

Form 5500

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ Complete all entries in accordance with the instructions to the Form 5500.

OMB Nos. 1210-0110  
1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [ ] a multiemployer plan [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) [x] a single-employer plan [ ] a DFE (specify) \_\_\_\_
B This return/report is: [ ] the first return/report [ ] the final return/report [ ] an amended return/report [ ] a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. [ ]
D Check box if filing under: [x] Form 5558 [ ] automatic extension [ ] the DFVC program [ ] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan: SCHWEITZER ENGINEERING LABORATORIES, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 001
1c Effective date of plan: 01/01/1994
2a Plan sponsor's name (employer, if for a single-employer plan): SCHWEITZER ENGINEERING LABORATORIES, INC.
2b Employer Identification Number (EIN): 91-1196408
2c Plan Sponsor's telephone number: 509-332-1890
2d Business code (see instructions): 335310

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	4556
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. .... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b>	4281
	<b>6a(2)</b>	4345
	<b>6b</b>	4
	<b>6c</b>	320
	<b>6d</b>	4669
	<b>6e</b>	5
	<b>6f</b>	4674
	<b>6g(1)</b>	4361
<b>6g(2)</b>	4659	
<b>6h</b>	151	
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
2I 2P 2Q 3H 3I

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

<b>9a</b> Plan funding arrangement (check all that apply)	<b>9b</b> Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b>	<b>b General Schedules</b>
(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)
(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)
(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)
(5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

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**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

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**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

If "Yes" is checked, complete lines 11b and 11c.

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**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

**11c** Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

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<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>01/01/2024</b> and ending <b>12/31/2024</b>	
<b>A</b> Name of plan <b>SCHWEITZER ENGINEERING LABORATORIES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</b>	<b>B</b> Three-digit plan number (PN) ▶ <b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>SCHWEITZER ENGINEERING LABORATORIES, INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>91-1196408</b>

<b>Part I</b>	<b>Asset and Liability Statement</b>
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**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

		(a) Beginning of Year	(b) End of Year
<b>Assets</b>			
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	28376586	7015825
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>	15991	0
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	0	0
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	3593501	0
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	2934468480	3155900160
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	2966454558	3162915985
<b>Liabilities</b>			
g Benefit claims payable.....	1g		
h Operating payables.....	1h	13516482	6700715
i Acquisition indebtedness.....	1i	518383175	589340036
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	531899657	596040751
<b>Net Assets</b>			
l Net assets (subtract line 1k from line 1f).....	1l	2434554901	2566875234

**Part II Income and Expense Statement**

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	40564545	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		40564545
<b>b Earnings on investments:</b>			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	61210	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		61210
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	221431679	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		
<b>c</b> Other income .....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		262057434

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	22778362	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		22778362
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		
<b>h</b> Interest expense .....	<b>2h</b>		19356414
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>		
(4) IQPA audit fees .....	<b>2i(4)</b>		
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>		
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>		
(7) Actuarial fees .....	<b>2i(7)</b>		
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>		
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		0
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		42134776

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		219922658
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		87602325

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1)  Unmodified (2)  Qualified (3)  Disclaimer (4)  Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1)  DOL Regulation 2520.103-8 (2)  DOL Regulation 2520.103-12(d) (3)  neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS, LLP

(2) EIN: 13-4008324

**d** The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1)  This form is filed for a CCT, PSA, DCG or MTIA. (2)  It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		1000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  Yes  No  
If "Yes," enter the amount of any plan assets that reverted to the employer this year \_\_\_\_\_.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> PN(s)
SCHWEITZER ENGINEERING LAB, INC 401(K) PLAN	91-1196408	003

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) .....  Yes  No  Not determined  
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year \_\_\_\_\_.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<b>A</b> Name of plan <u>SCHWEITZER ENGINEERING LABORATORIES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>SCHWEITZER ENGINEERING LABORATORIES, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>91-1196408</u>	

<b>Part I</b>	<b>Distributions</b>
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**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions..... 

