

Battelle Memorial Institute and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended
September 30, 2024 and 2023, Consolidated Supplementary
Schedule of Expenditures of Federal Awards for the Year Ended
September 30, 2024 and Independent Auditor's Reports

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Battelle Memorial Institute
Columbus, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Battelle Memorial Institute and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of September 30, 2024, and 2023, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 GAAS and *Government Auditing Standards* 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 GAAS and *Government Auditing Standards*, 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 Company'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 Company'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024, on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Deloitte & Touche LLP

December 2, 2024

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 310,150	\$ 383,392
Restricted cash and cash equivalents	41,097	26,535
Available-for-sale debt securities (current)	11,331	23,308
Accounts receivable—net	308,284	286,679
Government Pension Receivable	95,495	
Prepayments and other current assets	23,650	26,550
Prepayments and other current assets—restricted	1,658	1,583
Assets held for sale	<u>12,426</u>	<u>4,356</u>
Total current assets	804,091	752,403
Noncurrent Assets:		
Available-for-sale debt securities	258,808	241,224
Equity securities	439,195	340,122
Equity method investments	147,943	134,573
Other investments	38,090	51,106
Property and equipment—net	155,952	160,692
Pension and postretirement plans benefit	2,212	2,103
Goodwill	9,942	12,428
Other intangibles and other assets—net	<u>77,374</u>	<u>44,752</u>
TOTAL ASSETS	<u>\$ 1,933,607</u>	<u>\$ 1,739,403</u>

(Continue)

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 90,665	\$ 72,515
Accrued compensation and benefits	78,503	82,627
Current notes and debts payable		20,000
Current accrued pension and postretirement benefits		85,930
Advance payments from clients	44,247	63,115
Accrued expenses and other liabilities	<u>59,989</u>	<u>53,115</u>
Total current liabilities	<u>273,404</u>	<u>377,302</u>
NONCURRENT LIABILITIES:		
Long-term notes and debts payable	285,000	285,000
Long-term benefit-related liabilities	40,959	28,671
Accrued pension and postretirement benefits	1,895	3,005
Other liabilities	<u>57,738</u>	<u>33,589</u>
Total noncurrent liabilities	<u>385,592</u>	<u>350,265</u>
EQUITY:		
Retained for purposes of the Will of Gordon Battelle	1,235,973	1,259,983
Accumulated other comprehensive loss:		
Net unrealized gain (loss) on available-for-sale securities	(4,474)	(20,956)
Net unrealized gain (loss) on foreign currency translation	(1,628)	(3,666)
Pension and postretirement benefits income (loss)	<u>22,049</u>	<u>(246,976)</u>
Total parent equity	1,251,920	988,385
Noncontrolling interests	<u>22,691</u>	<u>23,451</u>
Total equity	<u>1,274,611</u>	<u>1,011,836</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 1,933,607</u></u>	<u><u>\$ 1,739,403</u></u>

See notes to consolidated financial statements.

(Concluded)

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
REVENUE:		
Revenue from operations	\$ 13,257,520	\$ 12,440,343
Other revenue	<u>6,505</u>	<u>8,075</u>
Total revenue	<u>13,264,025</u>	<u>12,448,418</u>
OPERATING EXPENSE:		
Operating expense	13,166,866	12,366,570
Other operating income—see Note 4	<u> </u>	<u>30,445</u>
OPERATING INCOME	<u>97,159</u>	<u>112,293</u>
NONOPERATING INCOME (EXPENSE):		
Investment income (loss), net	118,675	55,686
Net periodic pension and postretirement income (expense), less service costs	(187,881)	(19,210)
Distribution expense	(17,813)	(20,627)
Interest expense	(9,059)	(5,394)
Other—net	<u>(7,009)</u>	<u>(7,266)</u>
Total nonoperating income (expense)—net	<u>(103,087)</u>	<u>3,189</u>
INCOME (LOSS) BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	(5,928)	115,482
INCOME TAX BENEFIT (EXPENSE)	<u>5,332</u>	<u>(12,262)</u>
Net Income (Loss)	(596)	103,220
NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>(23,414)</u>	<u>(23,387)</u>
NET INCOME (LOSS) ATTRIBUTABLE TO PARENT	<u>\$ (24,010)</u>	<u>\$ 79,833</u>

See notes to consolidated financial statements.

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
NET INCOME (LOSS) ATTRIBUTABLE TO PARENT	<u>\$ (24,010)</u>	<u>\$ 79,833</u>
NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>23,414</u>	<u>23,387</u>
OTHER COMPREHENSIVE INCOME (LOSS):		
Net unrealized gain (loss) on available-for-sale securities	16,482	584
Unrealized gain (loss) on foreign currency translation	2,038	1,943
Change in actuarial gain (loss)	(11,357)	(100,092)
Amortization of settlement recognition	281,752	14,794
Prior service cost (income) arising during the period, net	<u>(1,370)</u>	<u>(1,370)</u>
Total Other Comprehensive Income (Loss)	<u>287,545</u>	<u>(84,141)</u>
COMPREHENSIVE INCOME (LOSS)	<u><u>\$ 286,949</u></u>	<u><u>\$ 19,079</u></u>

See notes to consolidated financial statements.

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands)

	Retained for Scientific and Educational Purposes of the Will of Gordon Battelle	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
BALANCE—September 30, 2022	\$1,180,150	\$(187,457)	\$ 23,610	\$1,016,303
Comprehensive income (loss)—net	79,833	(84,141)	23,387	19,079
Distributions to noncontrolling interests	_____	_____	<u>(23,546)</u>	<u>(23,546)</u>
BALANCE—September 30, 2023	1,259,983	(271,598)	23,451	1,011,836
Comprehensive income (loss)—net	(24,010)	287,545	23,414	286,949
Distributions to noncontrolling interests	_____	_____	<u>(24,174)</u>	<u>(24,174)</u>
BALANCE—September 30, 2024	<u>\$1,235,973</u>	<u>\$ 15,947</u>	<u>\$ 22,691</u>	<u>\$1,274,611</u>

See notes to consolidated financial statements.

