data. <u>Figure 16</u> illustrates our total waste disposed in 2024 by waste type.

<sup>&</sup>lt;sup>25</sup> Hazardous waste: Waste that applicable governmental authorities have determined to have dangerous properties, such as being corrosive, reactive, toxic or flammable. Examples include heavy metals, toxic chemicals and pesticides. The Environmental Protection Agency (EPA) and similar state environmental agencies stringently regulates hazardous waste.

<sup>&</sup>lt;sup>26</sup> Non-hazardous waste: Waste that applicable governmental authorities have determined to not generally have dangerous or toxic properties, such as paper, plastic, wood and organic waste.

<sup>&</sup>lt;sup>27</sup> Offsite recycling and reclamation is determined via the hazardous waste management codes, which are received from TSDFs and bills of lading on all hazardous waste manifests.





28 Hazardous waste generated refers to any waste that meets the applicable governmental authority's definition of a hazardous waste and is not exempt from regulation. This includes wastes that are accumulated onsite for any time before disposal or recycling, placed directly into an onsite disposal or treatment unit or generated and removed from storage tanks.

29 Non-Hazardous waste generated refers to waste that the applicable governmental authorities have determined pose reduced risks to humans or the environment compared to hazardous waste.

#### Figure 16

# Reducing Hazardous and Non-Hazardous Waste via the Circular Economy Concept Aims to Reduce Scope 3 GHG Emissions and Improve Operational Efficiencies

Ducommun is committed to identifying ways to reduce waste through the circular economy model, helping to enable the recovery and reuse of materials in production. By utilizing proprietary processes, Ducommun works to minimize adverse environmental impacts and improve operational efficiency. The adoption of the circular economy concept facilitates the identification of opportunities to reuse and recycle materials used in industrial processes.

Ducommun strives to reduce both hazardous and non-hazardous waste byproducts generated from its operations to help support the protection of the environment and communities in which it operates. By minimizing waste streams, we aim to achieve not only environmental benefits but also improved business performance, which can reduce costs and deliver more value to our stakeholders. Ducommun's efforts and practices to reduce waste generation, and simultaneously, Scope 3 GHG emissions in 2024 included the following:

Performance Center(s)	Waste Reduction Project(s) Type	Scope	Estimated GHG Impact (Reduction) <sup>30</sup>	Estimated Environmental Impact <sup>31</sup>
<ul> <li>Carson, CA</li> <li>Coxsackie, NY</li> <li>Monrovia, CA</li> </ul>	<ul> <li>Diversion of empty chemical containers from hazardous waste landfills</li> </ul>	> Scope 3	<ul> <li>3 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Reduced the volume of waste sent to hazardous waste landfills by 2 metric tons</li> </ul>
<ul><li>Carson, CA</li><li>Gardena, CA</li></ul>	<ul> <li>Onsite evaporators for non-hazardous and hazardous waste</li> </ul>	Scope 3	<ul> <li>78 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Reduced the volume of hazardous waste shipped by 590 metric tons</li> </ul>
> Warren, RI	<ul> <li>Onsite reclamation of spent lubricant</li> </ul>	> Scope 3	<ul> <li>2 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Recycled and reused 4 metric tons of hazardous materials</li> </ul>
> Orange, CA	<ul> <li>Offsite reclamation of used PERC solvent</li> </ul>	> Scope 3	<ul> <li>176K metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Recycled and reused 85 metric tons of hazardous waste</li> </ul>
<ul><li>Carson, CA</li><li>Tulsa, OK</li></ul>	<ul> <li>Recycling and reusing of spent solvents</li> </ul>	> Scope 3	<ul> <li>22 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Recycled and reused 1 metric ton of hazardous waste</li> </ul>
<ul><li>&gt; Gardena, CA</li><li>&gt; Monrovia, CA</li></ul>	<ul> <li>Recycling and reusing of spent chemical solution</li> </ul>	> Scope 3	<ul> <li>18 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Recycled and reused</li> <li>92 metric tons of</li> <li>hazardous waste</li> </ul>
> Orange, CA	<ul> <li>Onsite reclamation of spent etchant</li> </ul>	> Scope 3	<ul> <li>3,467 metric tons of Scope 3 GHG emissions</li> </ul>	<ul> <li>Recycled and reused 1,937 metric tons of hazardous waste</li> </ul>

<sup>&</sup>lt;sup>30</sup> The estimated GHG impact from our waste reduction projects includes a reduction in miles driven by waste haulers, along with lower GHG emissions from reusing materials instead of purchasing virgin raw materials. Applicable EPA and GHG protocol factors are used to estimate the GHG impact reductions.

<sup>&</sup>lt;sup>31</sup> The estimated environmental impact is based on the actual volume of waste that was reused, recycled or processed in house. This data is tracked across all performance centers via a spreadsheet.

## >Waste Diversion

Ducommun remains committed to sustainability and environmental stewardship by applying the circular economy concept to waste recycling, diversion and recovery. Since reusing, recycling and extending the life of materials are essential to the circular economy, we are dedicated to continuously seeking innovative solutions and improving our processes to preserve and enhance the value of spent resources. To that end, metals from production waste streams, cardboard from packaging, consumed toners from printers and paper waste were all part of an enterprise-wide recycling initiative in 2024. Furthermore, we have partnered with a key customer to reuse packaging material, decreasing our waste landfill impact.

## Reducing Landfill Waste via Recycling and Reducing Scope 3 GHG Emissions

The highlights of Ducommun's recycling initiatives in 2024 and corresponding reductions in Scope 3 GHG emissions are summarized below:

	Performance Center(s)	Waste Diversion Project(s) Type	Scope	Estimated GHG Impact (Reduction) <sup>32</sup>		Estimated Waste Recycling Impact <sup>33</sup>
>	All Performance Centers	<ul> <li>Cardboard Recycling</li> </ul>	> Scope 3	<ul> <li>5 metric tons of Scope 3 GHG emissions</li> </ul>	>	Recycled 43,214 pounds of cardboard
>	All Performance Centers	<ul> <li>Scrap Metal Recycling</li> </ul>	> Scope 3	<ul> <li>89 metric tons of Scope 3 GHG emissions</li> </ul>	>	Recycled 882,563 pounds of scrap metals
>	All Performance Centers	<ul> <li>Toner Recycling</li> </ul>	> Scope 3	<ul> <li>3 metric tons of Scope 3 GHG emissions</li> </ul>	>	Recycled 210 pounds of toners
> >	Appleton, WI St. Croix Falls, WI	<ul> <li>Recycling Plastics as Fuel Pellets</li> </ul>	> N/A	> N/A	>	Recycled 24 metric tons of plastic
> >	Santa Clarita, CA Huntington Beach, CA	<ul> <li>Recycling Excess</li> <li>Plastics</li> </ul>	> Scope 3	<ul> <li>1 metric tons of Scope 3 GHG emissions</li> </ul>	>	Recycled 23,868 pounds of excess plastics
> > >	Gardena, CA Huntington Beach, CA Appleton, WI	<ul> <li>Recycling packaging</li> </ul>	> Scope 3	<ul> <li>2 metric ton of Scope 3 GHG emissions</li> </ul>	>	Recycled 1,960 lbs of packaging



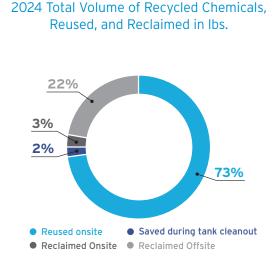
<sup>&</sup>lt;sup>32</sup> The estimated GHG impact from our waste diversion projects includes a reduction in miles driven by waste haulers, along with lower GHG emissions from reusing materials instead of purchasing virgin raw materials. Applicable EPA and GHG protocol factors are used to estimate the GHG impact reductions.

<sup>&</sup>lt;sup>33</sup> The estimated environmental impact is based on the actual volume of waste that was reused, recycled or processed in house. This data is tracked across all performance centers via a spreadsheet.

#### **Recycling of Chemicals**

Ducommun recycled, reused and reclaimed<sup>34</sup> a total of 2,800 metric tons of chemicals, the vast majority of which were reused on site. See <u>Figure 17</u> below for the total percentage distribution of recycled chemicals in 2024.

#### Figure 17



## >Reportable Spills

Reportable spills<sup>35</sup> are defined as any release of a hazardous substance in an amount equal to or greater than its reportable quantity as defined by applicable regulations. Ducommun manufactures a significant variety of commercial, industrial and aerospace products, and our performance centers are required to store and utilize a wide variety of chemicals during production. Accordingly, environmental stewardship and safety are key focus areas at Ducommun to help prevent harm to the environment and avoid employee exposure to such chemicals by maintaining engineering and administrative controls designed to prevent the spill or release of regulated substances. In addition to utilizing engineering controls such as secondary and tertiary physical containment systems, administrative controls such as inspection and preventative maintenance programs are also implemented and certified annually by independent third parties. Moreover, we continue to transition away from the use of USTs to ASTs so that the early detection of potential leaks and spills can be more easily identified and quickly mitigated.

As depicted in <u>Figure 18</u> below, for the fourth consecutive year, Ducommun had no reportable spills in 2024, as defined by the SASB Aerospace and Defense Industry Standard.

#### Figure 18

Reportable Spills	2021	2022	2023	2024
Number of Reportable Spills	0	0	0	0
Reportable Quantity Spilled (kg)	0	0	0	0
Quantity Recovered (kg)	0	0	0	0

 <sup>&</sup>lt;sup>34</sup> The amount of offsite recycling and reclamation of chemicals is determined via the bills of lading from third-party vendors that recycle and reclaim chemicals.
 <sup>35</sup> Reportable spills are defined by the SASB Aerospace and Defense Industry Standards RT-AE-150a.2., as any release of a hazardous substance in an amount greater than or equal to the threshold required to be reported to applicable jurisdictional legal or regulatory authorities. For this Report, we consulted Table 302.4 in Chapter 40 of the CFR Part 302.4 of the U.S. Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), including consideration of reportable quantities of mixtures and solutions as defined under 40 CFR Part 302.6(b) (1).

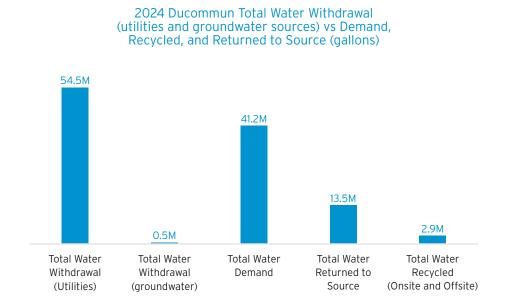
# >Water and Effluents

## Water Conservation Systems

Water is integral to many aspects of Ducommun's operations. It is a crucial element of many processes used to produce our various products, such as in process tanks for rinsing, as part of solutions, in restrooms for employee facilities, in boilers for energy production and in the treatment of industrial wastewater. We are committed to using water efficiently and responsibly across these various functions.

In 2024, Ducommun continued its commitment of striving to protect and conserve water resources by managing consumption across all performance centers and implementing water-recycling initiatives where possible. Additionally in 2024, we included water withdrawals<sup>36</sup>, water demand<sup>37</sup>, water returned to source<sup>38</sup> and water recycled or reused<sup>39</sup> as key performance metrics to identify future opportunities for improvement.

Ducommun's total water withdrawals in 2024 amounted to 55.1M gallons, including 54.5M gallons from utility providers and 564K gallons from onsite water wells. Total demand for 2024 was 41.2M gallons. We recycled 2.9M gallons of water through recycling efforts. Figure 19 illustrates the distribution of total water withdrawals, demand and total water use avoidance due to recycling and reuse. We are proud of our progress in this key metric, as it represents our dedication to sustainable water conservation practices.



#### Figure 19

<sup>&</sup>lt;sup>36</sup> Water withdrawal refers to the total amount of water taken from the source, including both fresh and recycled water, for use in the manufacturing process. Water procured from water utility companies is considered water withdrawal as the water company withdrew the water from source then delivered it to its consumer.

<sup>&</sup>lt;sup>37</sup> Water demand refers to the portion of withdrawn water that is not returned to the source, typically lost through evaporation or incorporated into a product.

<sup>&</sup>lt;sup>38</sup> Water returned to source is water that has been diverted for a non-consumptive use, then returned to its original source.

<sup>&</sup>lt;sup>39</sup> Water recycled is water that has been treated as wastewater and is reused for other purposes like irrigation or industrial processes.