1		0
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**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  
EIN(s): 75-3182674

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year..... 

3	
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<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<b>6c</b>	

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline?.....  Yes  No  N/A

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .....  Yes  No  N/A

<b>Part III</b>	<b>Amendments</b>
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**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....  Increase  Decrease  Both  No

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....  Yes  No

**11 a** Does the ESOP hold any preferred stock? .....  Yes  No

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .....  Yes  No

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? .....  Yes  No

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

<b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14b</b>	
<b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14c</b>	

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	<b>16b</b>	

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment .....

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .....

**19** If the total number of participants is 1,000 or more, complete lines (a) and (b):

**a** Enter the percentage of plan assets held as:  
 Public Equity: \_\_\_\_\_% Private Equity: \_\_\_\_\_% Investment-Grade Debt and Interest Rate Hedging Assets: \_\_\_\_\_%  
 High-Yield Debt: \_\_\_\_\_% Real Assets: \_\_\_\_\_% Cash or Cash Equivalents: \_\_\_\_\_% Other: \_\_\_\_\_%

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:  
 0-5 years  5-10 years  10-15 years  15 years or more

**20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero?  Yes  No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:  
 Yes.  
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.  
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.  
 No. Other. Provide explanation: \_\_\_\_\_

**Part VII IRS Compliance Questions**

**21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?  Yes  No

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).  
 Design-based safe harbor method  
 "Prior year" ADP test  
 "Current year" ADP test  
 N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY) and the Opinion Letter serial number \_\_\_\_\_.

**Schweitzer Engineering  
Laboratories, Inc.  
Employee Stock Ownership Plan  
Financial Statements  
December 31, 2024 and 2023**



# Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan Index

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Note: Other schedules required by 29 CFR 2520.103-10 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (“ERISA”) have been omitted because they are not applicable.	



## **Report of Independent Auditors**

To the Administrator of Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan

### ***Opinion***

We have audited the accompanying financial statements of Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statement of changes in net assets available for benefits for the year ended December 31, 2024, including the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Supplemental Schedules Required by ERISA**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2024 and Schedule H, Line 4j - Schedule of Reportable Transactions for the year ended December 31, 2024 ("supplemental schedules"), are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

San Francisco, California  
September 2, 2025

**Schweitzer Engineering Laboratories, Inc.**  
**Employee Stock Ownership Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2024 and 2023**

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
<b>Assets</b>						
Investment in Schweitzer Engineering Laboratories, Inc., Class A common stock, at fair value	\$ 1,697,522,749	\$ 1,458,377,411	\$ 3,155,900,160	\$ 1,576,538,717	\$ 1,357,929,763	\$ 2,934,468,480
Investment in mutual fund, at fair value	-	-	-	3,593,501	-	3,593,501
Interest receivable	-	-	-	15,991	-	15,991
Employer contribution receivable	315,110	6,700,715	7,015,825	14,860,103	13,516,482	28,376,585
Total assets	<u>1,697,837,859</u>	<u>1,465,078,126</u>	<u>3,162,915,985</u>	<u>1,595,008,312</u>	<u>1,371,446,245</u>	<u>2,966,454,557</u>
<b>Liabilities</b>						
Interest payable	-	6,700,715	6,700,715	-	13,516,482	13,516,482
Loan payable	-	589,340,036	589,340,036	-	518,383,174	518,383,174
Total liabilities	<u>-</u>	<u>596,040,751</u>	<u>596,040,751</u>	<u>-</u>	<u>531,899,656</u>	<u>531,899,656</u>
Net assets available for benefits	<u>\$ 1,697,837,859</u>	<u>\$ 869,037,375</u>	<u>\$ 2,566,875,234</u>	<u>\$ 1,595,008,312</u>	<u>\$ 839,546,589</u>	<u>\$ 2,434,554,901</u>

The accompanying notes are an integral part of these financial statements.