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (596)	\$ 103,220
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment	21,874	23,385
Amortization of goodwill and other intangible assets	2,844	2,876
Deferred taxes	(7,348)	9,555
Bad debt expense	(675)	990
(Gain)/loss on sales of securities—net	(57,240)	
Unrealized (gain)/loss on equity securities	(34,656)	(35,091)
(Gain)/loss on other investments—net	15,764	(13,166)
(Gain)/loss on disposal of property and equipment	180	(910)
Impairment	181	177
Pension and postretirement benefits contributions	(101,977)	(170)
Pension and postretirement benefits (credit)/expense	188,358	21,325
Changes in operating assets and liabilities:		
Accounts receivable	(40,268)	(8,537)
Prepayments and other current assets	2,900	1,451
Other current assets—restricted	(75)	(44)
Intangibles and other assets	(5,406)	(5,211)
Accounts payable	15,948	190
Payroll and other benefit-related liabilities	8,165	6,783
Advance payments from clients	(3,776)	(6,779)
Accrued expenses and other liabilities	10,804	361
	<u>15,001</u>	<u>100,405</u>
Net cash used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property and equipment	(22,189)	(18,989)
Proceeds from distribution of property and equipment		2,201
(Gain)/loss on sales of securities—net		28
Proceeds from sales and maturities of securities	294,690	203,272
Purchase of securities	(285,599)	(266,266)
Distributions from other investments	27,159	20,068
Contributions to other investments	(45,606)	(13,545)
	<u>(31,545)</u>	<u>(73,231)</u>
Net cash used in investing activities		

(Continued)

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands)

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments of notes payable	\$ (20,000)	\$ -
Distributions to noncontrolling interests	<u>(24,174)</u>	<u>(23,546)</u>
Net cash used in financing activities	<u>(44,174)</u>	<u>(23,546)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>2,038</u>	<u>1,942</u>
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(58,680)	5,570
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of year	<u>409,927</u>	<u>404,357</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—End of year	<u>\$ 351,247</u>	<u>\$ 409,927</u>
See notes to consolidated financial statements.		(Concluded)

BATTELLE MEMORIAL INSTITUTE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

1. BUSINESS OVERVIEW

Battelle Memorial Institute (“Battelle” or the “Company”) is a nonprofit Ohio corporation headquartered in Columbus, Ohio, with offices throughout the United States and in foreign countries. Battelle was formed in 1925, pursuant to the Will of Gordon Battelle (the “Will”) for the purposes of using technology to deliver practical solutions to the problems of government and industry and of making distributions to charitable causes. Battelle’s primary source of revenue is from providing technology-based research, management, commercialization, and educational services to the U.S. Government and its agencies (collectively, the “U.S. Government”) and industrial clients.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Standards Updates Adopted—During fiscal year 2024, no accounting standards were adopted that had a material impact on the Company.

Basis of Presentation—The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). The accompanying consolidated financial statements include all the Company’s wholly owned and financially or otherwise controlled subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation and figures are presented in thousands, unless otherwise stated.

Use of Estimates—The preparation of financial statements in conformity with US GAAP accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, as well as the reported amounts of revenue and expense during the reporting periods. Management evaluates these estimates and assumptions on an ongoing basis, including those relating to estimated profitability of long-term contracts, indirect billing rates, allowances for doubtful accounts, inventories, fair value measurements and impairment of intangible assets and goodwill, pension benefits and liabilities and contingencies. These estimates have been prepared by management on the basis of the most current and best available information; however, actual results could differ materially from those estimates.

Cash Equivalents—Cash equivalents include cash on hand and highly liquid investments having an original maturity of three months or less. Cash equivalents consist primarily of institutional money market funds and other short-term investments.

Restricted Cash—Restricted cash primarily consists of money market funds and other short-term investments with an initial term of less than ninety days that have restrictions on the use of those funds based on contractual requirements.

Available-for-Sale Debt Securities—Debt securities are classified as available for sale and are carried at fair value. Unrealized holding gains and losses, net of the related tax effect, on available-for-sale debt securities are excluded from net income and reported as

other comprehensive income until realized. Realized gains and losses from the sale of available-for-sale debt securities are determined on a specific identification basis. Other-than-temporary declines in value below cost are recognized in net income. Battelle analyzes other-than-temporary impairments using certain criteria, including the amount of unrealized loss, length of holding period, and recent performance of the debt security. Interest income is recognized as earned.

Equity Securities—Equity securities are carried at fair value on the Company's Consolidated Balance Sheets. Both unrealized holding gains and losses and realized gains and losses on equity securities are reported in Investment income, net within the Company's Consolidated Statements of Operations in the current period.

Accounts Receivable and Allowance for Doubtful Accounts—Accounts receivable include amounts billed and currently due from customers and the U.S. Government and unbilled costs. Unbilled receivables include amounts earned but not yet billed.

Receivables are stated at estimated realizable value and consist of costs and fees, substantially all of which are expected to be billed and collected within one year. Amounts billable also include rate variances that are billable upon negotiation of final indirect rates with the U.S. Government and, once billed, are subject to audit and approval by U.S. Government representatives.

Receivables include an allowance for estimated uncollectible accounts to reflect any loss anticipated on the accounts receivable balance, which is charged to the provision for doubtful accounts. The allowance is calculated based on Battelle's history of write-offs, level of past-due accounts, economic status of the customers, and other known factors concerning the customers' current financial condition and ability to pay.

Assets Held for Sale—Assets are classified as held for sale in the period in which management commits to a plan to sell the asset, the asset is available for immediate sale in its present condition, an active program to locate a buyer has been initiated, the sale of the asset is probable, the asset is being actively marketed for sale at a price that is reasonable in relation to its fair value, and actions required to complete the sale indicate that it is unlikely that significant changes to the plan will be made or that the plan to sell will be withdrawn. At the time of classifying the asset as held for sale, the Company recognizes the asset at the lower of the carrying amount or the fair value, less the cost to sell, and ceases depreciation immediately. While the asset is classified as held for sale the Company reviews, at a minimum annually, whether the classification is appropriate. When the asset is sold, the Company removes the asset balance from the consolidated balance sheet in the year of the sale and records a gain or loss based on the sale price, less the recorded amount of the asset in the consolidated balance sheet at the time of sale.

Property and Equipment—Property and equipment are recorded at cost, including capitalized interest on construction in progress. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

Battelle reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When a triggering event occurs, Battelle will estimate the fair value of the asset group. If the total of the expected undiscounted future net cash flows is less than the carrying amount of the asset to estimate the fair value, a loss is recognized for any excess of the carrying amount over the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Equity-Method Investments—When Battelle does not have a controlling financial interest in an entity but can exert significant influence over the entity’s operating and financial policies, the investment is accounted for either (i) using the equity method of accounting or (ii) at fair value by electing the fair value option. Significant influence generally exists when Battelle owns 20% to 50% of the entity’s common stock or in-substance common stock.

Pension and Other Postretirement Plans—Many of Battelle’s employees are covered by defined benefit pension plans. US GAAP requires that the amounts recorded related to postretirement benefit plans be computed, based on service to date, using actuarial valuations that are based, in part, on certain key economic assumptions made, including the discount rate, the expected long-term rate of return on plan assets, and other actuarial assumptions, including participant longevity (also known as mortality) estimates, health care cost trend rates, and employee turnover, each, as appropriate, based on the nature of the plans.

A market-related value of plan assets, determined using the fair value of the assets, is used to calculate the amount of deferred asset gains or losses to be amortized. These asset gains or losses, along with those resulting from adjustments to the benefit obligation, will be amortized to expense over the average future-service period of employees expected to receive benefits under the plans.