The following are specific examples of our recent water demand management initiatives:

	Performance Center(s)	Water Recycling Project(s) Type	Scope	Estimated GHG Impact (Reduction)40	Estimated Water Recycling Impact <sup>41</sup>
>	Santa Clarita, CA	<ul> <li>Burnt-off oven water recycling system</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall water demand by 202,500 gallons of fresh water annually</li> </ul>
>	Huntsville, AR	<ul> <li>Rack degreaser project equipped with self-contained recycling unit</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall water demand by over 20,000 gallons of fresh water annually</li> </ul>
> >	Appleton, WI Tulsa, OK	<ul> <li>Rinse water recycling system</li> </ul>	> N/A	> N/A	<ul> <li>Appleton, WI reduced overall water demand by 161,700 gallons of fresh water annually</li> </ul>
					<ul> <li>Tulsa, OK reduced overall water demand by 6,100 gallons of fresh water annually</li> </ul>
>	Orange, CA	<ul> <li>Chillers, boilers and compressors for condensate recycling</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall water demand by approximately 455,000 gallons of fresh water annually</li> </ul>
>	California performance centers	<ul> <li>Landscaping watering reductions and planting of drought resistant plants</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall water demand by approximately 154,023 gallons of fresh water</li> </ul>
>	St. Croix Falls, WI	<ul> <li>Spotweld cooling system</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall freshwater demand by 14,000 gallons annually</li> </ul>
>	Coxsackie, NY	<ul> <li>Closed loop water recycling system</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall freshwater demand by 3,717,890 gallons annually</li> </ul>
>	Santa Clarita, CA	<ul> <li>Closed loop water recycling system</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall water demand by 52,000 gallons of freshwater</li> </ul>
>	Tulsa, OK	<ul> <li>Wastewater Recycling Program</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall freshwater demand by 226,000 gallons annually</li> </ul>
>	Joplin, MO	<ul> <li>Water Testing Recycling</li> </ul>	> N/A	> N/A	<ul> <li>Reduced overall freshwater demand by 11,500 gallons annually</li> </ul>

<sup>&</sup>lt;sup>40</sup> The estimated GHG impact for water recycling is not applicable, as no direct GHG emissions are associated with our water recycling processes.

<sup>&</sup>lt;sup>41</sup> Our estimated water recycling impact is based on the volume of water either saved through recycling, reused or recirculated within our processes. Data is tracked accordingly to monitor the effectiveness of these measures.

#### Wastewater Discharge

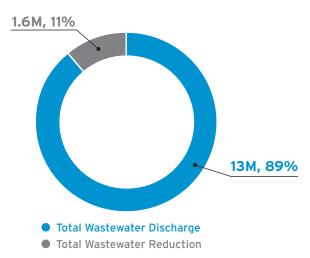
Ducommun is committed to the responsible treatment and discharge of wastewater, a natural byproduct of its manufacturing processes, in line with regulatory standards. Our maintenance and EHS teams work hard to ensure the wastewater treatment systems comply with the discharge limits set by applicable authorities and follow industry best practices whenever feasible. In 2024, Ducommun's total wastewater discharges were approximately 13M gallons, as seen in Figure 20.

Our commitment to sustainable wastewater management includes several key components:

- Compliance and Beyond: While meeting the wastewater discharge limits established by regulatory agencies is essential, we consider this merely a baseline rather than an end goal. Our aim is to surpass compliance requirements by seeking opportunities to exceed these limits, hoping to positively impact the local water supply.
- Recycling and Reuse: We actively seek opportunities to recycle and reuse treated wastewater, wherever possible. This not only conserves precious water resources but also helps to reduce the adverse environmental impact associated with our operations.



#### Figure 20



#### 2024 Ducommun Total Wastewater Discharge vs Total Wastewater Reductions (gallons)

# Empowering Our Partners in their Decarbonization Journey

# > Appleton Performance Center Recycles Plastic into Sustainable Fuel

Our Appleton performance center received an award from the Wisconsin Department of Environmental Protection for its exceptional efforts in converting plastics, trash and other waste materials into fuel pellets. These pellets are used as a substitute for coal in power plants across the state, marking a significant step forward in both waste management and sustainable energy solutions. All of the waste materials converted to fuel pellets are diverted from landfills, further reducing our carbon footprint. This award highlights our team's dedication to not only reducing waste but also contributing to cleaner energy production. By transforming non-recyclable plastic waste into fuel pellets, the performance center successfully diverted large quantities of plastic from landfills and provided a viable alternative to traditional coal-based power generation. This project aligns with Wisconsin's broader efforts to reduce carbon emissions and promote cleaner, more efficient energy sources. The innovative process also supports the state's sustainability goals and creates a circular economy where waste is repurposed into a valuable resource. The award from the Wisconsin Department of Environmental Protection serves as recognition of the innovation and forward-thinking solutions our team at the Appleton performance center has implemented. We are proud of this accomplishment and remain committed to exploring new and effective ways to contribute to environmental sustainability.

## >Investment in Low Carbon and Sustainable Opportunities

Ducommun continues to invest in products to help develop and expand renewable sources of energy within its industry. As previously reported, our LDS business designs and manufactures segmented lightning diverter strips and protection devices for aerospace, defense and industrial markets. Since 2020, LDS has been in an exclusive licensing relationship with WSU for advanced lightning strike protection technology to be used on wind turbines. The intent of the partnership with WSU is to further develop and commercialize the technology, originally developed at WSU's National Institute for Aviation Research, and offer it to wind turbine manufacturers and operators who require more robust, cost-efficient lightning strike protection to further develop this renewable energy source. As of 2024, Ducommun remains actively engaged in field trials to commercialize what we view as a significant and sustainable technology.

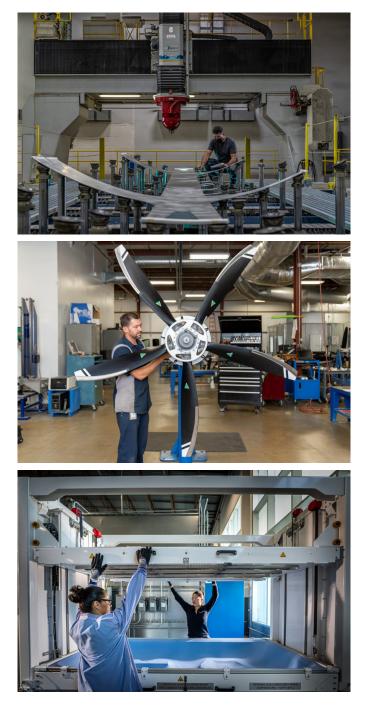


# **SHOCKTAPE**<sup>™</sup>

## >Supporting Key Customers in Fuel Efficiency Improvements

Ducommun recognizes that many of our customers have set ambitious GHG emissions reduction goals for fuel efficiency in the design and manufacture of aerospace products. As a supplier to major aerospace companies, Ducommun is committed to helping to meet the evolving needs of its customers through the leadership of its high-performance engineering and manufacturing teams, customer relationships and participation in industry associations. We are working closely with our customers to innovate improvements in product design with a focus on reducing drag and overall weight to help improve the fuel efficiency of commercial aircraft and space rockets. The following examples illustrate our collaboration with customers to design and manufacture products to meet evolving aerospace industry fuel efficiency requirements:

- Our Orange, CA performance center utilizes chemical processing on fuel bottle lines used by space rockets to minimize weight, resulting in a lighter rocket for improved efficiency and performance.
- 2. We acquired BLR in April 2023, which designs winglets, FastFins<sup>™</sup> and Vortex Generators to optimize airflow, and the Whisper Prop<sup>™</sup>, a carbon fiber propeller using natural composite materials instead of metals. BLR's products are intended to reduce drag, thereby enhancing the fuel efficiency and performance of helicopters.
- 3. At our Guaymas, Mexico performance center, we design and manufacture VersaCore Composite<sup>™</sup> components for engine transcowls and aircraft control surfaces. The lightweight composite materials used to manufacture each component weighs less than traditional materials, therefore helping to improve fuel efficiency by reducing the overall weight of an aircraft.
- 4. Our Santa Clarita, CA performance center designs solutions to replace aluminum parts with lightweight plastic components that help to reduce the weight of, and correspondingly, help to improve the fuel efficiency of aircraft into which such parts are incorporated.
- At our El Mirage, CA performance center, hollow fan blades are chemically milled to reduce weight, improving the efficiency of the rotating components of an engine.
- **6.** Our Gardena and Orange, CA performance centers chemically mill aircraft aluminum skins to reduce the overall weight of aircraft and improve fuel efficiency.



# 2024 Social Performance

## >Human Capital Management

Our focus on continued improvement within the organization extends beyond manufacturing and operations, including the areas of human capital management and organizational development. As such, we promote fairness and equal opportunity across our employment practices and processes and continue to drive such culture throughout the Company. These priorities are demonstrated by promoting our employees' well-being and encouraging the sharing of ideas and unique perspectives, promoting innovation, creativity, collaboration and supporting the development, growth and advancement of individual contributors.

#### Equal Employment Opportunity (EEO)

Ducommun makes all employment decisions based on individual merit and prohibits all forms of unlawful discrimination. Ducommun's employment philosophy and practices focus on providing equal and fair opportunities for employment to all. Ducommun maintains an active outreach program so that individuals from varying backgrounds have access to apply for job opportunities within our organization.

#### Tenure in Company Leadership

Leadership positions<sup>42</sup> within Ducommun encompass both long-standing expertise and fresh perspectives, as shown in <u>Figure 21</u><sup>43</sup>. This provides a balance of both stability and innovation. The leadership tenure chart highlights the broad range of leadership expertise within the Company, combining deep experience with a wide spectrum of ideas to guide our organization forward.





# Over 50% of our leadership team has been with Ducommun for over 10 years.

#### Human Capital

#### 2024 Tenure of Individuals in Leadership Roles

<sup>&</sup>lt;sup>42</sup> A leadership position refers to roles that involve overseeing, guiding and influencing others within our organization. This includes supervisory positions and higher levels, where individuals are responsible for decision making, strategic direction and management of teams or departments.

<sup>&</sup>lt;sup>43</sup> Data is based on active employee headcount as of December 31 for each calendar year.

# >Investing in our Employees

Ducommun's human capital strategy involves creating a work environment that encourages safety, health and well-being and overall engagement and development for our employees. It is our goal to promote fairness and growth opportunities within all employment practices, allowing opportunities for all individuals to develop and advance.

# **Employee Health and Wellness**

Ducommun recognizes that our employees are a valuable part of the community within the organization as well as the community at large. Accordingly, our employees' health and wellness are critically important. In 2024, health and wellness initiatives offered to our employees throughout the year included improved employee assistance programs, an annual health fair, flu shot clinics and onsite grief counseling support services.

Our employees have access to a variety of resources including counselling support, training and development topics such as managing remote work, stress management, emotional intelligence and improved self-help resources including tools, videos, financial calculators and informative articles to assist with life decisions and events such as adoption, relationship troubles, legal issues, financial well-being and health issues.

# **Operational Health and Safety**

As discussed in the previous sections of the Report, Ducommun places a premium on the safety of its employees, both in terms of overall well-being and in the context of our operations. We are committed to continuing to improve our programs by identifying opportunities to measure and evaluate KPIs relating to EHS issues across the enterprise. Ducommun's operational health and safety initiatives in 2024 included the following:

- 1. We continued to communicate EHS KPIs to senior management on a quarterly basis, which included both lagging and leading indicators. In 2023, the measurement of leading indicators was expanded to include first aid cases and near-miss incidents to support the timely completion of corrective actions identified during routine internal compliance inspections and investigations. We mandated that all our performance centers report any first aid and near-miss incidents to track identified potential hazards before they result in recordable injuries or illnesses. In 2024, we rolled out behavior-based safety observations to complement our existing safety-related leading indicators. By integrating behavior-based safety into our processes, we can better identify and seek to address behaviors that influence our leading indicators, ultimately helping to reduce our recordable and first aid injuries. The inclusion of these additional metrics into our EHS program led to a 44% reduction in recordable incidents in 2024 compared to 2023. Looking forward, we strive to continue to develop our approach by expanding the monitoring and measurement of EHS lagging and leading indicators to identify further opportunities to improve safety outcomes.
- 2. Ducommun continued to implement an enterprise-wide EHS software system to assist the EHS team and local safety committees in tracking the completion of open corrective action items and inspections and identifying opportunities to improve site-level safety. Since 2022, an impressive 99.9% of action items and inspections have been successfully completed through the utilization of the EHS management software across all performance centers.
- 3. In response to emerging trends and insights from our safety metrics and observations, Ducommun focused on addressing critical safety gaps through safety campaigns in 2024. A prominent example is our personal protective equipment campaign, with a goal of improving PPE compliance across the enterprise. Through data analysis, the EHS team identified opportunities for improvement, with the campaign not only emphasizing the importance of proper PPE, but also encouraging a culture of employee accountability. With a combination of training, enhanced supervision and regular feedback, our goal is to build a stronger safety culture while ensuring that safety standards are met.
- 4. We regularly issued safety alert communications to the entire organization that aim to prevent future injuries through increasing awareness and education, sharing best practices and facilitating actions to mitigate safety risks.
- 5. In 2024, all our manufacturing supervisors and many of our leads completed OSHA 10-hour training to enhance their understanding of workplace safety standards. This initiative was designed to enhance our safety program and ensure that our supervisors and leads have the necessary skills to uphold safety standards, identify potential hazards and implement corrective actions. It is part of our broader effort to continuously improve safety across our performance centers.

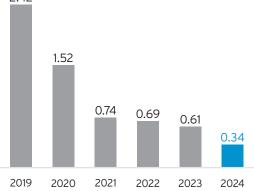
Ducommun tracks the number of lost time incidents and total recordable incidents incurred by our employees as a measure of the effectiveness of our health and safety programs. The Lost Time Incident Rate is defined as incidents that resulted in days away from work and is similar to the days away, restricted or transferred metric utilized by OSHA. In 2024, our Lost Time Incident Rate was 0.04, which represented an 89% decrease compared to the baseline year of 2019. In addition, our 2024 Total Recordable Incident Rate was 0.34, a decrease of 86% compared to the baseline year of 2019, or a decrease of 44% compared to the prior year. Moreover, and as previously discussed, Ducommun began tracking the number of first aid and near-misses in 2021 to prevent accidents before they occur and to reinforce our safety-first culture. As a result, 183 near-miss incidents were recorded in 2024, and 63 first aid cases were reported. An increase in reporting allows us to address concerns before they result in a recordable or lost time incident. Our performance against these metrics is depicted in Figure 22 below.