**Schweitzer Engineering Laboratories, Inc.**  
**Employee Stock Ownership Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended December 31, 2024**

	Allocated	Unallocated	Total
<b>Additions to net assets</b>			
Investment income			
Net appreciation in fair value of investments	114,483,033	106,948,646	221,431,679
Interest income	61,210	-	61,210
Employer contributions	21,208,131	19,356,414	40,564,545
Allocation of 14,589 shares of Class A common stock, at fair value	<u>92,317,963</u>	<u>-</u>	<u>92,317,963</u>
Total additions to net assets	<u>228,070,337</u>	<u>126,305,060</u>	<u>354,375,397</u>
<b>Deductions from net assets</b>			
Interest expense	-	19,356,414	19,356,414
Distributions to participants (Note 1)	22,778,362	-	22,778,362
Allocation of 14,589 shares of Class A common stock of Schweitzer Engineering Laboratories, Inc., at fair value	<u>-</u>	<u>92,317,963</u>	<u>92,317,963</u>
Total deductions from net assets	<u>22,778,362</u>	<u>111,674,377</u>	<u>134,452,739</u>
Net increase	205,291,975	14,630,683	219,922,658
Transfer for debt service (Note 6)	(14,860,103)	14,860,103	-
Transfer to SEL 401(k) Plan (Note 1)	(87,602,325)	-	(87,602,325)
<b>Net assets available for benefits</b>			
Beginning of year	<u>1,595,008,312</u>	<u>839,546,589</u>	<u>2,434,554,901</u>
End of year	<u>1,697,837,859</u>	<u>869,037,375</u>	<u>2,566,875,234</u>

The accompanying notes are an integral part of these financial statements.

# Schweitzer Engineering Laboratories, Inc.

## Employee Stock Ownership Plan

### Notes to Financial Statements

#### December 31, 2024 and 2023

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#### 1. Plan Description

The following description of Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan (“the Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

##### **General**

Schweitzer Engineering Laboratories, Inc. (the “Company” or “Plan Sponsor”) established the Plan effective January 1, 1994. The Plan has been amended and restated several times since being established.

The Plan operates, in relevant part, as a leveraged employee stock ownership plan (“ESOP”). The Plan is designed to comply with Section 4975(e)(7) and is a stock bonus plan under Section 401(a) and the regulations thereunder, of the Internal Revenue Code (“IRC”), as amended. The Plan is subject to applicable provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Plan is administered by a Plan Advisory Committee, whose members are appointed by the Company’s board of directors. An independent third-party trust company, GreatBanc Trust Company, is the Plan’s trustee and custodian.

The Plan purchases the Company’s common stock using proceeds from loans from the Company (Note 6). The Plan holds the common stock in a trust established under the Plan. The loans are to be repaid over a period of years by Company contributions to the trust fund. As the Plan makes each payment of principal and interest, stock is allocated to eligible participants’ accounts in accordance with applicable regulations under the IRC. Shares vest in accordance with the vesting schedule, as defined in the Plan document.

The loans are collateralized by the unallocated shares of common stock. Accordingly, the financial statements of the Plan as of December 31, 2024 and 2023, and for the year ended December 31, 2024, present separately the assets and liabilities, and changes therein, pertaining to (1) the accounts of employees with vested rights in allocated common stock (allocated) and (2) common stock not yet allocated to employees (unallocated). Shares are released from collateral and allocated to employees’ accounts in the period in which debt service is paid (Note 6).

##### **Annual Transfer of Assets**

The Plan requires that all vested account balances of participants whose employment with the Plan Sponsor was terminated in the prior year be converted to cash annually in the subsequent year and transferred to the Schweitzer Engineering Laboratories 401(k) Plan (“SEL 401(k) Plan”). These transfers relate to participants whose employment terminated in the prior year and will not impact participant benefits.