Battelle recognizes on a plan-by-plan basis the funded status of its postretirement benefit plans under US GAAP as either an asset or a liability in the consolidated balance sheets. There is a corresponding noncash adjustment to accumulated other comprehensive loss, net of tax benefits, recorded as deferred tax assets. The US GAAP-funded status is measured as the difference between the fair value of the plan’s assets and the benefit obligation of the plan. The funded status under the Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act of 2006, is calculated on a different basis than under US GAAP.

When a plan change occurs, the Company evaluates if the plan change constitutes an event that requires remeasurement of plan assets and obligations and records any corresponding impact on the consolidated financial statements for plan assets, obligations, accumulated other comprehensive income, or net periodic benefit cost, as appropriate.

The service cost component of net periodic pension and other postretirement costs is reported as Operating Costs within the Companies Consolidated Statement of Operations, while all other components of net periodic pension and other postretirement costs are reported in Net Periodic Pension and Other Postretirement Costs within Nonoperating Income (expense) within the Company’s Consolidated Statement of Operations.

Goodwill—Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Battelle amortizes goodwill over a 10-year straight-line basis, unless an alternative shorter amortization period is determined. Goodwill acquired through a business combination, reorganization, or an event resulting in fresh-start reporting is amortized on a straight-line basis over 10 years. The Company may revise the remaining useful life of goodwill upon the occurrence of events and changes in circumstances that warrant a revision to the remaining period of amortization. However, the amortization period is not to exceed 10 years.

Goodwill is separately evaluated for impairment at the reporting unit level if triggering events occur, which indicate that the fair value of the reporting unit may be below its carrying value. If triggering events occur, the Company either performs a quantitative test or assesses qualitative factors to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. If the Company performs the quantitative test, it compares the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. The estimate of the reporting unit's fair value is determined by weighing a discounted cash flow model and a market-related model using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flows, the Company considers and applies certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects, market and economic conditions, and market participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

The gross carrying amount of goodwill, related accumulated amortization and amortization expense as of September 30 were as follows:

	2024	2023
Gross goodwill	\$ 24,856	\$ 24,856
Accumulated amortization	14,914	12,428
Net goodwill	<u>9,942</u>	<u>12,428</u>
Amortization expense	<u>\$ 2,486</u>	<u>\$ 2,486</u>

Environmental Matters—Battelle records a liability for environmental matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. The amount of liability recorded is based on estimated costs to be incurred for remediation at a particular site. Battelle does not discount the recorded liabilities as the amount and timing of future cash payments are not fixed or cannot be reliably determined. Environmental liabilities are recorded in the consolidated balance sheets in other liabilities.

Income Taxes—The Internal Revenue Service has previously determined that Battelle is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3), except for income arising from unrelated business activities. Certain Battelle subsidiaries file individually as taxable legal entities. Accordingly, the accompanying consolidated financial statements include tax provisions for consolidated subsidiaries and for certain federal, state, local, and foreign taxes. Other subsidiaries, including Brookhaven Science Associates, LLC; UT-Battelle, LLC; and Triad National Security, LLC ("Triad") are treated as partnerships for federal income tax purposes. Battelle National Biodefense Institute, LLC; Battelle Savannah River Alliance, LLC; and Battelle Energy Alliance, LLC are disregarded entities and as such are deemed to be Battelle for federal income tax purposes. Accordingly, profits and losses are passed directly to partners for inclusion in their income tax returns.

For Battelle's taxable subsidiaries or nonexempt state, local, and foreign jurisdictions, income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary

differences between consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled and are recorded as noncurrent in the Company's consolidated balance sheets. The Company's deferred tax assets and liabilities are classified as long-term. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Revenue Recognition—Revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the fee is fixed or determinable, and collectability is reasonably assured.

Substantially, all revenue is derived from services and solutions provided to the U.S. Government. Battelle generates most of its revenue from three different types of contractual arrangements: cost reimbursable plus fee, time and materials, and fixed-price contracts.

Revenue on cost reimbursable plus fee contracts is recognized as services are performed, generally based on the allowable costs incurred during the period, plus any recognizable earned fees.

Revenue earned under time and materials contracts is recognized as labor hours are worked based on contractually billable rates to the client. Direct costs on time and materials contracts are expensed as incurred.

Revenue on fixed-price contracts is primarily recognized over time based on actual costs incurred (input method) relative to total estimated costs for the contract. Periodically, the estimated costs are updated during the term of the contract and may result in revision of recognized revenue and estimated costs in the period in which the changes in estimated costs are identified.

Contract accounting requires significant judgment relative to assessing risks, estimating contract revenue and costs, making assumptions for schedule and technical issues, and assessing the probability of funding by the contracting agency. Due to the size and nature of many of the contracts, developing total revenue and cost at completion estimates requires the use of significant judgment. Estimates of total contract revenue and costs are monitored during the term of the contract and are subject to revision as the contract progresses. Anticipated losses on contracts are recognized in the period they are deemed probable and can be reasonably estimated.

The Company recognizes revenue on its service-based contracts primarily over time as there is continuous transfer of control to the customer over the duration of the contract as the Company performs the promised services. For U.S. Government contracts, continuous transfer of control to the customer is evidenced by clauses in the contract that allow the customer to unilaterally terminate the contract for convenience, pay for costs incurred plus a reasonable profit and take control of any work-in-process. Similarly, for non-U.S. Government contracts, the customer typically controls the work-in-process as evidenced by rights to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternate use to the Company. Anticipated losses on service-based contracts are recognized when known.

Certain of the Company's cost-plus and fixed-price contracts contain award fees, incentive fees or other provisions that may either increase or decrease the transaction price. These variable amounts generally are awarded upon achievement of certain performance metrics, program milestones or cost targets and can be based upon customer discretion. The Company estimates variable consideration at the most probable amount that it expects to be entitled to, based on the assessment of the contractual variable fee criteria, complexity of work and related risks, extent of customer discretion, amount of variable consideration received historically and the potential of significant reversal of revenue.

Contracts with the U.S. Government are subject to the Federal Acquisition Regulation ("FAR") and priced on estimated or actual costs of providing the goods or services. The FAR provides guidance on types of costs that are allowable in establishing prices for goods and services provided to the U.S. Government and its agencies. Each contract is priced and bid separately. Pricing for non-U.S. Government agencies and commercial customers is based on specific negotiations with each customer. In circumstances where the standalone selling price is not directly observable, we estimate the standalone selling price using the expected cost-plus margin approach.

Contract costs on U.S. Government contracts, including indirect costs, are subject to audit by the U.S. Government and adjustment pursuant to negotiations between Battelle and U.S. Government representatives. Battelle's federal contract indirect costs have been agreed upon through fiscal year 2020. Battelle is in negotiations with the U.S. Government on final fiscal year 2021 and 2022 indirect rates. Fiscal year 2023 indirect cost audits are in process. Contract revenue on U.S. Government contracts has been recorded in amounts that are expected to be realized upon final settlement. In the opinion of management, the outcome of these matters will not have a material effect on the consolidated financial statements in subsequent periods for U.S. Government audits not yet started or completed.