### Figure 22

### Lagging Indicators of Safety LOST TIME INCIDENTS **RECORDABLE INJURY INCIDENTS** Lost Time Incident Rate **Total Recordable Incident Rate** 0.36 2.42 0.33 0.31 1.52 0.74 0.69 0.61 0.08 0.04

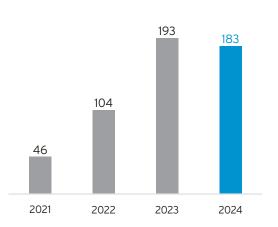
2019 2020 2021 2022 2023 2024

0.00



# Leading Indicators of Safety

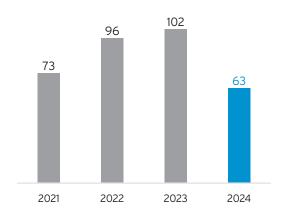
### NEAR-MISS INCIDENTS



Number of Near-Miss Incidents Reported<sup>44</sup>

### FIRST-AID INCIDENTS

### Number of First-Aid Cases Reported<sup>45</sup>



<sup>44</sup> We first began reporting our near-miss incidents in 2021, therefore there is only a 3-year look back for near-miss cases.

<sup>&</sup>lt;sup>45</sup> We first began reporting our first aid incidents in 2021, therefore there is only a 3-year look back for first aid cases.

# **Employee Engagement**

**Ducommun 175<sup>th</sup> Anniversary Celebration:** In 2024, employees across all performance centers joined in a company-wide celebration of our 175<sup>th</sup> anniversary. Employees received a commemorative book, coin and polo shirt. All locations hosted a special luncheon to celebrate the momentous occasion. (See <u>Figure 23</u> and <u>Appendix 9</u>).

### Figure 23



**5<sup>th</sup> Annual Engineers Week:** In 2024, we celebrated our 5<sup>th</sup> Annual Engineers Week (EWeek), which is dedicated to recognizing and appreciating our engineers and technicians by holding innovation and emerging technologies competitions. Keynote speakers, including one of the independent members of the Board's Innovation Committee, were invited to kickoff and close out the 5<sup>th</sup> Annual EWeek event. Other events included fun interactive STEM and team building activities such as bridge design competitions, pinewood derby races and golf outings. We also utilize this week to extend outreach to local STEM organizations at the high school and college levels to promote an interest in the engineering profession. These outreach efforts have allowed our performance centers to develop valuable relationships with local organizations that continue well beyond the one-week celebration. The Excellence in Innovation Award celebrates the completion and implementation of projects during the previous year, with 2024's top honors being presented to the Nobles Worldwide performance center for its project on the 50mm Ammunition Handling System (See Figure 24).

### Figure 24



**4<sup>th</sup> Annual National MFGDay Event:** In October 2024, all of Ducommun's performance centers participated in the 4<sup>th</sup> Annual MFGDay event. This event, organized nationally by the Manufacturing Institute and the National Association of Manufacturers, presents unique opportunities for middle and high school students to learn about careers in manufacturing after completing their education. Our teams across Ducommun hosted onsite tours, presentations and hands-on activities (see Figure 25). Some locations attended local community student events highlighting manufacturing careers for students. In 2024, our performance centers connected with over 1,500 students to provide support and education for career planning. During this annual event, we take the opportunity to recognize and appreciate the efforts of our entire workforce for the hard work and dedication they provide the Company and our customers.

#### Figure 25



**Employee Appreciation Events:** All of Ducommun's performance centers recognize the hard work and dedication of our employees through numerous celebrations and events throughout the year. In 2024, we began our Employee of the Quarter recognition program where employees nominate coworkers for outstanding teamwork and achievement. Other events include employee appreciation days and luncheons to commemorate the achievement of operational goals and employee milestones, birthdays, retirements and holidays. In 2024, we also held solar eclipse watch parties across many of our performance centers to provide the opportunity to witness a truly unique celestial event. In addition, we held special events to acknowledge and appreciate our military service employees on Veteran's Day (See Figure 26).

Figure 26



**Employee Engagement Survey:** In 2024, Ducommun conducted a company-wide smaller engagement pulse survey to collect valuable feedback from our employees. The purpose of this survey was to assess overall engagement and track progress in key areas, such as individual recognition and improving the work environment. The participation rate for the 2024 pulse survey was 63%. In nearly 50% of our performance centers, we saw an increase in engagement scores compared to the 2023 full engagement survey. Engagement priorities for 2025 will continue to focus on opportunities to increase individual recognition and improve overall work environment.

# **Employee Stock Ownership Program and Retirement Benefits**

Since 2019, Ducommun has offered its eligible employees the opportunity to participate in the ESPP. The ESPP provides employees with the opportunity to share in Ducommun's success and continued growth through the purchase of shares of the Company's stock. The plan allows eligible employees to accumulate contributions through after-tax payroll deductions to purchase shares of Ducommun stock at a 15% discount. Overall participation levels in the ESPP program have increased by 28% since the program's inception. In addition, our 401(k) program has a 91.7% participation rate among eligible employees, with annual training and educational sessions held at each Ducommun performance center.

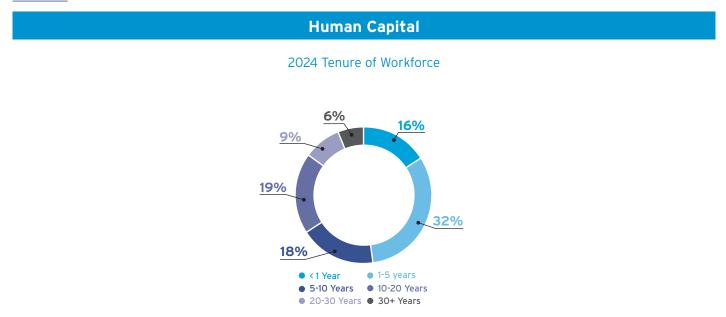
# **Employee Tuition Assistance Program**

Ducommun offers a tuition assistance program to encourage employees to continue their formal education. The program provides financial assistance to eligible employees for completing courses that align directly with an employee's assigned job function or that will help prepare them for future advancement within the Company. In 2024, Ducommun issued tuition reimbursement payments totaling more than \$30,000 to employees in various functional departments, including engineering, accounting, quality, sales, supply chain and logistics.

### Workforce Data

Our employees consistently express that they feel welcomed and valued, with a strong sense of mutual respect among colleagues. The long tenure of many of our employees is indicative of the positive environment we have cultivated, one that promotes equal employment opportunity, authenticity and innovation. Moreover, the dedication of our employees reflects our focus on fostering a sense of belonging and fairness with the Company. Figure 27 below shows our workforce distribution by tenure.

#### Figure 27





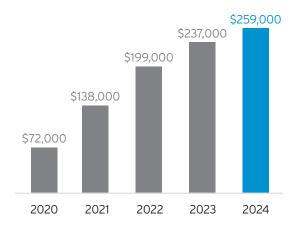
### **Ducommun Scholarship Program**

The Ducommun Scholarship Program is an exclusive benefit for the children and grandchildren of full-time Ducommun employees who plan to continue their education by attending a four-year college or university, or a two-year accredited technical or vocational program. Student applicants are evaluated by an independent scholarship firm that administers the application and review process, and scholarships are awarded based on factors such as academic performance, demonstrated leadership, participation in school and community activities, honors, work experience, goals and aspirations. In 2024, Ducommun awarded a record 92 academic and vocational scholarships, which included 40 new awards and the renewal of 52 previously awarded scholarships, an increase from the 83 scholarships awarded in 2023 and 70 in 2022. Students can renew their scholarship awards for each academic year, allowing them to work toward a two- or four-year degree, provided they continue to meet minimum academic performance levels and have a parent or grandparent that is employed by Ducommun, which was an enhancement to the program adopted based on an awareness that some students would begin but not always complete their studies, and which Ducommun was determined to change. The total value of the scholarship awards in 2024 was \$259,000 up 9% from scholarships awarded in 2023 as seen in Figure 28.

#### Figure 28



Total Value of Scholarships



>Organizational Development: Building Talent and Opportunity

At Ducommun, we recognize our employees as our most valuable resource. The talent and skills of our employees allow us to drive innovation and solutions across the organization in support of our customers and their needs. We continue to seek ways to standardize and improve systems and processes to promote consistency and fairness in our employment practices. A continued focus on outreach opportunities and partnerships allows us to support our hiring goals.

# **Recruitment and Onboarding**

Recruiting strong talent and retaining that talent is critical to driving quality and innovation. We use a variety of methods and resources to attract, recruit and retain our human capital. In 2024, in support of our recruitment strategy for attracting and retaining top talent, our human resources team focused on enhancing the career website and continuing outreach to students and veterans. In addition, ongoing improvements to the recruiting and selection process support our goal of enhancing the applicant experience.

In 2024, our recruiting team implemented several improvements to the career website, improving the applicant experience, as well as enhancing application source tracking to further develop our ability to analyze the effectiveness of recruiting sources. Last year, we implemented tools to assist in connecting with college students. We are excited to report that the student connection database has increased to approximately 900 students and has improved our ability to fill critical engineering positions. In 2024, the HR and recruiting teams attended at least 21 career fairs and enhanced our internship opportunities and experience across performance centers. Alexa Wibbenmyer, Missouri University of Science and Technology – Aerospace Engineering major, stated "*This summer, being a part of Ducommun's Engineering Intern Program has taught me to be consistent in my work, strive for communication, and have fun. I am grateful for the friendships I've made and opportunities I've been given. The people here have made my experience truly unforgettable.*" Other notable activities included interactive career days with students at many of our performance centers with a focus on engaging with future talent in support of their long-term career plans (See Figure 29).

Outreach efforts to build partnerships with veteran organizations have continued in 2024, resulting in expanded opportunities to build relationships with veterans that facilitate recruitment and support. Specifically in 2024, we solidified our partnership with SkillBridge and have been utilizing this program to engage with veterans transitioning from the military to civilian employment. In addition, Ducommun is now an approved partner of the VA's Veteran Readiness and Employment (VR&E) program. The VR&E program is designed to support veterans with service-connected disabilities prepare for, obtain and maintain employment. To support our veteran hires, the recruiting team has implemented a Ducommun Veteran Transition playbook and partners new veterans with existing Ducommun employees who are also former service members that can mentor the new hires.

Figure 29



### **Talent Development**

In 2024, we were very excited to partner with Franklin Covey, an independent consulting firm, to support our talent development initiatives. As a result, we launched a formal leadership development training program for key individuals across the organization with the goal of developing a "leader's mindset" by focusing on equipping our future leaders with essential skills that enhance employee engagement, improve collaboration and communication and drive results.

We also continued to focus on leadership effectiveness through dedicated sessions to enhance focus on long-term strategy, decisionmaking and overall communication (See <u>Figure 30</u>). Our LMS e-learning resources have continued to be utilized to offer compliance training, skill development, certification preparation and individual development plans. Our future focus will be on enhancing our talent review and succession programs to further drive a high-performance and continuous learning culture.

### Figure 30



### **Performance Management**

Talent management and performance reviews are vital to increasing our capabilities, productivity and efficiency across every facet of the organization. Specifically, robust performance management processes support our philosophy of ongoing coaching and feedback as well as foster employee engagement and collaboration within all levels of the organization and these processes are a part of our focused effort to drive organizational effectiveness, process efficiency and talent development. We aim to align core competencies with our core values, annual key focus areas, and employee and leadership expectations with this ongoing initiative.

# >Investing in our Communities

Ducommun is committed to being an active member of the local communities in which it operates by contributing financial resources and encouraging employees to volunteer with the non-profit and community-based organizations they care most about.

# The Ducommun Foundation

In 2019 we founded the Ducommun Foundation, a Section 501(c)(3) organization that serves as the Company's philanthropic arm to financially support various local and national non-profit and charitable organizations in the communities in which we operate.

Since its inception the Ducommun Foundation has donated approximately \$1.8 million to assist organizations that support veterans, active service members and military families, and efforts to end homelessness in local communities. To that end, in 2024 donations were provided to organizations such as Hire Heroes USA, American Legion, Fisher House Foundation, U.S. Veterans Initiative and Wounded Warriors Family

Support. Additionally, in honor of Veteran's Day, donations were provided to the American Battle Monuments Foundation, which maintains American military cemeteries and monuments overseas in support of those who have made the ultimate sacrifice in defending our freedom. In past years, contributions were also made to the World Central Kitchen, UNICEF USA and other humanitarian causes.

# **Ducommun Philanthropy Initiatives**

**Ducommun Partners with OC United Way:** In 2024, Ducommun was proud to once again be a champion-level sponsor of the OC United Way's Rally for Change event, a celebration of corporate social responsibility in the community (see Figure 31). We were honored to have been nominated for the Medium-Sized Company Corporate Giving Climber Award.