On April 4, 2024 (the “Transaction Date”), the Plan converted to cash the account balances (14,856 shares) of participants who terminated employment with the Plan Sponsor on or before December 31, 2023 (the “Terminated Employees”) at the December 31, 2023 fair value. Additionally, on April 4, 2024, the mutual fund balance of \$191,374 in the accounts of terminated participants was converted to cash. These balances totaling \$87,602,325 were transferred to the SEL 401(k) Plan and are reflected as transfers to SEL 401(k) Plan in the 2024 statement of changes in net assets available for benefits. To achieve the liquidity needed for the cash transfer, on the Transaction Date, the Plan sold 14,269 shares to the Plan Sponsor at the Transaction Date fair value which amounted to \$85,816,964. Additionally, the mutual fund balance in active participant accounts was converted to cash and re-allocated to the accounts of terminated

# Schweitzer Engineering Laboratories, Inc.

## Employee Stock Ownership Plan

### Notes to Financial Statements

#### December 31, 2024 and 2023

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participants to allow for the conversion of 586 shares in the amount of \$3,449,026. There was also a balance of \$191,374 in the mutual fund for terminated participant accounts that was converted to cash. Cash proceeds from these transactions totaled \$89,457,364, of which \$87,602,325 was transferred out of the Plan as part of the transfer to the SEL 401(k) Plan and \$1,855,039 was used for diversification distributions. Concurrently, as discussed in Notes 6 and 8, the Plan repurchased 14,269 shares for \$85,816,964 at their estimated fair value for a note payable to the Plan Sponsor.

#### **Eligibility and Vesting**

Participants are generally eligible to participate in the Plan after meeting the age and service requirements. Employees of the Company must be 18 years of age to be eligible and have completed one year of service during which the individual is paid for 1,000 hours of service. The initial eligibility computation period shall be the 12-consecutive-month period commencing when the employee first performs an hour of service. Thereafter, the eligibility computation period shall be the Plan year, beginning with the Plan year which includes the first anniversary of the participant's date of hire. Once eligible, participants enter the Plan on the following enrollment dates: January 1, April 1, July 1 or October 1. Participant balances are subject to a vesting schedule. Participants paid for at least 1,000 hours annually earn a year of vesting. After two years of service, participants are 20% vested, with an additional 20% vesting per year, until they are fully vested after completion of six years of service. Participants become fully vested regardless of service hours if they attain age 65 while employed by the Company, become disabled while employed by the Company or upon death.

#### **Contributions**

The Company is obligated to make cash contributions to the Plan, which, when aggregated with the Plan's dividends and interest earnings (if any), equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its loans. The Plan provisions require the Company's contributions to the Plan, as determined by the Company's board of directors, to be a minimum of 5% of participant eligible compensation, as defined. Employee contributions are not permitted. On December 17, 2024 the Company and the Plan executed an Implementation Agreement in conjunction with the Consolidated ESOT Loan and Pledge Agreement (discussed in Notes 6 and 8). The Implementation Agreement requires a minimum contribution of 8% of participant eligible compensation during the term of the consolidated ESOP loan.

#### **Participant Accounts and Forfeitures**

The Plan is a defined contribution plan, under which a separate individual stock account is maintained to reflect the interest of each Plan participant. Each participant's account is credited as of the last day of each Plan year with the participant's allocable share of the Company's common stock released by the trustee from the unallocated account, along with forfeitures of terminated participants' nonvested accounts and any additional cash contributions in excess of the amount needed for debt service. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. All employer contributions are allocated as of the end of each Plan year based on the ratio of each participant's eligible compensation to the total compensation of all participants.

Forfeitures of terminated participants' nonvested account balances allocated to remaining participants during the year ended December 31, 2024, totaled \$1,423,085 or 225 shares. Forfeitures are immediately removed from a participant's account once a distribution has taken place or when the participant's balance has been converted to cash to be transferred to the SEL 401(k) Plan. All forfeitures are reallocated as of the end of each Plan year based on each

# Schweitzer Engineering Laboratories, Inc.

## Employee Stock Ownership Plan

### Notes to Financial Statements

#### December 31, 2024 and 2023

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participant's eligible compensation to the total compensation of all eligible participants. There were no unallocated forfeitures at December 31, 2024 or 2023.