Battelle occasionally proceeds with work based on customer direction prior to the completion and signing of formal contract documents. Battelle has a formal review process for approving any such work. Revenue associated with such work is recognized only when it can be reliably estimated, and realization is probable. Battelle bases its estimates on previous experiences with the customer, communications with the customer regarding funding status, and its knowledge of available funding for the contract or program.

For certain performance obligations where the Company is not primarily responsible for fulfilling the promise to provide the goods or service to the customer, does not have inventory risk and does not have discretion in establishing the price for the goods or service, the Company recognizes revenue on a net basis.

Royalties, license, and patent income are recognized when earned and collectible.

Internal Research and Development Expense—Internal research and development costs include expenses, such as equipment purchases, facility expenses, and personnel costs, which are incurred on behalf of research and development activities. Internal research and development costs are generally expensed as incurred, with purchases of fixed and intangible assets being capitalized if they provide for alternative future uses.

Concentrations of Credit Risk—Financial instruments that potentially subject Battelle to concentrations of credit risk consist primarily of cash equivalents and accounts receivable. Battelle's cash equivalents are generally invested in prime or U.S. Government money market funds, which minimizes the credit risk. Battelle believes that credit risk for accounts receivable is limited as the receivables are primarily due from the U.S. Government.

Distributions—Commitments for unconditionally pledged charitable distributions are accrued when committed.

Recent Accounting Pronouncements

ASU 2023-09 Income Taxes

In December 2023, the FASB issued ASU 2023-09 to enhance the transparency and usefulness of income tax disclosures. The update requires enhancements to rate reconciliation, including disclosure of specific categories and additional information for recording items meeting a quantitative threshold. The update also requires disclosure of income taxes paid disaggregated by federal, state and foreign taxes, and individual jurisdictions meeting a quantitative threshold.

The amendments in this update are effective for non-public entities for annual periods beginning after December 15, 2025, and may be adopted on a prospective or retrospective basis. Early adoption is permitted. We are currently evaluating the impact of this update and determining if we will adopt in a future year. We expect this ASU to only impact our disclosures with no impacts to our results of operations, cash flows and financial condition.

3. REVENUE RECOGNITION

Disaggregation of Revenues—The Company disaggregates revenues by customer-type (U.S. Government, commercial or national laboratory), as well as by the timing of transfer of goods and services (at a point in time or over time). These categories represent how the nature, timing and uncertainty of revenues and cash flows are affected by the contract procurement environment and timing of the provision of such goods and services for which revenue is earned. Total Revenue of \$13,264,025 and \$12,448,418, for the years ended September 30, 2024 and 2023 respectively, as reported in the Company's Consolidated Statements of Operations, represent revenue from contracts with customers in accordance with ASC 606.

Revenue from Operations

	2024	2023
Government	\$ 13,148,718	\$ 12,310,075
Commercial	<u>108,802</u>	<u>130,268</u>
Total revenue from operations	<u>\$ 13,257,520</u>	<u>\$ 12,440,343</u>

National Laboratories

Battelle manages and operates six national laboratories for the Department of Energy ("DoE"), as well as the National Biodefense Analysis and Countermeasures Center ("NBACC") for the Department of Homeland Securities. Revenues earned through the management and operations of these locations represent the majority of Battelle's U.S. Government source revenues. The following are the Battelle-managed and operated national laboratories, and NBACC, along with their respective revenues, for the years ended September 30:

National Laboratory	Location	Contract Expiration	2024	2023
Los Alamos National Laboratory	Los Alamos, New Mexico	October 2028	\$ 4,916,456	\$ 4,571,224
Oak Ridge National Laboratory	Oak Ridge, Tennessee	March 2025	2,490,718	2,573,726
Idaho National Laboratory	Idaho Falls, Idaho	September 2029	2,064,185	1,819,659
Pacific Northwest National Laboratory	Richland, Washington	September 2027	1,623,609	1,480,793
Brookhaven National Laboratory	Upton, New York	September 2034	677,959	625,995
Savannah River National Laboratory	Jackson, South Carolina	June 2031	435,956	386,038
National Biodefense Analysis and Countermeasures Center	Frederick, Maryland	March 2025	<u>50,470</u>	<u>41,321</u>
Total			<u>\$12,259,353</u>	<u>\$11,498,756</u>

Research and Development

Battelle performs research and development work for U.S. Government and commercial clients, providing technology-based research, commercialization, and educational services. These research and development projects vary significantly in nature from client to client, are often accounted for using the over time method for revenue recognition and include significant judgement over the related estimates at completion. Revenues and cost of operations from research and development projects were as follows for the year ended September 30:

	2024	2023
Revenues from operations	\$ 998,167	\$ 941,587
Costs of operations	950,314	875,321

Timing of transfer of goods and services—The majority of Battelle's revenue is earned over time as the provision of research and laboratory services are performed. In addition, most of the Company's revenue is derived from work performed for U.S. Government customers in which transfer of ownership to the customer is deemed to have occurred as work is in process.

	2024	2023
Over time	\$ 13,253,767	\$ 12,441,080
Point-in-time	<u>10,258</u>	<u>7,338</u>
Total	<u>\$ 13,264,025</u>	<u>\$ 12,448,418</u>

Receivables, Contract Assets and Contract Liabilities—The Company’s performance obligations are satisfied either over time as work progresses or at a point in time. Firm-fixed-price contracts are typically billed to the customer using milestone payments while cost-reimbursable and time-and-materials contracts are typically billed to the customer on a monthly or bi-weekly basis as indicated by the negotiated billing terms and conditions of the contract. As a result, for each of the company’s contracts, the timing of revenue recognition, customer billings and cash collections results in a net contract asset or liability at the end of each reporting period. Contract assets include unbilled receivables, which represents the amount of revenue earned and recognized that exceeds the amount billed to the customer at year-end. Contract liabilities consist of advance payments from customers that have been provided to Battelle prior to the associated revenue being earned.

Accounts Receivable

	<u>As of September 30,</u>	
	<u>2024</u>	<u>2023</u>
Government accounts receivable:		
Billed	\$ 73,332	\$ 64,334
Unbilled	215,145	197,804
Commercial accounts receivable:		
Billed	18,858	15,059
Unbilled	6,043	17,465
Other	<u>14,150</u>	<u>15,018</u>
Total accounts receivable	327,528	309,680
Less provision for doubtful accounts	2,644	4,689
Less provision for revenue reserve	<u>16,600</u>	<u>18,312</u>
Accounts receivable—net	<u>\$ 308,284</u>	<u>\$ 286,679</u>
Contract assets	\$ 294,133	\$ 272,229
Contract liabilities	44,247	63,115

Contracts assets comprised primarily of billed and unbilled accounts receivable. Contract liabilities comprised primarily of advance payments received from customers.