Last November, Ducommun's chairman, president and chief executive officer, Stephen G. Oswald, and his wife Regina, served as Gala Chairs and were Centennial Sponsors at the "Journey to 100 Centennial Gala" in celebration of the Orange County United Way's 100 years of community impact. Ducommun also proudly donated \$50,000 as an Anniversary Sponsor of the Centennial Gala, which raised over \$850,000 to help local students receive the support they need to thrive academically, provide financial stability for families, and provide safe and secure places for our neighbors experiencing homelessness to call home. Finally, we partnered with OC United Way to launch a company-wide "Ducommun Cares" giving campaign. Pursuant to this initiative, our corporate employees and the Company donated more than \$65,000 to support meaningful causes in the communities in which we operate.

### Figure 31



### Local and National Community Involvement

**Beach Cleanup at Bolsa Chica State Beach:** Ducommun participated in a beach cleanup at Bolsa Chica State Beach in Huntington Beach, CA. Ducommun team members picked up trash and other debris along a one mile stretch of beach to protect this treasured resource in our community and promote sustainability.

**The American Rocketry Challenge:** Ducommun Incorporated is a proud sponsor of The American Rocketry Challenge, the world's largest student rocketry competition, with 922 teams from 45 states participating. In 2024, the National Championship was awarded to the Tharptown High School of Russellville, Alabama (see <u>Figure 32</u>), who subsequently represented the United States at the International Rocketry Challenge at the Farnborough International Airshow in July, finishing in second place! To date, the American Rocketry Challenge has inspired nearly 95,000 middle and high school students to explore education and careers in STEM fields. Ducommun provided a donation of \$25,000, allowing middle and high school students to continue exploring education and careers in STEM fields.

#### Figure 32



**Ducommun partners with DSF Werks for Carson Machine Shop consolidation project:** Throughout 2024, our Carson facility has begun the process of consolidating its machine shop footprint by removing over 25 pieces of older equipment and replacing it with 4 newer CNC mills and lathes. This change will result in several major improvements, including a footprint reduction of over 6,000 sq ft, a three-fold improvement in processing time, improved part accuracy with less rework and lower energy consumption. Through this effort, we partnered with DSF Werks, a local nonprofit that provides workplace experiences, skills development and mentorship for underserved and emancipated foster youth, focused on automotive restoration and media arts. Ducommun was able to donate 7 pieces of manual and CNC machining equipment to DSF in December 2024, which will further allow it to empower the youth in our community with hands-on life skills that we hope can provide them with a brighter future. Ducommun expects the Carson machine shop consolidation effort to be completed by the end of Q1 2025.

**Community Support and Volunteer Initiatives:** Most of our performance centers participate in annual clothing, food, blood and toy drives to support the needs of families and individuals experiencing homelessness in the communities in which we operate (See Figure 33). Fundraising and support volunteer efforts in 2024 included events such as our Joplin, MO performance center volunteering to feed approximately 80 individuals; our MagSeal (Warren, RI) performance center donated food and time to the St. Mary's of the Bay Food Pantry and the Toys for Tots program by sorting, organizing and shopping for toys for families in need; the Gardena, CA performance center donated \$2,000 to the Gardena Police Association to support underprivileged families and kids; and our Coxsackie, NY performance center donated \$3,000 to support local charities at the Owl Statue event. Additionally, all our performance centers engaged in a food drive competition to support the needs of local food pantries, resulting in the collection of over 10,000 pounds of food, and held annual toy drives. Finally, the Appleton, WI performance center sponsored the 9/11 Memorial Stair Climb, paying tribute to the 343 firefighters who lost their lives on September 11<sup>th</sup>, 2001.

#### Figure 33



### Newsweek's Most Responsible Companies for 2024 and 2025

For the second consecutive year, Ducommun was proud to be named to Newsweek magazine's list of most responsible companies in recognition of our commitment to corporate social responsibility and long-term sustainability. Newsweek's annual list of America's Most Responsible Companies was produced in collaboration with data firm Statista, a global data and business intelligence platform with an extensive collection of statistics, reports and insights on over 80,000 topics from 22,500 sources in 170 industries. The America's Most Responsible Companies 2025 ranking focuses on a holistic view of corporate responsibility and is based in part on 30 KPIs researched for the top 2,000 public companies by revenue headquartered in the United States and a survey of over 26,000 U.S. residents.

# STEM on the Sidelines™ Program

As a leader in the aerospace and defense industry, Ducommun continues to support community-based STEM programs and initiatives that nurture and develop the next generation of innovators, thinkers and technicians. In partnership with the Los Angeles Chargers of the National Football League and the University of California, Irvine UCI Samueli School of Engineering, Ducommun established and sponsors STEM on the Sidelines<sup>™</sup>, an annual regional competition promoting STEM education in high schools around Los Angeles and Orange Counties, CA. In 2024, a total of 20 teams from 14 schools participated in the event.

The 7<sup>th</sup> annual contest was held on December 7, 2024, with the winning teams being honored before the Los Angeles Chargers game on December 19, 2024 (see <u>Figure 34</u>). In total, over 800 students from approximately 119 high schools have benefited from their involvement in STEM on the Sidelines<sup>™</sup> since 2018. Top Honors in 2024 went to the Trojans 2 team from Orange County's University High School.

### Figure 34



# **Corporate Governance Programs**

Ducommun is a publicly held company that trades on the NYSE under the ticker symbol "DCO." The Board, which serves as the Company's highest governing body, is actively engaged in, and oversees, the Company's corporate governance program and other matters discussed in this Report. The Board allocates its risk oversight obligations among its Audit, Governance, Compensation and Innovation Committees.

# IT and Cybersecurity

As a manufacturer operating in a highly sensitive industry, the protection of our customers', suppliers' and employees' confidential information is critical. Accordingly, Ducommun incorporates security throughout our operations, while seeking to continue to improve our security posture in these key areas:

- Risk Reduction Leveraging established industry standard frameworks to mitigate our risk exposure and reduce the likelihood of catastrophic failures that can result in the loss of data or revenue, and severely impact business operations.
- Securing the Enterprise Using a multi-layered IT infrastructure to identify, protect, detect, respond and recover from directed attacks from cybercriminals and adversarial nation-state actors.

# **Protecting Digital Assets**

To mitigate risk to its digital assets, Ducommun has made significant investments in recognized cyber-defense solutions to help safeguard the enterprise against cyberattacks. In 2024, these defenses resulted in<sup>46</sup>:

- 1. Denying more than 73 million nefarious firewall connection attempts per month across 20 locations in 3 countries.
- Analyzing 191 million web requests per month, blocking an average of 34 million requests determined to pose a threat to the organization.
- **3.** Inspecting over 4 million inbound emails per month for spam, malicious content and phishing attempts and rejecting approximately 90%.

# Cybersecurity Maturity Model Certification (CMMC)

- Product Security Establishing cybersecurity controls such as anti-malware software on computers and servers and badge access control to manufacturing sites to provide product security.
- **4.** Privacy Striving to comply with applicable privacy laws and regulations to secure personally identifiable information collected for business purposes.
- Monitoring data across our sites against threats, protecting over 200 million digital assets via our data security solutions.
- 5. Conducting over 1,460 hours of cybersecurity training delivered to all members of management and employees with assigned email boxes on issues relating to security awareness, including insider threats, phishing, vishing and smishing attacks (including sending over 4,300 fake phishing emails) and the handling of confidential/sensitive information or data.
- **6.** Protecting our enterprise systems via our 24x7x365 detection/response threat hunting team.

Ducommun is working towards attaining a Cybersecurity Maturity Model Certification (CMMC) by 2027. We have invested considerable resources into the implementation of world class cybersecurity solutions, documentation, personnel and training.



<sup>46</sup> Data is tracked by Ducommun's IT department via software.

# Board and Committee Structure

We have adopted a robust set of policies and procedures to provide for effective corporate governance and have established ethical standards and practices throughout our Company.

Figure 35 below summarizes our Board-level charter documents and other corporate governance documents.

### Figure 35

Board Committee Charters							
Audit Committee Charter	Compensation Committee Charter	Corporate Governance and Nominating Committee Charter	Innovation Committee Charter				
Corporate Governance Documents							
Code of Business Conduct and Ethics	Code of Ethics for Senior Financial Officers	Procedures for Complaints About Auditing and Accounting Matters	Corporate Governance Guidelines				

As previously noted, in 2021, Ducommun launched a CER Strategic Steering Committee, consisting of executive and functional leaders throughout the Company, that meets on a quarterly basis. Executive sponsors include our Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Human Resources Officer, Senior Vice President of Operations and senior leaders of our Supply Chain, Information Technology, CER and EHS functions. The primary mission of the steering committee is to ensure alignment among the Company's various functional groups on achieving CER objectives, tracking progress on previously approved initiatives and ensuring adequate resources are allocated for such programs.

# Supply Chain

Building an ethically sound supply chain is critical to our success and sustainability as our suppliers are essential partners in our operations. With 18 manufacturing facilities, Ducommun depends on a variety of suppliers for raw materials, processes and services to support our operations. Ensuring the ethical procurement of these materials and maintaining safe working conditions throughout our supply chain are fundamental to our values.

We expect our suppliers to commit to the standards outlined in our Supply Chain and Conflict Minerals Policies. As part of our vendor onboarding process, suppliers are required to fulfill specific criteria, which may include comprehensive due diligence questionnaires and other compliance reviews. Non-compliant suppliers may not be issued purchased orders or projects, depending on the circumstances.

In 2024, we sent a survey to our top 50 suppliers for each of the performance centers to assess their impact on environmental and social topics. We chose these vendors because they represent a significant portion of our supply chain and have a direct influence on our sustainability efforts. This survey aims to engage suppliers regarding our expectations in the areas of environmental, social and governance initiatives, and we evaluate them on their general environmental and social responsibility practices. Each supplier is asked to score themselves from 1-5, with 5 being the highest and 1 the lowest, based on their current environmental, social and governance activities. By doing so, we encourage transparency and collaboration and foster a shared commitment to sustainability and ethical practices across our supply chain. This engagement not only helps us monitor compliance, but also promotes continuous improvement in alignment with our environmental and social goals.

Furthermore, we also involved our top suppliers in our DMA to help us understand topics that are relevant to our collective operations. This collaborative effort allows us to identify key issues that impact our sustainability performance and the interests of our suppliers, helping us address concerns that matter to all stakeholders.

<u>Figure 36</u> below depicts the number of suppliers that were engaged, those that responded to the questionnaires, and the relevant metrics tracked.

### Figure 36

Suppliers Sent Questionnaire	Supplier Responses	ISO certified	CER program in place	Tracking GHG emissions	Energy reduction goals in place	Established program for waste and water recycling	Reporting of social metrics
590	200	22	96	40	84	94	56

# **Conflict Minerals**

Ducommun recognizes the significant human rights violations linked to the extraction, transportation and trade of specific minerals and materials. We are committed and dedicated to responsible sourcing from suppliers who share our values. This is integral to our mission to avoid potential human rights violations through our procurement practices, as outlined in our Conflict Minerals Policy. We submit our annual conflict minerals report to the SEC and have made our Conflict Minerals Policy publicly available on our website Ducommun Conflict Minerals Statement.

### **Ethics and Protection of Human Rights**

Our employees have access to a variety of resources including counselling support, training and development on topics such as managing remote work, stress management, emotional intelligence, and improved self-help resources including tools, videos, financial calculators and informative articles to assist with life decisions and events such as adoption, relationship troubles, legal issues, financial well-being and health issues.

Ducommun understands the importance of building trust with our investors, customers, vendors and suppliers, and that the foundation for doing so begins with our employees. As part of its efforts to establish this trust and demonstrate our commitment, the Company provides an anonymous hotline to support its Code of Business Conduct and Ethics to empower employees to provide suggestions and report concerns or instances of misconduct. Honesty and trust are foundational core values at Ducommun, and in keeping with these values, we offer employees regular ethics training and monthly bulletins to promote a culture of high ethical standards and integrity where employees are free to voice any concern.

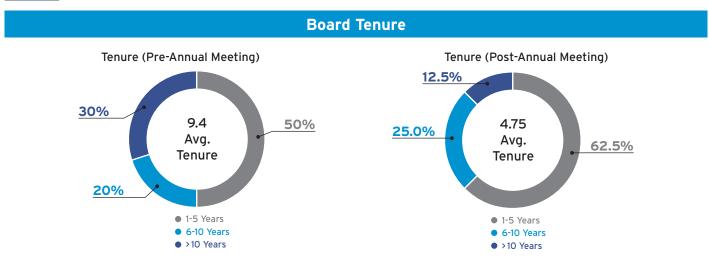
The Company is also committed to respecting human rights and establishing high levels of ethical conduct throughout its supply chain. The Company strives to comply with all applicable laws and regulations with respect to human rights. For example, in support of the United States Government's policy prohibiting trafficking in persons, Ducommun implemented policies and procedures designed to comply with Executive Order 13627 "Strengthening Protections Against Trafficking in Persons in Federal Contracts" and Title XVII of the National Defense Authorization Act for FY 2013. As such, we expect our employees and suppliers to refrain from engaging in the use of forced, bonded or indentured labor, involuntary prison labor and slavery, as well as from procuring commercial sex acts or engaging in the trafficking of persons. Moreover, in accordance with the California Transparency in Supply Chains Act of 2010, which requires retailers and manufacturers doing business in California to disclose efforts to eradicate slavery and human trafficking from their direct supply chain, Ducommun has implemented policies expecting its employees and suppliers to take appropriate steps to mitigate the risk of such behaviors from occurring in its supply chain. These requirements are flowed down to our suppliers through our general terms and conditions of purchase.