#### **Payment of Benefits**

Upon termination of employment, payment of benefits may be made to participants and beneficiaries in cash, or in the event of distributions of shares, participants will be required to immediately put the shares to the Company or the Plan. Normal distributions include termination, retirement, death, disability, required minimum distributions or in-service distributions for participants over the age of 70 1/2. Upon a participant's termination date, the participant, or his or her beneficiary, will be entitled to the participant's ESOP account balance based on the value of the participant's vested percentage. Generally, the valuation date for normal distribution benefits will be the last day of the Plan year prior to the date payment is scheduled to be made.

Unless a terminated participant has returned to work by March 1 immediately following the Plan year of their termination, the Company stock in their account shall be converted to cash. The participant's cash account will be transferred to the SEL 401(k) Plan through a direct trustee-to-trustee transfer. Upon transfer, the account balances subject to distributions will be in accordance with the provisions of the SEL 401(k) Plan.

The Plan further provides that if a participant's account balance exceeds \$1,000, the Plan Advisory Committee may elect one of the following alternative distribution methods at their discretion:

- (1) Distribution of a participant's account in a single lump sum;
- (2) Distribution of the participant's account in substantially equal installments over a period not exceeding five years (provided that the period over which installments may be distributed may be extended for an additional year (up to a limit of five years) for each \$265,000 or fraction thereof by which his or her account exceeds \$1,330,00 (as of 2023), subject to the cost of living adjustments under § 409(o)(2) of the code); or
- (3) Any combination of the foregoing.

During 2024, benefit distributions were made to participants who had not terminated employment with the Company, consisting of diversification payments, required minimum distribution payments, and in-service distribution payments collectively totaling approximately \$22,778,362.

#### **Put Option**

Under federal income tax regulations, the employer stock held by the Plan and its participants that is not readily tradable on an established market includes a put option. The put option is a right to demand the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair value of the stock. The purpose of the put option is to ensure the participant ultimately has the ability to obtain cash.

#### **Administrative Expenses**

As provided in the Plan agreement, administrative expenses are paid by the Plan or by the Company. The Company paid the administrative expenses for the Plan for the year ended December 31, 2024.

# Schweitzer Engineering Laboratories, Inc.

## Employee Stock Ownership Plan

### Notes to Financial Statements

#### December 31, 2024 and 2023

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#### **Voting Rights**

Each participant is entitled, under certain (limited) circumstances, to direct the trustee with respect to the voting shares allocated to his or her account and is notified by the trustee prior to the time that such rights may be exercised. The trustee is required to vote any unallocated shares on behalf of the collective best interest of Plan participants and beneficiaries.

#### **Termination of the Plan**

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon termination, the interest of each participant will become fully vested and their account will be distributed to such participant, or his or her beneficiary, at the time prescribed by the Plan's terms and the IRC. Upon termination of the Plan, the Plan Administration Committee would direct the trustee to pay all liabilities and expenses of the Plan and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale is necessary to repay any outstanding loans.

#### **Diversification**

Diversification is offered to participants with at least 10 years of participation in the Plan so they may have the opportunity to diversify part of their investments from Company common stock into more diversified investments. Participants who are at least the age of 55 and have 10 years of participation in the Plan may diversify over a six-year period. For the first five years, they may diversify up to 25%, taking into account amounts previously diversified, as well as current stock balances. In the sixth year, the percentage changes to 50%. In addition, any participant who has 10 or more years of participation in the Plan, regardless of age, may diversify up to 5% of his or her stock balance each year. The total diversification is limited to 75%, taking into account amounts previously diversified, as well as current stock balances. A participant who elects to diversify receives a cash distribution or a direct transfer to a qualified plan.

## **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements of the Plan are prepared using the accrual method of accounting.