4. INVESTMENTS

Available-for-Sale Debt Securities—Battelle’s available-for-sale debt securities are comprised of debt securities held and managed within Battelle’s investment portfolio fund as well as the debt security investments of Research Insurance Company Limited (“RICL”), a wholly owned subsidiary of Battelle. RICL currently covers professional errors & omissions liability, environmental impairment liability, workers’ compensation, property, and multiple other liability exposures for Battelle and its subsidiaries as well as other unrelated business entities.

Battelle records realized gains and losses on available-for-sale debt securities in Investment income within the accompanying Consolidated Statement of Operations. Unrealized gains and losses on available-for-sale debt securities are recorded in Other Comprehensive Income within the accompanying Consolidated Statements of Comprehensive Income.

	As of and for the Year Ended September 30, 2024				Fair Value
	Gross Realized Gain	Gross Realized Loss	Gross Unrealized Gain	Gross Unrealized Loss	
Battelle Investment Portfolio—Fixed Income Securities	\$1,261	\$(223)	\$3,875	\$ (2,144)	\$147,356
RICL—Fixed Income Securities	<u>321</u>	<u>(454)</u>	<u>3,216</u>	<u>(9,421)</u>	<u>122,783</u>
Total	<u>\$1,582</u>	<u>\$(677)</u>	<u>\$7,091</u>	<u>\$(11,565)</u>	<u>\$270,139</u>

	As of and for the Year Ended September 30, 2023				Fair Value
	Gross Realized Gain	Gross Realized Loss	Gross Unrealized Gain	Gross Unrealized Loss	
Battelle Investment Portfolio—Fixed Income Securities	\$426	\$ (812)	\$1,200	\$ (5,767)	\$155,335
RICL—Fixed Income Securities	<u>174</u>	<u>(1,628)</u>	<u>370</u>	<u>(16,759)</u>	<u>109,197</u>
Total	<u>\$600</u>	<u>\$(2,440)</u>	<u>\$1,570</u>	<u>\$(22,526)</u>	<u>\$264,532</u>

Battelle's available-for-sale debt securities' amortized cost, gross unrealized gains and losses, and fair value, aggregated by investment category and maturity length, were as follows:

	As of September 30, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
US corporate debt securities:				
Maturing within one year	\$ 7,769	\$ 94	\$ (36)	\$ 7,827
Maturing between one and five years	28,794	939	(223)	29,510
Maturing between five and ten years	12,349	311	(520)	12,140
Maturing beyond ten years	3,285	124	(155)	3,254
US Government agency debt securities:				
Maturing within one year	2,270	39	(3)	2,306
Maturing between one and five years	5,844	147	(130)	5,861
Maturing between five and ten years	3,119		(285)	2,834
Maturing beyond ten years	13,720	105	(2,832)	10,993
Mortgage-backed securities:				
Maturing within one year	1,191	12	(5)	1,198
Maturing between one and five years	44,348	1,041	(543)	44,846
Maturing between five and ten years	39,152	1,236	(450)	39,938
Maturing beyond ten years	<u>112,772</u>	<u>3,043</u>	<u>(6,383)</u>	<u>109,432</u>
Total available-for-sale debt securities	274,613	7,091	(11,565)	270,139
Less current portion	<u>11,230</u>	<u>145</u>	<u>(44)</u>	<u>11,331</u>
Total available-for-sale debt securities—less current portion	<u>\$263,383</u>	<u>\$6,946</u>	<u>\$(11,521)</u>	<u>\$258,808</u>

	As of September 30, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
US corporate debt securities:				
Maturing within one year	\$ 5,819	\$ 20	\$ (144)	\$ 5,695
Maturing between one and five years	31,880	121	(972)	31,029
Maturing between five and ten years	12,820		(1,492)	11,328
Maturing beyond ten years	3,693	6	(445)	3,254
US Government agency debt securities:				
Maturing within one year	17,817	177	(380)	17,614
Maturing between one and five years	7,451	19	(355)	7,115
Maturing between five and ten years	2,319		(358)	1,961
Maturing beyond ten years	14,257	1	(4,093)	10,165
Mortgage-backed securities:				
Maturing within one year				
Maturing between one and five years	45,395	259	(1,571)	44,083
Maturing between five and ten years	34,747	249	(1,849)	33,147
Maturing beyond ten years	<u>109,290</u>	<u>718</u>	<u>(10,867)</u>	<u>99,141</u>
Total available-for-sale debt securities	285,488	1,570	(22,526)	264,532
Less current portion	<u>23,635</u>	<u>197</u>	<u>(524)</u>	<u>23,308</u>
Total available-for-sale debt securities—less current portion	<u>\$261,853</u>	<u>\$1,373</u>	<u>\$(22,002)</u>	<u>\$241,224</u>

Battelle's available-for-sale debt securities' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in continuous unrealized loss positions, were as follows:

	As of September 30, 2024					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
US corporate debt securities:						
Maturing within one year	\$ -	\$ -	\$ 3,399	\$ (36)	\$ 3,399	\$ (36)
Maturing between one and five years	250		5,415	(223)	5,665	(223)
Maturing between five and ten years	101		5,438	(520)	5,539	(520)
Maturing beyond ten years			997	(155)	997	(155)
US Government agency debt securities:						
Maturing within one year			1,067	(3)	1,067	(3)
Maturing between one and five years			3,228	(130)	3,228	(130)
Maturing between five and ten years			2,834	(285)	2,834	(285)
Maturing beyond ten years	27	(1)	10,062	(2,831)	10,089	(2,832)
Mortgage-backed securities:						
Maturing within one year			695	(5)	695	(5)
Maturing between one and five years	119		11,857	(543)	11,976	(543)
Maturing between five and ten years	561	(2)	6,386	(448)	6,947	(450)
Maturing beyond ten years	<u>4,017</u>	<u>(82)</u>	<u>42,912</u>	<u>(6,301)</u>	<u>46,929</u>	<u>(6,383)</u>
Total	<u>\$5,075</u>	<u>\$(85)</u>	<u>\$94,290</u>	<u>\$(11,480)</u>	<u>\$99,365</u>	<u>\$(11,565)</u>

	As of September 30, 2023					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
US corporate debt securities:						
Maturing within one year	\$ -	\$ -	\$ 4,458	\$ (144)	\$ 4,458	\$ (144)
Maturing between one and five years	10,915	(110)	12,296	(862)	23,211	(972)
Maturing between five and ten years	3,424	(127)	7,755	(1,365)	11,179	(1,492)
Maturing beyond ten years	1,541	(107)	1,524	(338)	3,065	(445)
US Government agency debt securities:						
Maturing within one year			11,940	(380)	11,940	(380)
Maturing between one and five years			5,386	(355)	5,386	(355)
Maturing between five and ten years	170	(1)	1,792	(357)	1,962	(358)
Maturing beyond ten years	407	(29)	9,727	(4,064)	10,134	(4,093)
Mortgage-backed securities:						
Maturing within one year						
Maturing between one and five years	5,330	(51)	17,786	(1,520)	23,116	(1,571)
Maturing between five and ten years	6,232	(31)	16,669	(1,818)	22,901	(1,849)
Maturing beyond ten years	23,840	(968)	47,734	(9,899)	71,574	(10,867)
Total	<u>\$51,859</u>	<u>\$(1,424)</u>	<u>\$137,067</u>	<u>\$(21,102)</u>	<u>\$188,926</u>	<u>\$(22,526)</u>