### **Board Composition**

Ducommun is very proud that members of our Board possess a variety of professional backgrounds, expertise, and leadership capabilities as well as personal backgrounds and experiences that contribute to the quality of the Board's oversight and which we believe are essential components of effective governance. The tenure of our directors, both pre- and post-annual meeting, is summarized in the graphs below, as shown in Figure 37 below:





# >CER Governance

The Board oversees risk management both collectively and through its individual committees, and regularly reviews information regarding, and risks associated with, our operations, liquidity, cybersecurity and CER program and is highly engaged with management in identifying and overseeing such matters.

As part of the Board's role in overseeing the Company's ERM program, it devotes time and attention to cybersecurity and data privacy related risks in conjunction with the Innovation Committee. The Board and the Innovation Committee receive reports on cybersecurity, data privacy and technology-related risk exposures from management, including our head of IT and security, at least once a year and more frequently as applicable.

We have an enterprise-wide approach to addressing cybersecurity risk, including input and participation from management and support from our IT Steering Committee that is composed of our Senior Vice President Electronic and Structural Systems, Chief Financial Officer, General Counsel, Chief Human Resources Officer, Vice President Supply Chain Management and Head of IT and Cybersecurity. Our cybersecurity risk management program leverages the National Institute of Standards and Technology Framework which is augmented with Cybersecurity Maturity Model Certification components to meet our particular needs. We regularly assess the threat landscape and take a holistic view of cybersecurity risks with a layered strategy based on protection, detection and mitigation. Our IT security team, which is comprised of internal resources, reviews enterprise risk management-level cybersecurity risks at least annually.

While the full Board has the ultimate oversight responsibility for the risk management process, various Board committees also have risk management oversight responsibilities over certain substantive areas. The Board believes that its programs for overseeing risk, as described below, would be effective under a variety of leadership frameworks. Accordingly, the Board's risk oversight function did not significantly impact its selection of the current leadership structure. The key risk oversight responsibilities of each of the Board's committees are depicted in the diagram below:

### The Board

The Board plays a direct role in our ERM program, including but not limited to cybersecurity and sustainability, and receives regular reports from the chairs of those committees with respect to the risks overseen by each.

### Compensation Committee

Reviews and discusses > management's assessment of risks related to compensation, human capital, and equal employment opportunity policies and practices, as well as social initiatives, whether risks related to such programs are reasonably likely to have a material adverse effect.

### Audit Committee

Reviews risks related to financial reporting and internal controls, helps the Board oversee the Company's public reporting regarding cybersecurity matters and, at least annually, reviews and assesses enterprise-wide risks and risk mitigation plans, as well as the monitoring and control of related exposures.

### Corporate Governance and Nominating Committee

> Evaluates the risks related to the overall effectiveness of the Board and its committees, the effectiveness of our governance practices, and the Company's CER and sustainability performance, strategies, goals and objectives.

### Innovation Committee

> Assists the Board in overseeing information technology, including data privacy, cybersecurity and technology-related risks (other than the Company's public reporting obligations with respect to cybersecurity for which the Audit Committee is responsible).

Ducommun's CER initiatives are overseen by its Board, and specifically, its Governance Committee. Each member of the Governance Committee meets the independence criteria of the NYSE listing standards.

The Governance Committee reviews and provides input on key CER metrics for the Company and its stakeholders. In 2020, based on management's recommendations, the Governance Committee approved the development of a CER program substantially based on the SASB Aerospace and Defense Industry Standard, as modified, as being most reflective of, and relevant to, the Company's operations. More recently, we also incorporated the TCFD and GRI frameworks into our CER program. In 2024, we adapted CSRD's double materiality assessment requirements. The Governance Committee receives periodic updates relating to the progression and status of the development of the Company's CER program and reports on the status of the Company' initiatives to the full Board at least annually.

In 2021, we added a corporate-level managerial role to lead Ducommun's CER efforts and convened a CER Steering Committee. The committee is comprised of senior executives to promote cross-functional leaders appropriately allocating resources and supporting CER initiatives that are approved by the Governance Committee, and at least annually, report on the progress of those initiatives to the Governance Committee, and at least annually, report on the progress of those initiatives to gudating this Report annually to provide a summary of its CER initiatives, results and review of risks associated with the long-term sustainability of the business, as well as mitigation measures implemented to address such risks. This Report addresses each element of Ducommun's CER program to help stakeholders understand how these issues are currently managed and how the Company will strive to improve on identified metrics in the future. Unless otherwise stated, figures provided are as of December 31, 2024.

### **Reporting Systems**

Ducommun implemented Novisto CER software that unites CER metrics across the enterprise into one platform. We anticipate this platform will help capture clearer audit-level data in a reliable and consistent manner and facilitate our ability to provide limited assurance to the data disclosed in the future. With Novisto, we can manage the disclosure of Scope 1, 2 and 3 GHG emissions and conduct CER benchmarking and gap analyses against peer companies. Furthermore, we hope to incorporate automated workflows to streamline our reporting and monitor the progress of our CER program.

### Framework and Standards

We strive for transparency around our Company's adverse environmental impacts and our actions to minimize them. Accordingly, we seek to follow the disclosure topics and accounting metrics as established by SASB Aerospace and Defense Industry Standard, TCFD, GRI and CSRD. In addition to the frameworks established by SASB Aerospace and Defense Industry Standard, TCFD, GRI and CSRD, we strive to identify, measure and disclose the Company's current adverse environmental impacts and our efforts to mitigate them. By way of example, we disclosed details of our environmental footprint and GHG emissions reduction efforts to CDP, a non-profit organization that supports a global environmental disclosure system for corporations and state and municipal governments to measure and manage their risks and opportunities on climate change and environmental impacts. Moreover, our calculation of GHG emissions is based on the guidelines set forth in the GHG Protocol by the World Resources Institute and the World Business Council for Sustainable Development, covering both Scope 1 and Scope 2 GHG emissions.



# **About This Report**

We have published this CER Report to provide an overview of Ducommun's operations related to CER activities. This includes both quantitative and qualitative information and contains comparisons of 2024 results to 2019, as well as selected years within this period. This CER Report is for the calendar and FY ended December 31, 2024. Unless otherwise noted, the scope of this CER Report is limited to Ducommun's performance centers in the United States where we have managerial control of day-to-day operational activities. Ducommun strives to continue to improve its CER program by adhering to standards and reporting frameworks such as the SASB Aerospace and Defense Industry Standard, TCFD and GRI. We intend to continue to report on our progress annually.

# >Forward Looking Statements and Related Cautionary Notes

This Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be preceded by, followed by or include the words "could," "may," "will," "believe," "expect," "anticipate," "plan," "estimate," "aim," "strive," "continue," "outlook," "guidance," "seek," "ensure" or similar expressions. These statements are based on the beliefs and assumptions of our management relating to our environmental, social and governance initiatives and program, and may be based on standards for measuring progress (including standards for the measurement of underlying data) that are still developing, on internal controls that are evolving, and on assumptions or third-party information that are subject to change in the future. For example, our disclosures based on any standards may change due to revisions in framework requirements, changes in how GHG emissions are calculated, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond our control. Generally, forward-looking statements include information concerning our possible or assumed future actions, events, or results of operations. Forward-looking statements in this Report address the Company's goals, targets, aspirations, or expectations regarding sustainability, environmental matters, corporate responsibility, cybersecurity matters and our employees, policies, business opportunities and risks.

These forward-looking statements are subject to numerous factors, risks, and uncertainties that could cause actual outcomes and results to be materially different from those projected. Forward-looking statements are aspirational and not guarantees of future results, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Information included in, and any issues identified as material for purposes of, this Report may not be considered material for SEC reporting purposes. Within the context of this Report, the terms "material" and "materiality" are distinct from, and should not be confused with, such terms as defined for applicable rules and regulations, including SEC reporting purposes. All written and oral forward-looking statements made in connection with this Report that are attributable to us or persons acting on our behalf are expressly gualified in their entirety by "Risk Factors" contained within Part I, Item 1A of our Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, and other cautionary statements included therein. Furthermore, with respect to our targets, goals, and commitments outlined in this Report and elsewhere, there are additional risks associated with, among other things, socio-demographic and economic trends; energy and fuel prices and availability; technological innovations; climate-related conditions and weather events; legislative and regulatory changes; our ability to gather and verify relevant information, including data regarding environmental impacts, and the challenges, assumptions, and other methodological considerations associated with such information; our ability to successfully implement various initiatives throughout the company under expected time frames and at expected levels of cost and complexity; risks related to our public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities related to the risk of potential "greenwashing," (i.e., misleading information or false claims overstating potential sustainability-related benefits, risks that we may face regarding potentially conflicting anti-ESG initiatives from certain U.S. state or other governments, which could lead to increased litigation risk from private parties and governmental authorities or regulatory bodies related to our sustainability initiatives); the compliance of various third parties with our policies and procedures and legal requirements; our dependency on certain third parties to perform; and other unforeseen events or conditions. We may also rely on information prepared by government agencies or third-party vendors and consultants in certain of our disclosures, including with respect to calculating GHG emissions, which involves certain important risks. For example, third-party information may change over time as methodologies and data availability and quality continue to evolve. These factors, as well as any inaccuracies in the third-party information we use, including in our estimates or assumptions, may cause results to differ materially, and adversely, from estimates and beliefs made by us or third parties, including regarding our ability to achieve our goals. While we are not aware of any materials flaws with the information we have used, except to the extent disclosed, we have not undertaken to independently verify this information or the assumptions or other methodological aspects underlying such information. The information should not be interpreted as any form or guaranty or assurance of accuracy, future results or trends, and we make no representation or warranty as to third-party information. These factors are not necessarily all of the important factors that could cause actual results to differ materiality, and adversely, from those expressed in any of our forward-looking statements. Other factors could also have material adverse effects on our future results, including factors that are unknown to us and factors that we currently consider to be immaterial.

We urge you to consider all of the risks, uncertainties, and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this CER Report. We cannot assure you that the results reflected or implied by any forward-looking statement, including any goals or targets, will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. The forward-looking statements in this Report are made as of the date of this Report unless otherwise indicated, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances. Unless explicitly noted in each instance where it occurs, the relevant sustainability and CER-related data provided in this report has not been audited or subject to any third-party assurance process. The information herein should not be interpreted as any form of guaranty or assurance of accuracy, future results or trends.

Unless otherwise provided, the information contained in this Report, including website references and hyperlinks throughout this document, are provided for convenience only, and the content therein is not incorporated by, nor does it form a part of, any filing of Ducommun made with the SEC, or any other filing, report, application or statement made by Ducommun to any federal, state, tribal or local governmental authority.

# Appendices

# >Appendix 1

### Table 1: 2019 Baseline comparison to 2024<sup>47</sup>

Combined Ducommun Incorporated US Performance Centers	2019	2020	2021	2022	2023	2024	Percent Change	Normalized by Employee Count	Normalized by Revenue
GHG Emissions <sup>48</sup> (metric tons CC	) <sub>2</sub> e)								
Scope 1: Direct Emissions from Natural Gas	9,048	7,396	6,996	7,357	6,928	6,061	-33%	-12%	-39%
Scope 2: Indirect Emissions from Electricity Use	29,009	23,073	19,198	19,560	18,313	13,135	-55%	-40%	-58%
Total: Scope 1 and 2	38,057	30,469	26,194	26,917	25,241	19,196	-50%	-34%	-54%
Total Scope 3: Value Chain Emissions <sup>49</sup>	N/A	N/A	N/A	N/A	94,150	77,498	-18%	-14%	-21%
Energy Management⁵⁰ (GJ)									
Total Electricity	232,453	201,319	194,252	209,416	209,502	197,565	-15%	12%	-22%
Renewable Electricity <sup>51</sup>	122	153	148	16,038	34,121	89,837	73,286%	96,581%	67,178%
Percent Renewable Electricity (%)	0.053	0.076	0.076	7.658	16.287	45.472	86,245%	113,654%	79,059%
Natural Gas, Propane, and Fuel	163,643	133,774	126,101	131,664	125,343	118,814	-29%	-6%	-35%
Total Energy Use	396,096	335,093	320,353	341,080	332,183	316,379	-20%	5%	-27%
Total Water Demand (gallons)									
Total Water Demand	N/A	N/A	N/A	N/A	N/A	41,232,800	N/A	N/A	N/A
Total Water Withdrawal (groundwater)	N/A	N/A	N/A	N/A	N/A	564,256	N/A	N/A	N/A
Total Water Withdrawal (Non-groundwater utilities)	N/A	N/A	N/A	N/A	N/A	54,492,938	N/A	N/A	N/A
Total Water Returned to Source	N/A	N/A	N/A	N/A	N/A	13,535,538	N/A	N/A	N/A
Total Water Recycled	N/A	N/A	N/A	N/A	N/A	2,939,123	N/A	N/A	N/A
Reportable Spills <sup>52</sup>									
Number of Reportable Spills	1	1	0	0	0	0	-100%	-100%	-100%
Quantity Spilled (kg)	461	2,559	0	0	0	0	N/A	N/A	N/A
Quantity Recovered (kg)	0	0	0	0	0	0	N/A	N/A	N/A

47 The data and claims in this report went through limited assurance and verification by an external third-party auditing team, Yorke Engineering.