#### **Investment Valuation and Income Recognition**

The Class A common stock shares of the Company are valued at estimated fair value as of December 31, 2024 and 2023. Estimated fair value is determined in conjunction with an annual, independent appraisal. Purchases and sales of securities are recorded on the trade-date basis. Realized gains and losses from security transactions are reported on the specific-identification method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

The registered investment company (mutual fund) is valued at the daily closing price as reported by the fund. The mutual fund held by the Plan is an open-end mutual fund that is registered with the Securities and Exchange Commission. This fund is required to publish its daily net asset value ("NAV") and to transact at that price. The mutual fund held by the Plan is actively traded.

#### **Distributions to Participants**

Distributions to participants are recorded when paid.

# Schweitzer Engineering Laboratories, Inc.

## Employee Stock Ownership Plan

### Notes to Financial Statements

#### December 31, 2024 and 2023

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#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### **Risk and Uncertainties**

The Plan's investments consist of the Company's common stock and a mutual fund, which is exposed to various risks such as interest rate, market and credit risks, as well as valuation assumptions based on earnings, cash flows and other such techniques. Due to the level of risk associated with the investments and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the investments will occur in the near term and that such changes could materially affect the amounts reported on the statement of net assets available for benefits.

### **3. Tax Status**

The Internal Revenue Service ("IRS") has determined that the Plan is qualified, and the trust established under the Plan is tax-exempt, under the appropriate sections of the IRC. The Plan received a determination letter dated January 28, 2015, in which the IRS stated the Plan, as then designed, was in compliance with the applicable requirements of the IRS. The Plan has been amended and restated since receiving the determination letter. The Plan Administrator believes the Plan is currently designed and operated in compliance with applicable requirements of the IRC. Therefore, it believes the Plan is qualified, and the related trust is tax-exempt, as of the financial statements date.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan. Management evaluated the Plan's tax positions and concluded that the Plan has maintained its tax-exempt status and has taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in process. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2021.

### **4. Administration of Plan Assets**

The Plan's assets consist of Class A common stock of the Company and a mutual fund. The stock and the mutual fund are held by the Plan trustee. Company contributions are held and managed by the trustee, which invests cash received, interest and dividend income (if any), and makes distributions to participants. The Company funds the Plan and the trustee administers the principal and interest payments on the loan.

**Schweitzer Engineering Laboratories, Inc.**  
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**5. Investments**

The Plan's investments in the Class A common stock shares of the Company are as follows at December 31:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Company's common stock				
Number of shares	268,256	230,464	267,937	230,783
Cost	\$ 200,359,649	\$ 563,102,707	\$ 182,865,914	\$ 504,462,712
Fair value	\$ 1,697,522,749	\$ 1,458,377,411	\$ 1,576,538,717	\$ 1,357,929,763

**6. Loan Payable**

The Company and the Plan entered into a stock purchase agreement in March 2009 with shareholders to purchase 255,740 shares of Class A common stock for \$236,559,500. The Company loaned this amount to the Plan to purchase the stock. The loan bears interest at 3% and is due in March 2034. The original note required annual principal and interest payments. Unallocated shares of Class A common stock are collateral for the loan.

The Company also made various exempt loans to the Plan in order for the Plan to purchase shares of the Company's Class A common stock. The loans require annual interest-only payments through certain dates and thereafter, principal and interest are required to be paid annually until maturity. The Plan pledged, assigned and granted unallocated shares of Class A common stock as collateral for these loans. The details of such loans are as follows as of December 31, 2023:

Entered Date	Unallocated Shares	Initial Loan Amount	Interest Rate	Date to Which Only Interest is Paid	Maturity Date
May 2017	51,526	\$ 73,992,000	2.75%	May 2027	May 2047
May 2018	17,519	33,129,000	2.94%	May 2028	May 2048
April 2019	26,419	54,979,000	2.89%	April 2029	April 2049
April 2020	20,263	45,550,000	1.44%	April 2030	April 2050
April 2021	26,748	88,215,000	1.98%	April 2031	April 2051
April 2022	37,152	117,103,000	2.25%	April 2032	April 2052
May 2023	20,458	81,445,000	3.72%	May 2033	May 2053

Through December 31, 2023 the Plan made accelerated payments on the notes, which resulted in re-amortization of future required payments.