Equity Investments—The fair value of Battelle’s equity investments that were classified within Equity investments in the accompanying Consolidated Balance Sheets as of September 30 were as follows:

	2024	2023
Battelle Investment Portfolio—equity securities	\$ 421,437	\$ 326,675
Rabbi Trusts	7,365	5,783
Supplemental Executive Retirement Plan	<u>10,393</u>	<u>7,664</u>
Total	<u>\$ 439,195</u>	<u>\$ 340,122</u>

Battelle has four Rabbi Trust Plans, representing Non-Qualified Retirement Plans of which one is open for active participants as of September 30, 2024. Battelle’s Supplemental Executive Retirement Plan (“SERP”) covers benefits for applicable Battelle and PNNL employees that retired prior to 2001.

The fair value of Battelle’s equity investments that were classified within Other Investments in the accompanying Consolidated Balance Sheets as of September 30 were as follows:

	2024			2023		
	ITD	ITD	Fair Value	ITD	ITD	Fair Value
	Commitments	Capital Called		Commitments	Capital Called	
Private Limited Partnerships	<u>\$124,420</u>	<u>\$96,829</u>	<u>\$36,267</u>	<u>\$124,420</u>	<u>\$96,387</u>	<u>\$48,714</u>

ITD = Inception-to-date

Battelle’s investment guidelines provide for up to twenty-four percent of the total investment portfolio be invested in commercial venture funds and/or private equity.

Equity Method Investments—The fair value of Battelle’s equity method investments in the accompanying Consolidated Balance Sheets as of September 30, 2024 and 2023, were as follows:

	As of the	
	Year Ended September 30,	
	2024	2023
AmplifyBio, LLC	\$ 101,243	\$ 88,826
Revive Environmental Technology, LLC	41,191	40,000
Alliance for Sustainable Energy, LLC (“Alliance”)	2,376	1,906
Allonnia, LLC	<u>3,133</u>	<u>3,841</u>
Total	<u>\$ 147,943</u>	<u>\$ 134,573</u>

Alliance is recorded at cost plus share of earnings (or losses) less distributions, not fair value.

AmplifyBio, LLC (“AmplifyBio”)—In fiscal year 2024, Battelle contributed \$30,000 in exchange for 3,000,000 Class A units of AmplifyBio resulting in an increase of \$30,000 to the investment balance. Also in fiscal year 2024, Battelle completed a fair market valuation on AmplifyBio, resulting in a mark to market loss of \$17,583.

Revive Environmental Technology, LLC (“Revive”)—In fiscal year 2023, Battelle finalized an agreement with Viking Global Investors, LP to form Revive with a valuation of \$80,000. In exchange for a contribution of assets of \$2,570, incurred transaction costs of \$2,985, and contingent liability of \$4,000, Battelle received 44,444,444 Class A units of Revive valued at \$40,000. Battelle recognized a net-operating gain of \$30,445 (presented as “other operating income” in the Consolidated Statement of Operations).

In fiscal year 2024, Battelle released a contingent liability of \$4,000 for shares distributed to individuals resulting in a 5% decrease of ownership in Revive and a new initial valuation of \$36,000. Also in fiscal year 2024, Battelle completed a fair market valuation on Revive, resulting in a mark to market gain of \$5,191.

Allonia, LLC (“Allonia”)—In fiscal year 2024, Battelle completed a fair market valuation on Allonia, resulting in a mark to market gain of \$708.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

ASC 820, Fair Value Measurements and Disclosures (ASC 820), defines fair value and establishes a framework for measuring fair value. The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. The three levels are defined as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2—Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3—Unobservable inputs reflecting management’s own assumptions about the inputs used in pricing the asset or liability.

Asset Valuation Techniques—The following is a description of the valuation methodologies used for assets measured at fair value as of September 30, 2024 and 2023:

Debt Securities Available-for-Sale and Equity Securities—Valuations provided by a third party, who uses an external pricing service to estimate the fair value of the underlying investments. Battelle’s investment managers review and validate the prices utilized by the third party to determine fair value. Battelle receives audit reports of the broker’s operating controls and valuation process. The broker uses multiple pricing vendors for the securities. Certain debt securities are held at net asset value.

Fair values of financial assets measured on a recurring basis were categorized as follows:

Debt Securities

	As of September 30, 2024				As of September 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale debt securities:								
US government bonds	\$ -	\$ 21,995	\$ -	\$ 21,995	\$ -	\$ 36,658	\$ -	\$ 36,658
Asset-backed securities		195,413		195,413		176,567		176,567
Corporate bonds		52,731		52,731		51,307		51,307
Total	<u>\$ -</u>	<u>\$270,139</u>	<u>\$ -</u>	<u>\$270,139</u>	<u>\$ -</u>	<u>\$264,532</u>	<u>\$ -</u>	<u>\$264,532</u>

Equity Securities

	As of September 30, 2024				As of September 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity Securities:								
Corporate Stock	\$380,435	\$ -	\$ -	\$380,435	\$295,463	\$ -	\$ -	\$295,463
Common/collective Trust	17,758			17,758	13,447			13,447
Total	<u>\$398,193</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$398,193</u>	<u>\$308,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$308,910</u>

As of September 30, the following financial assets measured at net asset value per share were categorized as follows:

	Fair Value	
	2024	2023
Funds—common stock ⁽¹⁾	\$ 41,002	\$ 31,212
Funds—short-term investment ⁽²⁾	178,463	142,659
Money market funds	<u>4,132</u>	<u>409</u>
Total	<u>\$ 223,597</u>	<u>\$ 174,280</u>

⁽¹⁾ Funds—common stock—This class includes publicly traded equity investments, primarily stock. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

⁽²⁾ Funds—short-term investments—This class includes short-term institutional money market funds, primarily composed of short-term government securities. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

Equity Method Investment—Valuations provided by a third party, using observable market data that requires the application of market multiples from comparable public companies to a private company.

	As of September 30, 2024				As of September 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity Method Investments:								
AmplifyBio, LLC	\$ -	\$101,243	\$ -	\$101,243	\$ -	\$ 88,826	\$ -	\$ 88,826
Revive Environmental Technology, LLC		41,191		41,191		40,000		40,000
Allonia, LLC (see note)		3,133		3,133		3,841		3,841
Total	<u>\$ -</u>	<u>\$145,567</u>	<u>\$ -</u>	<u>\$145,567</u>	<u>\$ -</u>	<u>\$132,667</u>	<u>\$ -</u>	<u>\$132,667</u>

In FY23, Allonia, LLC was carried at its original investment cost

As of September 30, 2024, and 2023, the fair values of financial assets measured on a nonrecurring basis included primarily assets included in the asset impairment reviews. See Note 4 – Investments for description of assets, the amounts and basis of valuation. During fiscal period 2024 and fiscal period 2023, there were no transfers of financial assets between Level 1, Level 2, or Level 3.