48 Carbon dioxide equivalent ("CO<sub>2</sub>e") emissions are calculated based on US EPA Emission Factors for GHG Inventories using the location and market-based method. Calculations are based on EPA emission factors released in the corresponding year. 2019 calculations were based on emission factors released in 2018.

49 See Appendix 5 for the methodology and assumptions related to our Scope 3 GHG emissions calculations.

50 Energy usage was estimated for December data for all performance centers due to a time delay in the receipt of December 2024 electricity consumption data and natural gas data. Electricity and natural gas usage data lags were estimated based on November data usage. At this time, Ducommun does not use carbon credits or renewable energy credits to offset our Scope 2 emissions.

51 Per SASB Aerospace and Defense Industry Framework (Code RT-AE-130a.1), renewables were included only if produced onsite or procured through a special agreement with the applicable utility. Any location with 100% renewable energy was assigned an emissions factor of 0 kgCO<sub>2</sub>e/kWh under the market-based emissions.

52 The definition of reportable spills comes from the SASB Aerospace and Defense Industry Framework (Code RT-AE-150a.2).

Combined Ducommun Incorporated US Performance Centers Activity Ratio <sup>53</sup>	2019	2020	2021	2022	2023	2024	Percent Change	Normalized by Employee Count	Normalized by Revenue
Number of Employees	2,872	2,457	2,477	2,415	2,265	2,180	-16%	-16%	N/A
Revenue (\$000s)	721,088	628,900	645,400	712,000	757,300	786,550	N/A	N/A	N/A

### Table 2: Scope 3 GHG emissions 2023 vs 2024

Combined Ducommun Incorporated US Performance Centers Scope 3 GHG Emissions⁵4 (metric tons CO₂e)	2023	2024	Percent Change	Normalized by Employee Count	Normalized by Revenue
Total Scope 3: Value Chain Emissions <sup>55</sup>	94,150	77,498	-18%	-14%	-21%
Purchased Goods and Services	73,547	58,526	-20%	-17%	-23%
Capital Expenditure	2,602	4,656	79%	86%	72%
Business Travel	986	467	-53%	-51%	-54%
Employee Travel	7,835	4,580	-42%	-39%	-44%
Waste	1,416	5,777	308%	324%	293%
Transportation (Upstream and Downstream)	7,763	3,492	-55%	-53%	-57%

53 Annual number of employees derived from Proxy Statements corresponding to 2019 – 2024 for normalizing data under the SASB Aerospace and Defense Industry Framework (Code RT-AE-000.B).

54 Carbon dioxide equivalent ("CO<sub>2</sub>e") emissions are calculated based on US EPA Emission Factors for GHG Inventories using the location and market-based method. Calculations are based on EPA emission factors released in the corresponding year. 2019 calculations were based on emission factors released in 2018.

55 See Appendix 5 for the methodology and assumptions related to our Scope 3 GHG emissions calculations.

# SASB Aerospace and Defense Industry Framework Index

Accounting Metric	Code	Ducommun Disclosure(s) location
Energy Management		
Total energy consumed (GJ)	RT-AE-130a.1	Pages 6-7, 25-26, 55
Percentage grid electricity (%)	RT-AE-130a.1	Pages 7, 25-26, 55
Percentage renewable electricity (%)	RT-AE-130a.1	Pages 7, 11, 25-26, 55
Hazardous Waste Management		
Amount of hazardous waste generated	RT-AE-150a.1	Pages 7, 12, 26-27, 72
Percentage of hazardous waste recycled	RT-AE-150a.1	Pages 7, 12, 26-30
Number and aggregate quantity of reportable spills	RT-AE-150a.2	Pages 30, 55
Quantity recovered from reportable spills	RT-AE-150a.2	Pages 30, 55
Data Security		
Description of approach to identifying and addressing data security risks in company operations and products	RT-AE-230a.1	Pages 7, 15, 47
Number of data security breaches	RT-AE-2301.2	Pages 7, 15, 47
Percentage of data breaches involving confidential information	RT-AE-2301.2	Pages 7, 15, 47
Product Safety		
Number of recalls issued	RT-AE-250a.1	Not Applicable
Total units recalled	RT-AE-250a.1	Not Applicable
Number of counterfeit parts detected	RT-AE-250a.2	Not Applicable
Percentage counterfeit parts avoided	RT-AE-250a.2	Not Applicable
Number of Airworthiness Directives received	RT-AE-250a.3	Not Applicable
Total Units Affected	RT-AE-250a.3	Not Applicable
Total Amount of monetary losses as a results of legal proceedings associated with product safety	RT-AE-250a.4	Not Applicable
Fuel Economy and Emissions in Use-Phase		
Revenue from alternative energy-related products	RT-AE-410a.1	Not Applicable
Description of approach and discussion of strategy to address fuel economy and GHG emissions of products	RT-AE-410a.2	Pages 34-35
Material Sourcing		
Description of the management of risks associated with the use of critical materials	RT-AE-440a.1	Page 49

Accounting Metric	Code	Ducommun Disclosure(s) location
Business Ethics		
Total amount of monetary losses as a results of legal proceedings associated with incidents of corruption, bribery or illicit international trade	RT-AE-510a.1	Not Applicable
Revenue from countries ranked in the 'E' of 'F' Band of Transparency International's Government Defence Anti-Corruption Index	RT-AE-510a.2	Not Applicable
Discussion of processes to manage business ethics risks throughout the value chain	RT-AE-510a.3	Page 48-49
Activity Metric		
Production by reportable segment	RT-AE-000.A	Annual Report
Number of employees	RT-AE-000.B	Pages 6, 55

# Task Force On Climate-Related Financial Disclosures Framework Index

DISCLOSURE	TCFD RECOMMENDED DISCLOSURES	SUSTAINABILITY REPORT SECTION(S), Page Number(s)	ADDITIONAL RESOURCES
	Describe the Board's oversight of climate- related risks and opportunities	Identifying and Mitigating Climate- Related Risks, pages 18-19 Corporate Governance Programs, Pages 47-52	CDP Climate Report <sup>56</sup> C.04
GOVERNANCE	Describe management's role in assessing and managing climate-related risks and opportunities	Identifying and Mitigating Climate- Related Risks, pages 18-19 Corporate Governance Programs, pages 47-52	CDP Climate Report C.04, 4.1-4.11
	Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Identifying and Mitigating Climate- Related Risks, pages 18-19	CDP Climate Report C.02.1-2.13
STRATEGY	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning		CDP Climate Report C.02.1-2.13
	Describe the potential impact of different scenarios, including a 1.5°C scenario, on the organization's businesses, strategy and financial planning		CDP Climate Report C.03.1-6.2
	Describe the organization's process for identifying and assessing climate-related risks	Identifying and Mitigating Climate- Related Risks, pages 18-19	CDP Climate Report C.02.1-2.13
RISK MANAGEMENT	Describe the organization's processes for managing climate-related risks	Identifying and Mitigating Climate- Related Risks, pages 18-19	CDP Climate Report C.02.1-2.13
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	Identifying and Mitigating Climate- Related Risks, pages 18-19	CDP Climate Report C.02.1-2.13
	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk-management process		CDP Climate Report C.02
METRICS & TARGETS	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	Appendix 1, Pages 55-56	
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets		

<sup>&</sup>lt;sup>56</sup> Ducommun began disclosing its GHG emissions via CDP. Our most recent response is available via CDP website in accordance with the CDP reporting schedule.

# Global Reporting Initiative Framework Index

Statement of use		eported the information cited in this GF 31, 2024, with reference to the GRI stan	
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES
GRI2: General Disclosures 2021	2-1 Organizational details	Company Overview, Page 6	Ducommun Incorporated is a publicly traded company (NYSE: DCO). Organization details and ownership information: 10-k form. The headquarters are located at 600 Anton Blvd, Suite 1100, Costa Mesa, California, U.S.A. 92626-7100. For location operations, see the Ducommun website.
	2-2 Entities included in the organization's sustainability reporting		Ducommun Incorporated
	2-3 Reporting period, frequency and contact point		Sustainability reporting for Ducommun occurs annually. The reporting period for this report is January 1, 2024, to December 31, 2024. The reporting period for Ducommun's financial reporting is aligned with the period for sustainability reporting. For questions, please email pdumaua@ducommun.com
	2-4 Restatements of information		None.
	2-5 External assurance		None
	2-6 Activities, value chain and other business relationships		GRI Sector: Aerospace and Defense. SEC 10-K form
	2-7 Employees	Human Capital Management, Pages 36-42 In 2024, Ducommun employed 2,180 people worldwide. Appendix 1, Pages 55-56	
	2-8 Workers who are not employees		Information not available
	2-9 Governance structure and composition	CER Governance, Page 50-52 Corporate Governance Programs, pages 47-52	2024 Proxy Statement (PS)
	2-10 Nomination and selection of the highest governance body	CER Governance, Pages 50-52	PS, Page 16
	2-11 Chair of the highest governance body		Dean M. Flatt is a non-employee director and serves as independent lead director of the Board.

 DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES
2-12 Role of the highest governance body in overseeing the management of impacts	CER Governance, Pages 50-52 Corporate Governance Programs, Pages 47-52	PS, Page 13 PS, Page 19
2-13 Delegation of responsibility for managing impacts	CER Governance, Pages 50-52 Identifying and Mitigating Climate- Related Risks, Pages 18-19	PS, Page 19
2-14 Role of the highest governance body in sustainability reporting	Core Values and CER Principles, Page 8	PS, Page 22 Ducommun's sustainability report is reviewed by Ducommun' s Board of Directors, Executive Council, and the CER Committee.
2-15 Conflicts of interest	CER Governance, Pages 50-52	Code of Business Conduct and Ethics
2-16 Communication of critical concerns	2024 Corporate & Environmental Responsibility Report Highlights, Page 7 CER Governance, Pages 50-52	Code of Business Conduct and Ethics
2-17 Collective knowledge of the highest governance body	CER Governance, Pages 50-52	PS, Pages 8-13 Corporate Governance and Nominating Committee Charter
2-18 Evaluation of the performance of the highest governance body		PS, Page 18
2-19 Remuneration policies		PS, Page 42
2-20 Process to determine remuneration		PS, Pages 42-53
2-21 Annual total compensation ratio		Our CEO total compensation ratio can be found in our PS, page 60
2-22 Statement on sustainable development strategy	A Message from Our Chairman and CEO, Page 5 About This Report, Page 53-54	
2-23 Policy commitments		PS, page 20, 24 Code of Business Conduct and Ethics
2-25 Processes to remediate negative impacts	Ethics and Protection of Human Rights, Page 49	
2-26 Mechanisms for seeking advice and raising concerns	Ethics and Protection of Human Rights, Page 49	
2-27 Compliance with laws and regulations	CER Governance, pages 50-52	Ducommun did not incur any significant reportable penalties or notices of violations in 2024.
2-29 Approach to stakeholder engagement	Materiality, Pages 9, 68-72 Environmental Performance, Page 16	AR, Pages 20-21 PS, Page 20
2-30 Collective bargaining agreements		AR, Page 20 Two of our performance centers engage in collective bargaining agreements, covering 435 employees, or 18% of our workforce.

**GRI STANDARD** 

GRI STANDARD	DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, Pages 9, 68-72	
	3-2 List of material topics	Materiality, Pages 9, 68-72	
	3-3 Management of material topics	Materiality, Pages 9, 68-72	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2024 Corporate & Environmental Responsibility Report Highlights, Page 7 CER Governance, Pages 50-52 Corporate Governance Programs, pages 47-52	AR, Pages 24-36
	201-2 Financial implications and other risks and opportunities due to climate change	Identifying and Mitigating Climate- Related Risks, Pages 18-19	
	201-3 Defined benefit plan obligations and other retirement plans	Investing in Our Employees, Pages 37-42	Our Benefits
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Investing in Our Communities, Pages 43-46	
	203-2 Significant indirect economic impacts	CER Governance, Pages 50-52 About This Report, Pages 53-54	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	CER Governance, Pages 50-52	
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and the Protection of Human Rights, Page 49 CER Governance, Pages 50-52	
GRI 301: Materials 2016	301-2 Recycled input materials used	Hazardous and non-Hazardous Waste Reduction, Pages 26-28 Waste Diversion, Pages 29-30	
	301-3 Reclaimed products and their packaging materials	Hazardous and non-Hazardous Waste Reduction, Pages 26-28 Waste Diversion, Pages 29-30	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Greenhouse Gas Emissions, Pages 19-22 Energy Management, Pages 25-26 Reducing Scope 1 and 2 Emissions-De-carbonizing Our Operations, Pages 23-24 Appendix 1, Pages 55-56 CER Program, Pages 10-17	
	302-2 Energy consumption outside of the organization	Greenhouse Gas Emissions, Pages 19-22 Appendix 1, Pages 55-56 CER Program, Pages 10-17	
	302-3 Energy intensity	2024 Corporate & Environmental Responsibility Report Highlights, Page 7 Greenhouse Gas Emissions, Pages 19-22 Energy Management, Pages 25-26 Reducing Scope 1 and 2 Emissions- De-carbonizing Our Operations, Pages 23-24 Appendix 1, Pages 55-56 CER Program, Pages 10-17	