The Company and the Plan entered into a stock purchase agreement in April 2024 with shareholders to purchase 14,269 shares of Class A common stock for \$85,816,964. The Company loaned this amount to the Plan to purchase the stock. The loan bears interest at 4.45% and is due in April 2084. The note requires annual interest-only payments through April 2044 and thereafter, principal and interest are required to be paid annually until maturity. The Plan pledged, assigned and granted unallocated shares of Class A common stock as collateral for this loan.

**Schweitzer Engineering Laboratories, Inc.**  
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In December 2024, the Company and the Plan entered into a Consolidated ESOT Loan (“Consolidated Loan”) and Pledge Agreement to consolidate the remaining principal balances of all outstanding loans and extended the consolidated term to a maturity date of June 2085. The Plan pledged, assigned and granted 230,464 unallocated shares of Class A common stock as collateral for this loan. Immediately prior to the loan consolidation, an interest payment of \$12,655,698 was made for the interest that was accrued on the outstanding loans.

The details of the Consolidated Loan are as follows:

<b>Entered Date</b>	<b>Unallocated Shares</b>	<b>Initial Loan Amount</b>	<b>Interest Rate</b>	<b>Date to Which Only Interest is Paid</b>	<b>Maturity Date</b>
December 2024	230,464	589,340,036	2.50 %	June 2045	June 2085

Shares are released from collateral and allocated to participants as payments of principal and interest are made. The Consolidated Loan and all previous loans held by the Plan allow prepayment without premium or penalty. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current-year payments, divided by the total of this year’s payments, plus all future years’ principal and interest payments. This resulted in 14,589 shares being released and allocated for the Plan year ended December 31, 2024. Of this, 11,215 shares were released to satisfy the accrued employer contribution at December 31, 2023 and 3,374 shares were released as a result of the December 2024 interest payment of \$12,655,698, which was applied to the 2024 Plan year contributions.

**Transfer for Debt Service**

The previously allocated portion of the accrued employer contribution at December 31, 2023, received in 2024 totaling \$14,860,103 was used to pay debt service in 2024, which is reported as a transfer from allocated assets to the unallocated assets on the statement of changes in net assets available for benefits for the year ended December 31, 2024.

**7. Fair Value Measurements**

Under the Financial Accounting Standards Board’s authoritative guidance on fair value measurements, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various methods including market, income and cost approaches. Based on these approaches, the Company often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques the Company is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1      Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

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- Level 2      Observable inputs other than Level 1, including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data. Level 2 also includes derivative contracts whose value is determined using a pricing model with observable market inputs or can be derived principally from or corroborated by observable market data.
- Level 3      Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

The following sets forth, by level within the fair value hierarchy, the Plan's fair value measurements:

	<b>Assets at Fair Value as of December 31, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Schweitzer Engineering Laboratories, Inc. Class A common stock	\$ -	\$ -	\$ 3,155,900,160	\$ 3,155,900,160

	<b>Assets at Fair Value as of December 31, 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual fund	\$ 3,593,501	\$ -	\$ -	\$ 3,593,501
Schweitzer Engineering Laboratories, Inc. Class A common stock	-	-	2,934,468,480	2,934,468,480
	<u>\$ 3,593,501</u>	<u>\$ -</u>	<u>\$ 2,934,468,480</u>	<u>\$ 2,938,061,981</u>

The following sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2024:

Sale of shares	\$ (85,816,964)
Repurchase of shares	\$ 85,816,964

Gains and losses (realized and unrealized) of \$221,431,679 included in changes in net assets for the period above are reported in net appreciation in fair value of investments on the statement of changes in net assets available for benefits.

**Schweitzer Engineering Laboratories, Inc.**  
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The following is a description of the valuation methodologies used for level 3 instruments measured at fair value. During the years ended December 31, 2024 and 2023, there have been no changes in the methodologies used.