6. PROPERTY AND EQUIPMENT AND LEASE COMMITMENTS

A summary of property and equipment as of September 30, was as follows:

	Useful Life (Years)	2024	2023
Land and improvements		\$ 3,132	\$ 4,214
Buildings and improvements	10–40	342,807	367,303
Furniture and equipment	2–40	146,673	160,319
Software	5–10	61,573	65,415
Construction in progress		<u>24,683</u>	<u>12,101</u>
Property and equipment—at cost		578,868	609,352
Accumulated depreciation		<u>(422,916)</u>	<u>(448,660)</u>
Total		<u>\$ 155,952</u>	<u>\$ 160,692</u>

Depreciation, including amortization of software and leasehold improvements, for 2024 and 2023 was \$21,874 and \$23,385, respectively.

7. ASSETS HELD FOR SALE

	As of 9/30/2024	Transfers	As of 9/30/2023	Transfers	As of 9/30/2022
PNNL Properties BEST Center	\$ 4,356 <u>8,070</u>	\$ - <u>8,070</u>	\$ 4,356 <u> </u>	\$ - <u> </u>	\$ 4,356 <u> </u>
Total	<u>\$ 12,426</u>	<u>\$ 8,070</u>	<u>\$ 4,356</u>	<u>\$ -</u>	<u>\$ 4,356</u>

During fiscal year 2017, Battelle entered into an agreement with the DoE to transfer certain buildings and land to the U.S. Government in fiscal year 2018 and beyond. At the direction of the DoE, Battelle began cost recovery in accordance with the transfer agreement during fiscal year 2017. All assets related to the future property sale were classified under assets held for sale and the related advance payments were classified as other current liabilities. Total carrying value of assets held for sale under this agreement is \$4,356 as of September 30, 2024.

During fiscal year 2024, Battelle discontinued operations at the Battelle Eastern Scientific and Technology Center ("BEST Center") and is currently engaging with potential buyers. The assets for sale include the partially depreciated building, real property, and non-depreciated land totaling \$8,070. Battelle anticipates completing the sale in fiscal year 2025 resulting in a gain. Due to this, no loss on this property was recognized in the period.

8. NOTES AND DEBTS PAYABLE

Notes and debts payable as of September 30, was as follows:

	2024		2023		Due on
	Interest Rate	Outstanding Balance	Interest Rate	Outstanding Balance	
Term loan B	3.70	\$ -	3.70	\$ 20,000	April 25, 2024
Term loan E	3.12	45,000	3.12	45,000	July 10, 2027
Term loan F	3.31	25,000	3.31	25,000	August 5, 2026
Term loan G	3.52	40,000	3.52	40,000	August 5, 2029
Term loan H	3.62	35,000	3.62	35,000	August 5, 2031
Term loan I	2.38	35,000	2.38	35,000	May 19, 2030
Term Loan J	2.50	25,000	2.50	25,000	October 15, 2035
Term Loan K	2.67	40,000	2.67	40,000	October 15, 2040
Term Loan L	2.75	15,000	2.75	15,000	April 12, 2034
Term Loan M	2.87	12,500	2.87	12,500	April 12, 2037
Term Loan N	2.87	<u>12,500</u>	2.87	<u>12,500</u>	April 12, 2037
Total debt		285,000		305,000	
Less current portion of debt				<u>20,000</u>	
Long-term debt		<u>\$ 285,000</u>		<u>\$ 285,000</u>	

Term Loans—Term loans B, E, F, G, H, I, J, K, L, M, and N, as amended, bear a fixed interest rate, which is payable semiannually.

The following table summarizes required future debt principal payments:

**Years Ending
September 30**

2025	\$ -
2026	25,000
2027	45,000
2028	
2029	40,000
Thereafter	<u>175,000</u>
Total	<u>\$ 285,000</u>

Lines of Credit—Battelle occasionally borrows under lines of credit in anticipation of cash demands. Under all lines of available credit, Battelle can borrow up to a total of \$120,000. Lines of credit, as amended, bear variable interest rates based on the Secured Overnight Financing Rate plus basis points. The lines of credit are unsecured; however, Battelle is required to maintain certain financial ratios. As of September 30, 2024, and 2023, Battelle was in compliance with its financial ratio covenants.

	2024		2023		Due on	bps
	Interest Rate	Available Credit	Interest Rate	Available Credit		
Line of Credit A	5.53	\$ 60,000	6.01	\$ 60,000	September 11, 2025	70
Line of Credit C	5.53	<u>60,000</u>	6.11	<u>60,000</u>	September 15, 2025	70
Total line of credit		120,000		120,000		
Total available line of credit		<u>119,883</u>		<u>119,845</u>		
Net line of credit		<u>\$ 117</u>		<u>\$ 155</u>		

9. OTHER INCOME AND EXPENSES

Other—net for the years ended September 30, consisted of the following:

	2024	2023
Gain on sale of real estate	\$ -	\$ 867
Gain (loss) from other investments	(7,463)	(8,359)
Gain (loss) on distribution of assets	(37)	43
Other income (expense)	<u>491</u>	<u>183</u>
Total	<u>\$ (7,009)</u>	<u>\$ (7,266)</u>

10. INCOME TAXES

The Tax Cuts and Jobs Act (TCJA) was enacted on December 22, 2017. Among other things, the TCJA reduces the U.S. federal corporate tax rate from 35% to 21% effective on January 1, 2018. The rate change is administratively effective at the beginning of fiscal year 2018, using a blended rate for the annual period. As of September 30, 2024, the 2020 to 2023 tax years remain open. At September 30, 2018, the Company remeasured the deferred tax asset and liability balances based on the rates at which they are expected to reverse in the future.