GRI STANDARD	DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES		
	302-4 Reduction of energy consumption	Energy Management, Pages 25-26 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	302-5 Reductions in energy requirements of products and services	Energy Management, Pages 25-26 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Conservation Systems, Pages 31-32 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	303-2 Management of water discharge-related impacts	Wastewater Discharge, Page 33 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	303-3 Water withdrawal	Water Conservation Systems, Pages 31-32 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	303-4 Water discharge	Wastewater Discharge, Page 33 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	303-5 Water consumption	2024 Corporate & Environmental Responsibility Report Highlights, Page 7 Water Conservation Systems, Pages 31-32 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions, Pages 19-22 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	305-4 GHG emissions intensity	Greenhouse Gas Emissions, Pages 19-22 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions, Pages 19-22 Energy Management, Pages 25-26 Reducing Scope 1 and 2 Emissions- de-carbonizing our Operations, Pages 23-24 Appendix 1, Pages 55-56 CER Program, Pages 10-17			
	305-6 Emissions of ozone- depleting substances (ODS)	Reducing Scope 1 and 2 Emissions- de-carbonizing our Operations, Pages 23-24			
	305-7 NOx, SOx, and other significant air emissions		Annual emission report AQMD EPA		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Hazardous and Non-hazardous Waste Reduction, Pages 26-28 CER Program, Pages 10-17 Appendix 7, page 73			
	306-2 Management of significant waste-related impacts	Waste Diversion, Page 29-30 CER Program, Pages 10-17 Appendix 7, page 73			
	306-3 Waste generated	Hazardous and Non-hazardous Waste Reduction, Pages 26-28 CER Program, Pages 10-17 Appendix 7, page 73			

GRI STANDARD	DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES
	306-4 Waste diverted from disposal	Waste Diversion, Pages 29-30 Appendix 7, page 73	
	306-5 Waste directed to disposal	Waste Diversion, Pages 29-30 Appendix 7, page 73	
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Environmental Management System, Page 16	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Building Talent and Opportunity, Pages 42-43	
	401-3 Parental leave		Our Benefits
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes		We provide advance notice in accordance with all applicable legal and /or contractual requirements in the different locations where we operate.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Environmental Management System, pages 16 Investing in Our Employees, Pages 37-42	
	403-2 Hazard identification, risk assessment, and incident investigation	Investing in Our Employees, Pages 37-42	
	403-3 Occupational health services		Ducommun utilizes an approved occupational clinic for all occupational health services.
	403-4 Worker participation, consultation, and communication on occupational health and safety		Each performance center has a safety committee consisting of one employee from each department. The safety committee meets monthly and gives employees a space to participate and communicate with the EHS team.
	403-5 Worker training on occupational health and safety	Investing in Our Employees, Pages 37-42	
	403-6 Promotion of worker health	Investing in Our Employees, Pages 37-42	
	403-8 Workers covered by an occupational health and safety management system	Investing in Our Employees, Pages 37-42	
	403-9 Work-related injuries	Investing in Our Employees, Pages 37-42	
	403-10 Work-related ill health	Investing in Our Employees, Pages 37-42	

GRI STANDARD	DISCLOSURE	SUSTAINABILITY REPORT SECTION(S)	ADDITIONAL REFERENCES
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		6 hours of training per year
	404-2 Programs for upgrading employee skills and transition assistance programs	Investing in Our Employees, Pages 37-42	
	404-3 Percentage of employees receiving regular performance and career development reviews		100%. All full-time employees receive annual performance and career development reviews.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital Management, Pages 36-42 Corporate Governance Programs, Pages 47-52	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor		California Transparency in Supply Chain Act
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		California Transparency in Supply Chain Act
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Investing in Our Communities, Pages 43-46	
	413-2 Operations with significant actual and potential negative impacts on local communities	Identifying and Mitigating Climate- Related Risks, Pages 18-19 Investing in Our Communities, Pages 43-46	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		Ducommun does not screen new suppliers using social criteria
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Corporate Governance Programs, Pages 47-52	

# Scope 3 GHG Calculations- Methodology & Assumptions

### 3.1 - Purchased Goods & Services

*Data provided*: Ducommun compiled all facilities' purchased goods & services, as well as capital expenditures, into a consolidated file with various metadata adhered including date of spend, vendor name, commodity category (Tier 1 description), sub-commodity family (Tier 2 description), and class (Tier 3 description).

*Emissions factors:* To provide the highest granularity for Ducommun's spend data, Green Project matched expense items to Supply Chain Emissions Factors at the "Sub-Comm Family" or "Class" level when the "Commodity Category" name likely spanned many product/industry emissions factors (e.g., "Indirect" or "Raw Material"). Within this approach, Green Project started with the 16 unique Commodity Categories in the "Spend Detail" workbook and indicated which matched cleanly to a single Supply Chain Emissions Factor (e.g., "Connectors"), and which required consideration of their "Sub-Comm Family" and "Class" to ascertain the relevant emissions factor. Green Project then mapped over 300 expense descriptions from Ducommun to relevant Supply Chain Emissions Factors from the USEPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6, April 2024, and had Ducommun review these mappings to ensure alignment with Ducommun's accounting controls and expense categorization.

### 3.2 - Capital Expenditures

As any capital expenditures for 2024 were captured in the spend data with the Purchased Goods & Services, please see the methodology in category 3.1 above for more detail on how the spend data here was assigned relevant emissions factors.

### 3.3 - Fuel and Energy Related Activities

All fuel and energy related activities for 2024 were captured under scope 1 emissions. No Scope 3 calculations were necessary.

### 3.4 - Upstream Distribution & Transportation

*Data provided:* Spend data for the freight that Ducommun used throughout their operations was provided by month and year. *Emissions factors:* Green Project used the US EPA's emissions factor for "General Freight Trucking, Long-Distance, Truckload" from the US EPA's NAICS 2024 dataset. The spend data was then calculated per guarter and applied to this emission factor.

### 3.5 - Waste Generated in Operations

#### Non-hazardous Waste

*Data provided*: Ducommun provided PDF invoices containing details on the amount spent, volume serviced, or weight of waste removed from each site (with the exception of BLR). Based on the descriptions provided by each invoice, waste streams were separated into 9 categories (organic/organics (to landfill), trash, recycle, compost, C&D waste, special waste, scrap metal, food waste, and pallets).

- For invoices where spend only was provided (here, this is just for the El Mirage facility), spend values were taken and mapped to the US EPA spend-based emissions factor for solid waste landfill.
- For invoices where a direct weight was provided, this weight was taken as the total weight of waste generated, and was converted to kg and mapped to weight-based US EPA emissions factors by waste type.
- For invoices where only a volume was provided, GPT first confirmed with the client the frequency of pick-up, as well as confirmed with the client to assume 100% full containers at every instance of pick-up.
  - For containers picked up less than once per month, the frequency of pick-up matches the invoice frequency, and thus no further multiplier is needed.
  - For containers picked up more than once per month, including more than once per week because there is one invoice per month regardless of pick-up frequency, the volume of waste was multiplied by its assumed density, then again by the number of times picked up per month.
  - For containers picked up weekly, monthly totals were assumed to be the weight weekly pickup frequency multiplied by 4.
  - Densities of each waste stream were calculated using US EPA 2016 values for volume-weight conversions for waste.

#### Hazardous Waste

*Data provided:* Ducommun provided PDF invoices that contained both the total cost of hazardous waste pick-up services, as well as line items regarding each hazardous waste stream that was generated.

*Emissions factors:* Due to limited availability of weight-based EFs for hazardous wastes (for example, "inorganic acids" do not map well to any Table 9 US EPA emissions factors for waste), and because of the lack of standardization regarding units of hazardous waste removed (for example, many hazardous waste items were given in gallons, where a density is needed to derive actual weight), the spend-based approach was utilized in this scenario. In this case, the total cost of hazardous waste pickup services was multiplied with the most recently available US EPA spend-based emissions factor (USEPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6, April 2024) for Hazardous waste collection.

### 3.6 - Business Travel

*Data provided:* Ducommun provided business travel data from two sources (i) a business travel management software (Christopherson) that calculated the CO<sub>2</sub>e and (ii) the spend data from fuel used in rental cars.

*Emissions factors:* As the data from Christopherson was already calculated in the  $CO_2e$  for the various quarters, Green Project directly input the  $CO_2e$  into platform. For the spend data, Green Project used the US EIA Average Monthly Gas & Diesel prices to convert the spend data to approximate gallons of fuel used and assumed that gasoline was the fuel type used.

### 3.7 - Employee Commuting

*Data provided:* Ducommun provided the mileage of employees from their home addresses to their respective facility addresses. It was assumed that all employees drive to work and commute to work 5 days a week for 48 weeks of the year.

Emissions factor: Green Project utilized the 2024 US EPA GHG Inventory for the emissions factors for the employee commute data.

#### Water

Data provided: Water usage was provided for all facilities.

#### Notes & Assumptions

- *Waste* as several locations only provided invoices with the pickup frequency and the volume of the containers used for various waste types, Green Project assumed that these containers were 100% full each time they were serviced.
- Business travel the rental cars that were not tracked on the business management software (Christopherson and/or Concur) were assumed to be gasoline passenger cars.
- *Employee commuting* Green Project utilized the US EPA 2024 GHG Emission Factors Hub to calculate the emissions factors for the employee commute data (in miles) as opposed to the US EPA 2023 GHG Emission Factors Hub.

### **Double Materiality Context Overview**

In today's evolving landscape, companies must stay attuned to the sustainability issues that matter most to their stakeholders and business. By conducting regular materiality assessments, we strive to ensure our actions are both strategically sound and contribute to meaningful, long-term impacts on the world.

At Ducommun, we recognize the varied needs of our key stakeholders. Our materiality assessments help us focus on the issues that are most significant to both our stakeholders and our operations. By conducting regular assessments, we can determine which CER topics are most relevant to our organization and shape the scope of our disclosures. Additionally, these assessments allow us to evaluate the evolving landscape and aid us in addressing the most pressing issues effectively.

For 2024 reporting, Ducommun has enhanced its double materiality assessment, building on the assessment conducted in 2023. This improvement aligns with the requirements of the CSRD. The assessment focuses on the Company's impact on the environment and society as well as external sustainability risks and improvement opportunities for the business. We engaged a broad group of internal and external stakeholders to identify risks and opportunities across our value chain.

We distributed our survey to at least 160 key stakeholders, both internal and external, ranging from customers, vendors, and regulatory agencies to community members, our performance center leadership, HR business partners, and employees to identify impacts, risks, and opportunities across our manufacturing operations. This process has helped frame our future sustainability ambitions and clarified the steps needed to achieve meaningful impact in the areas that matter most to our stakeholders. With each assessment, we gain deeper insights into our audiences, pinpointing where our business can truly make a difference.

This report summarizes the approach methodology for our Double Materiality Assessment ("DMA") conducted in 2024, emphasizing the key findings and outcomes. The results will serve as a foundation for refining our strategy and will play a critical role in informing our future CER initiatives.

### Methodology

In conducting our materiality assessment, we consulted a range of external experts and organizations to learn from their experience and help ensure that our approach aligns with sustainability best practices. We incorporated a broad set of topics and evaluated them from the standpoint of each stakeholder group to ensure a well-rounded perspective.

Our methodology focused on two key perspectives:

Impact Perspective: We evaluated the actual or potential positive and negative impacts on people and the environment throughout our value chain, considering both short-term and long-term effects.

Financial Perspective: We determined a CER topic material if it could result in significant financial consequences for Ducommun, including risks or opportunities that could affect cash flows, growth, or access to finance, both now and in the future.

By using these perspectives, we identified the material impacts, risks, and opportunities that will guide our strategic planning and sustainability goals.

DEFINE LIST OF TOPICS	ASSESS TOPIC MATERIALITY ON TWO DIMENSIONS (DOUBLE MATERIALITY)	RESULTS OVERVIEW	CONSOLIDATE OUTCOMES AND REPORT FINDINGS
<ul> <li>Ducommun's current CER framework</li> <li>Market trends and peer group benchmarks</li> <li>Present and future regulatory standards and frameworks</li> </ul>	<ul> <li>Internal stakeholder engagement through one-on-one interview and company-wide survey</li> <li>External stakeholder engagement through surveys, peer group benchmarking research, and analysis of emerging CER-related frameworks</li> </ul>	<ul> <li>Employees believe employee health and safety is most significant to our organization's success, while cybersecurity is most important to our external stakeholders.</li> <li>Customers believe ethics and compliance, and cybersecurity are most significant to our organization's success, while cybersecurity is most important to our external stakeholders.</li> <li>Leadership believes employee health and safety is most significant to our organization's success, while profitable growth is most important to our external stakeholders.</li> <li>Suppliers believe employee health and safety is most significant to our organization's success, while employee health and safety and profitable growth are most important to our external stakeholders.</li> <li>Regulatory agencies and community members believe ethics and compliance is most significant to our organization's success, while ethics and compliance and accurate and auditable ESG reporting disclosures are most important to our external stakeholders.</li> </ul>	<ul> <li>Presentation discussion with Leadership CER Steering Committee</li> <li>Presentation discussion with Performance Center CER Committee</li> <li>Integration into 2025 CER disclosure</li> <li>Preparation for future reporting requirements</li> </ul>

#### **Results Summary**

Ducommun distributed the DMA to key stakeholders, including customers, suppliers, leadership, community, employees, and regulatory agencies to gather insights on the most relevant and impact CER topics. The survey aimed to assess both the financial and non-financial impacts of various CER factors.