Instrument	Fair Value at December 31,		Valuation Technique	Unobservable Inputs
	2024	2023		
Schweitzer Engineering Laboratories, Inc. Class A Common Stock	\$ 3,155,900,160	\$ 2,934,468,480	Income Approach	EBITDA Net income Weighted-average cost of capital Discount rate Discount for lack of marketability
			Market Approach	Public comparables Revenue multiple EBITDA multiple Discount for lack of marketability

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**8. Related-Party and Party-in-Interest Transactions**

The Plan invests in Company common stock and has indebtedness to the Company. These are related- party and party-in-interest transactions. GreatBanc, the Trustee, is a party-in-interest under ERISA.

In April 2024, as discussed in Note 1, the Plan sold 14,269 shares totaling \$85,816,964 to the Company for cash, pursuant to the determination of fair value on the date of the sale, as determined by an independent appraisal and the trustee. Concurrently, the Plan repurchased 14,269 shares at fair value on a note, as further discussed in Notes 6 and 7.

In December 2024, as discussed in Note 6, the Company and the Plan entered into a Consolidated Loan to consolidate the remaining principal balances of all outstanding loans and extended the consolidated term to a maturity date of June 2085. The Plan pledged, assigned and granted 230,464 unallocated shares of Class A common stock as collateral for this loan.

**9. Company Advances**

During the Plan year ended December 31, 2024, the Company advanced \$20,893,021 in cash to the trust to cover the Plan's distribution obligations. This advance was an interest-free loan to the Plan. No collateral has been taken for this loan. Plan management believes that the loan complies with the requirements of the Department of Labor's Prohibited Transaction Class Exemption 80-26.

**Schweitzer Engineering Laboratories, Inc.**  
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The advance was converted to a contribution as of December 31, 2024 and is presented in employer contributions on the statement of changes in net assets available for benefits.

**10. Subsequent Events**

Subsequent events have been evaluated through September 2, 2025, which is the date the financial statements were available to be issued.

On May 14, 2025, Company stock in the accounts of terminated participants was converted to cash through a sale of affected shares to the Company at the estimated fair value at the date of the transaction in the amount of \$164,497,219. Subsequently, account balances of participants who terminated employment with the Plan Sponsor on or before December 31, 2024 totaling \$162,697,468 were transferred in cash to the SEL 401(k) Plan. The Plan then repurchased such shares with an exempt loan from the Company for \$164,497,219 which represented the estimated fair value on the date of sale. The Plan's indebtedness to the Company is evidenced by a secured nonrecourse promissory note (the "Note") of \$164,497,219 issued by the Plan payable to the Company. The Note bears interest at 4.62% and is due in May 2085. The Note requires annual interest-only payments beginning in May 2026 and ending in May 2045. Thereafter, principal and interest are due to be paid in annual payments until maturity. The Plan pledges, assigns and grants to the Company 25,711 shares of Class A common stock as collateral for the Note.

## **Supplemental Schedules Required by ERISA**

**Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan  
 Schedule H, Line 4i - Schedule of Assets (Held at End of Year)  
 December 31, 2024**

Employer Identification Number: 91-1196408  
 Plan Number: 001

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value	
* Schweitzer Engineering Laboratories, Inc.	498,720 shares Class A common stock	\$ 763,462,356	\$ 3,155,900,160	

\* Party-in-interest

**Schweitzer Engineering Laboratories, Inc. Employee Stock Ownership Plan**  
**Schedule H, Line 4j - Schedule of Reportable Transactions**  
**Year Ended December 31, 2024**

Employer Identification Number: 91-1196408

Plan Number: 001

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<b>Single Transaction</b>								
* Schweitzer Engineering Laboratories, Inc.	14,269 Class A common stock	\$ -	\$ 85,816,964	\$ -	\$ -	\$ 9,683,234	\$ 85,816,964	\$ 76,133,730
* Schweitzer Engineering Laboratories, Inc.	14,269 Class A common stock	\$ 85,816,964	\$ -	\$ -	\$ -	\$ 85,816,964	\$ 85,816,964	\$ -

\* Party-in-interest/related party



