Corporate Social Responsibility (CSR) Report

Detroit Manufacturing Systems (DMS)

Year: 2025

Introduction

Detroit Manufacturing Systems (DMS) remains dedicated to conducting business responsibly, sustainably, and ethically. Guided by our core values, we aim to drive innovation while making a positive impact on society and the environment. This report outlines our key achievements and initiatives across critical CSR dimensions for the fiscal year 2025, showcasing our commitment to sustainability, employee welfare, community engagement, and ethical governance.

1. Environmental Sustainability

1.1 Reducing Carbon Footprint

- Achieved a 20% reduction in greenhouse gas emissions compared to 2024.
- Transitioned 25% of our energy consumption to renewable sources through our partnership with DTE Energy's MIGreenPower program. Our target is 100% renewable energy by 2030.

1.2 Energy Efficiency

- Implemented the DTE Energy Efficiency Program to optimize energy use across facilities.
- Maintained ISO 14001 EMS Certification to ensure compliance and continuous environmental improvements.

1.3 Waste Management

- Diverted 65% of waste from landfills via recycling and composting programs, including the "Recycling Max" initiative.
- Launched a zero-waste program at three manufacturing facilities.

1.4 Water Conservation

• Reduced water usage by 15% across all operations.

• Partnered with local organizations to promote water conservation in the Southeast Michigan region.

2. Social Responsibility

2.1 Employee Engagement and Well-being

- Hired a full time Wellness Coordinator, focusing on mental health and work-life balance to DMS employees.
- Provided mandatory anti-discrimination and inclusion training for 100% of employees and managers.
- Offered fair wages and enhanced benefits, aligning with inflation and local living costs.

2.2 Workplace Safety

- Conducted regular safety training and quarterly drills, with adherence to strict occupational health standards.
- Provided personal protective equipment (PPE) and ensured compliance with safety regulations through audits.

2.3 Community Involvement

- Donated \$300,000 to local charities and non-profits in 2024 and aim to increase this contribution by 25% in the next two years.
- Employees volunteered 600 hours for community service initiatives, including educational programs and environmental cleanups.
- Partnered with local entities in Detroit to foster economic growth and community revitalization.

2.4 Supply Chain Responsibility

- Partnered with suppliers to uphold fair labor practices and ensure compliance with ethical sourcing standards.
- Conducted third-party audits on supply chain partners to address ESG risks.

3. Governance and Ethics

3.1 Ethical Business Practices

- Maintained 100% compliance with anti-corruption policies and regulations.
- Enforced a zero-tolerance policy for bribery and corruption through employee and supplier training.

3.2 Transparency and Reporting

- Published detailed sustainability metrics in our annual report.
- Engaged stakeholders with quarterly updates on CSR progress starting in 2025.

3.3 Data Privacy and Protection

• Strengthened measures to protect sensitive personal and corporate data, adhering to the highest standards of confidentiality.

4. Future Goals

Environmental Goals

- Achieve net-zero emissions by 2030 through enhanced energy efficiency and renewable energy initiatives.
- Expand renewable energy usage to 90% by 2029.

Social Goals

- Increase charitable contributions by 25% over the next two years.
- Enhance employee benefits with expanded parental leave and educational support.

Governance Goals

- Continue to strengthen data privacy measures and cybersecurity.
- Increase diversity in leadership roles to 40% by 2027.

Conclusion

At Detroit Manufacturing Systems, our vision extends beyond manufacturing excellence. By prioritizing sustainability, equity, and innovation, we strive to be a catalyst for positive change. Together with our employees, partners, and communities, we are committed to leaving a lasting legacy of progress and responsibility.

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CDB38919A23F4D8... Bruce Smith Chairman & CEO Detroit Manufacturing Systems