The following are the top 5 material topics most important to our stakeholders:

- 1. Ethics and Compliance
- 2. Employee Health and Safety
- 3. Profitable Growth
- 4. Cybersecurity
- 5. Waste Reduction

The following are the top 5 material topics least important to our stakeholders:

- 1. Community Engagement
- 2. Water Usage
- 3. Carbon Emissions
- 4. Wastewater Efficiency
- 5. Employee Engagement

Ducommun

#### Appendices

The following are the top 5 material topics most important per our customers:

- 1. Cybersecurity
- 2. Ethics and Compliance
- 3. Employee Health and Safety
- 4. Accurate and Auditable ESG Reporting Disclosures
- 5. Profitable Growth

The following are the top 5 material topics least important per our customers:

- 1. Community Engagement
- 2. Water Usage
- 3. Carbon Emissions
- 4. Wastewater Efficiency
- 5. Equal Employment Opportunities

The following are the top 5 material topics most important per our suppliers:

- 1. Employee Health and Safety
- 2. Profitable Growth
- 3. Ethics and Compliance
- 4. Supply Chain Sustainability
- 5. Accurate and Auditable ESG Reporting Disclosures

The following are the top 5 material topics least important per our suppliers:

- 1. Community Engagement
- 2. Wastewater Efficiency
- 3. Water Usage
- 4. Equal Employment Opportunity
- 5. Waste Reduction

The following are the top 5 material topics most important per our leadership and employees:

- 1. Profitable Growth
- 2. Ethics and Compliance
- 3. Employee Health and Safety
- 4. Cybersecurity
- 5. Supply Chain Sustainability

The following are the top 5 material topics least important per our leadership and employees:

- 1. Water Usage
- **2.** Community Engagement
- 3. Carbon Emissions
- 4. Wastewater Efficiency
- 5. Employee Engagement

The following are the top 5 material topics most important per our regulatory agencies:

- 1. Ethics and Compliance
- 2. Accurate and Auditable ESG Reporting Disclosures
- 3. Waste Reduction
- 4. Employee Health and Safety
- 5. Wastewater Efficiency

The following are the top 5 material topics least important per our regulatory agencies:

- 1. Cybersecurity
- 2. Corporate Governance
- 3. Supply Chain Sustainability
- 4. Profitable Growth
- 5. Diversity, Equity and Inclusion

### **Next Steps**

FINDINGS	ACTION
Safety, health, and well-being were assessed as one of the most material issues.	Continue absolute focus on keeping our people safe and healthy with an increasing emphasis on health and well-being matters alongside physical safety.
Ethics and Compliance is our most significant material issue.	Continue striving for excellence in ethics and compliance by providing monthly ethics bulletins to all employees and providing ethics training.
Cybersecurity is the most significant material issue for our customers.	Continue championing stricter cybersecurity for our Company, our customers and our suppliers.
Leadership and employees believe profitable growth is the most significant material topic.	Continue to reduce emission, waste, and water usage to save money and increase profit. Continue to create more efficient workplaces to increase production.
Community engagement was the least significant material issue overall.	Find creative ways to engage our community members at our performance centers across the United States to increase our corporate governance.

Our DMA identified the most material topics to our organization and to our stakeholders, as well as the most material topics to our organization from a financial perspective. Each topic was rated on a scale of 1 to 5, with 1 being least material and 5 being most material from three different perspectives. The graph below shows how each topic was rated based on significance to our organization versus financial significance. The size of the bubbles shows the significance to our stakeholders.

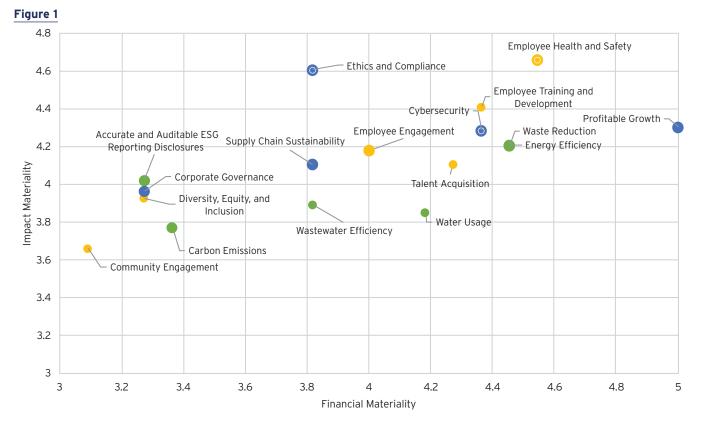


Table 1: 2024 Waste Data Breakdown (lbs)

### CATEGORIES

CATEGORIES	2024
Total Hazardous Waste Generated	8.8M
Total Hazardous Waste Recycled/Reclaimed Onsite	4.5M
Total Hazardous Waste Recycled/Reclaimed Offsite	1.5M
Total Hazardous Waste Disposed	2.8M
Total Hazardous Waste Incinerated with Energy Recovery	30,356
Total Hazardous Waste Incinerated without Energy Recovery	11,481
Non-Hazardous Waste Landfilled	2.4M
Total E-Waste	12,929
Total Universal Waste	3,207



December 30, 2024

Mr. Pedro Dumaua Regional EHS Manager Ducommun Incorporated 23301 South Wilmington Avenue Carson. CA 90745 Work: (310) 513-7200 x3688 Cell: (310) 387-4968 E-mail: <u>PDumaua@Ducommun.com</u>

### Subject: Ducommun Voluntary Third-Party Limited Assurance Verification of GHG Emissions for 2024

Dear Mr. Dumaua:

Ducommun engaged Yorke Engineering, LLC (Yorke) to complete a third-party limited assurance verification for the company's reported Scopes 1, 2, and 3 greenhouse gas (GHG) emissions footprint for Reporting Year (RY) 2024 from January 1, 2024 through December 31, 2024. Ducommun's GHG emissions were calculated and reported in accordance with the guidelines provided in the International Organization for Standardization 14064: International Standard for GHG Emissions Inventories and Verification (ISO 14064) and The Greenhouse Gas Protocol (GHG Protocol).

### BACKGROUND

Ducommun is a global provider of manufacturing and engineering services, developing innovative electronic, engineered, and structural solutions for complex applications in aerospace, defense, and industrial markets. Ducommun's full-service collaborative approach, broad capabilities, and value-added services, such as new product introduction, supply chain strategies, and program management, deliver value for customers and innovative solutions for their complex electronic and structural needs. Ducommun operates facilities in 18 locations, 17 in the United States and one in Mexico, as summarized below.

### Table 1: Summary of Ducommun Facilities Included in Limited Scope Verification

• Appleton, WI

- Gardena, CA
- Berryville, AREverett, WA
- Carson, CA
- Santa Clarita, CA
- El Mirage, CA

- Guaymas, Mexico
- Huntsville, AR
- Joplin, MO
- Huntington Beach, CA
  - Warren, RI

- Monrovia, CA
- Coxsackie, NY
- Orange, CA
- Parsons, KS
- St. Croix Falls, WI
- Tulsa, OK

LOS ANGELES/ORANGE COUNTY/RIVERSIDE/VENTURA/SAN DIEGO/FRESNO/BERKELEY/BAKERSFIELD 31726 Rancho Viejo Road, Suite 218 V San Juan Capistrano, CA 92675 V Tel: (949) 248-8490 V Fax: (949) 248-8499 Ducommun Incorporated December 30, 2024 Page 2 of 4

Ducommun has contracted with Green Project Technologies (Green Project) to compile and manage GHG emissions information. Green Project provides a data management platform that utilizes Ducommun's activity data (i.e. utility invoices, purchase records) to calculate Scope 1, Scope 2, and Scope 3 GHG emissions for the various Ducommun facilities.

As part of the limited assurance verification, Yorke reviewed the Ducommun Green Project Onboarding Report (Onboarding Report) which summarizes emission calculation methodologies and assumptions used to prepare the GHG report. The methodologies proposed and documented in the Onboarding Report were found to be appropriate, reasonable, and consistent with the GHG Protocol.

### VERIFICATION TEAM

Yorke's GHG staff involved in this third-party verification for Ducommun consisted of the following members:

- Lead Verifier Jessica Mohatt
- Independent Reviewer Joseph Steirer

### **SCOPE 1 GHG VERIFICATION**

Scope 1 GHG emissions consist of direct GHG emissions from on-site combustion (i.e., natural gas and propane), as well as fugitive emissions from refrigerant usage at the Ducommun facilities. All of the facilities, with the exception of BLR, reported GHG emissions from on-site natural gas combustion. Twelve facilities reported GHG emissions from stationary propane combustion. Five facilities reported emissions from refrigerants. Mobile combustion of diesel fuel was reported at the corporate level.

Yorke reviewed emission factors used to calculate the GHG emissions from natural gas combustion, propane combustion, diesel fuel combustion and fugitive refrigerant emissions. The emission factors used were consistent with the references identified in the Onboarding Report and appropriate for the source category. A selection of activity data was reviewed to confirm data input accuracy including utility bills and purchase invoices. Yorke performed GHG emission calculations for a selection of data. No errors or discrepancies were identified during the data checks.

#### **SCOPE 2 GHG VERIFICATION**

Scope 2 GHG emissions consist of indirect GHG emissions from electricity, steam, and other thermal energy purchases, which for Ducommun include electricity and other utilities data. Electricity purchases were reported for all 18 Ducommun locations. The emission factors used were specific to the facility location. Several facilities purchase or utilize renewable energy for the location, for example, the Carson location purchases electricity from Southern California Edison and the Clean Power Alliance, which provides this location with 100% green power. For applicable facilities, the emissions are adjusted to account for the reduced GHG emissions.

Yorke reviewed emission factors used to calculate the GHG emissions from electricity grid purchases and verified the percentage of renewable energy when applicable. The emission factors used were consistent with the references identified in the Onboarding Report and appropriate for the source category and adjustments due to the use of renewable energy were confirmed by utility bills or additional research. A selection of activity data was reviewed to confirm data input accuracy including utility bills. Yorke performed GHG emission calculations for a selection of data. No errors or discrepancies were identified during the data checks.

YOP KC Engineering, LLC

Ducommun Incorporated December 30, 2024 Page 3 of 4

### SCOPE 3 GHG VERIFICATION

Scope 3 GHG emissions consist of indirect GHG emissions associated with an entity's operations. Scope 3 verification focused on GHG emissions from the following four of the fifteen total GHG Protocol Scope 3 emission categories:

- Purchased goods and services;
- Waste generated in operations;
- Business travel; and
- Employee commuting.

Purchased goods and services were reported either at the facility or corporate level. Employee commutes were reported for all facilities. Business travel was reported at the corporate level. Fifteen facilities reported waste generation based on the quantity of material disposed, two facilities reported waste emission based on spending data, and BLR did not report GHG emissions from waste generation.

Yorke reviewed emission factors used to calculate the GHG emissions from supply chain purchases, business travel (including flights and hotels), employee commutes, and waste generation. The emission factors used were consistent with the references identified in the Onboarding Report and appropriate for the applicable source category. A selection of activity data was reviewed to confirm data input accuracy including invoices and calculation workbooks. Yorke performed GHG emission calculations for a selection of data. No errors or discrepancies were identified during the data checks.

### **VERIFICATION FINDINGS**

Based on the limited scope verification activities conducted for Scope 1, Scope 2, and Scope 3, there is no evidence that Ducommun's reported GHG emissions contain inconsistencies in reporting nor any material misstatements. The verification team also found no deviations from the GHG Protocol methodology. The methodologies for collection and analysis of data appear to be appropriate and the GHG emission calculation methodologies reviewed were found to be reasonable. Based on the emissions sources checked, we were able to reasonably confirm GHG emissions and source data match as reported in the Green Project Onboarding Report. Since the verification was completed prior to the end of the reporting period, it is assumed that the data for the remainder of the 2024 calendar year will be evaluated and reported in a manner consistent with the previous reporting and that the activity data will be accurately compiled. A summary of the verification checks is provided in Table 2.

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#### Table 2: Summary of GHG Emission Verification Checks

Category	Yorke Verified Emissions (MT CO <sub>2</sub> e)	Green Project Reported Emissions Verified (MT CO <sub>2</sub> e)	Total Reported GHG Emissions (MT CO <sub>2</sub> e)
Scope 1	1,400	1,404	6,061
Scope 2	1,315	1,319	13,135
Scope 3	5,976	5,975	77,498
Total	8,692	8,699	96,694

Note: Total GHG emissions include values reported in Green Project through December 20, 2024.

### CONCLUSION

Based on Yorke's limited assurance review of the Scope 1, Scope 2, and Scope 3 GHG emissions from Ducommun's eighteen locations, there is reasonable assurance that the reported GHG emissions are correct and a fair representation of GHG emissions. Should you have any questions or concerns, please contact me at (949) 248-8490.

Sincerely,

Jessia Mohatt

Jessica Mohatt Senior Engineer/Lead Verifier Yorke Engineering, LLC JMohatt@YorkeEngr.com

cc: Natalie Ireland, Ducommun Incorporated Paul Liao, Yorke Engineering, LLC Wendy Fairchild, Yorke Engineering, LLC Sincerely,

Joseph J. Steirer

Joseph Steirer Senior Engineer/Independent Reviewer Yorke Engineering, LLC JSteirer@YorkeEngr.com

YOP KC Engineering, LLC

Ducommun YEARS 1849 • 2024





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