Income tax expense for the years ended September 30, consisted of the following:

	2024	2023
Current:		
U.S. federal	\$ 960	\$ 1,644
Foreign	806	632
State and local	<u>250</u>	<u>431</u>
Current income tax expense	<u>2,016</u>	<u>2,707</u>
Deferred:		
U.S. federal	(6,709)	8,724
State and local	<u>(639)</u>	<u>831</u>
Deferred income tax expense (benefit)	<u>(7,348)</u>	<u>9,555</u>
Total expense (benefit)	<u><u>\$ (5,332)</u></u>	<u><u>\$ 12,262</u></u>

The tax effects of temporary differences that give rise to the deferred tax assets and deferred tax liabilities as of September 30, were as follows:

	2024	2023
Deferred tax assets:		
Net operating loss carryforwards	\$ 17,543	\$ 11,367
General business credit carryforwards and other foreign	<u>1,486</u>	<u>1,102</u>
Total deferred tax assets before valuation allowance	19,029	12,469
Deferred tax liabilities—Investments	(17,761)	(18,594)
Deferred tax liabilities—International	<u>(174)</u>	<u>(542)</u>
Net deferred tax assets before valuation allowance	1,094	(6,667)
Valuation allowance	<u>(5,727)</u>	<u>(5,682)</u>
Deferred tax assets (liabilities)—net	<u><u>\$ (4,633)</u></u>	<u><u>\$ (12,349)</u></u>

As of September 30, 2024, and 2023, Battelle's taxable subsidiaries had tax net operating loss carryforwards generating deferred tax assets of \$17,543 and \$11,367, respectively. Net operating loss carryforwards arising from tax years 2017 and prior are available to

offset future taxable income, if any, through 2037. In 2017, the TCJA made significant changes to the laws regarding net operating losses. For tax years beginning January 1, 2018 or later, there is an indefinite carryforward period but the carryforwards are limited to 80% of taxable income. Based upon the level of historical taxable income and projections for future taxable income over the periods that the deferred tax assets are deductible, management believes it is more likely than not that some of Battelle's taxable subsidiaries will not realize the entire benefits of these deductible differences. Therefore, the net operating loss carryforwards, along with other subsidiaries' deferred tax assets, have a valuation allowance of \$5,727 and \$5,682 that have been recorded as of September 30, 2024 and 2023, respectively.

11. PENSION AND OTHER POSTRETIREMENT BENEFITS

Defined Contribution Plans—The Battelle Employees' Savings Plan for the Battelle Columbus operations prescribes that employer-matching contributions are made at 50% of each individual employee's contribution, with a maximum match of up to 3% of the employee's eligible pay. Participants are also due a nonmatching contribution. A nonmatching contribution of 5% of eligible pay is provided to employees who are not eligible for pension plan accruals. Until September 30, 2022, employees who were eligible for pension plan accruals received a nonmatching contribution of 4% of eligible pay. Pension accruals ceased for this group September 30, 2022 and effective October 1, 2022, their nonmatching contribution increased to 5% of eligible pay. Employer contributions expense related to the Battelle Columbus employees in this plan amounted to \$34,255 and \$33,096 in 2024 and 2023, respectively.

The Battelle Employees' Savings Plan for the Battelle Pacific Northwest Division (the "Battelle PNNL") prescribes that employer-matching contributions are made at 50% of each individual employee's contribution, with a maximum match of up to 3.5% of the employee's salary, subject to other limitations specified in the plan. Employer contribution expense related to the Battelle PNNL employees in the plan amounted to \$21,457 and \$19,365 in 2024 and 2023, respectively.

Triad maintains two 401(k) plans, the Triad 401(k) Savings Plan and the Triad 401(k) Retirement Plan, covering all employees who meet the eligibility requirements. Triad matches 100% of each participant's contributions up to 6% of their eligible compensation. The Company also performs an annual non-elective contribution in each participant's 401(k) plan based on years of service with the Company and eligible compensation. Employer contribution expense related to the two Triad 401(k) plans amounted to \$146,517 and \$120,165 as of September 30, 2024 and 2023, respectively.

Defined Benefit Pension and Retiree Medical Plans—Battelle has a defined benefit pension plan that covers many salaried and eligible hourly employees of its corporate operations. The plan provided defined benefits either based on years of service and average salary of the highest five consecutive years or a 1% cash balance arrangement.

Battelle also has a postretirement medical plan (the "Postretirement Plan") covering the employees of its corporate operations, who were hired prior to July 1, 2005. An account-based postretirement medical plan with a fixed annual contribution was implemented on January 1, 2013. The accounting for the Postretirement Plan is consistent with Battelle's expectation that the employer subsidy will not increase in the future.

Changes to the Retiree Medical Plan—During 2019, the plan was closed to new retirees effective June 1, 2019, and further amended to eliminate benefits for healthy retirees effective December 31, 2020. Benefits under this plan will continue to be available to certain disabled retirees currently benefiting under this plan.

Changes to the Pension Plans—During 2015, Battelle announced that the pension plan would be frozen for further benefit accruals for all the Battelle Columbus location employees whose combination of age, plus years of pension vesting service, is less than 60 as of June 30, 2015. Beginning July 1, 2015, no new participants from the Battelle Columbus location would enter the pension plan.

During 2017, Battelle approved a spin-off of the 2017 Plan from the Battelle Plan. The new plan included only participants with benefits that are “frozen” such that participants in the 2017 Plan will not accrue further benefits under the plan. Any active plan participants in the 2017 Plan had benefits frozen as of either June 30, 2015 (see discussion above), or June 30, 2011 (see discussion above). The 2017 Plan also includes some terminated former employees and retirees that were previously in the aforementioned national laboratory and Battelle participants. For purposes of the footnote presentation, these plans are presented in the aggregate.

During 2018, the Company restructuring triggered a curtailment event for the BMI Plan. The curtailment event resulted in a one-time gain of \$1,002 recognized in Net periodic pension and postretirement benefits costs, less service costs within the Company’s Consolidated Statements of Operations.

During 2022, the former Battelle Memorial Institute Plan was merged into the 2017 Employees Pension Plan of Battelle Memorial as of June 30, 2022. Effective September 30, 2022, the 2017 Employees Pension Plan of Battelle Memorial was frozen, which resulted in a curtailment gain of \$9,452 (recognized in Net periodic pension and postretirement benefits costs, less service costs within the Company’s Consolidated Statements of Operations).

During fiscal year 2024, termination of the 2017 Employees Pension Plan of Battelle Memorial Institute was completed with plan liabilities fully settled. The plan had been amended to terminate effective September 30, 2022, and participants and relevant U.S. Government agencies had been notified appropriately throughout the process. Plan termination distributions occurred beginning with a lump sum payout window in April 2024 and an annuity placement for remaining participants completed in May 2024. Settlement expense of \$47,842 and \$215,975, respectively, was recognized on these events.

Also in fiscal year 2024, Battelle filed a Pension Termination CAS 413 Adjustment memo with the Defense Contract Management Agency (“DCMA”) to request payment of the U.S. Government’s share of the pension plan termination. This submission to the DCMA is in accordance with Cost Accounting Standard (CAS) 413-50(c)(12), measurement of the U.S. Government’s share of the amount by which plan liabilities exceed plan assets as of plan termination. These adjustments can result in payments to the U.S. Government for pension plans that are in a surplus or, in our case, a payment due from the U.S. Government for a plan in a deficit position. The U.S. Government’s share at time of termination totals \$95,495 (recognized in Net period pension and postretirement benefits costs, less service costs within the Company’s Consolidated Statement of Operations and U.S Government Pension Receivable within the Company’s Consolidated Balance Sheets).

The plans' benefit obligations and fair value of plan assets as of the measurement date of September 30, 2024, 2023, and 2022, are noted in the table below. The values reflect the changes due to the aforementioned plan amendments, curtailments, and mergers.

Change in Projected Benefit Obligation	Battelle Plan and SERP		2017 Plan
	Postretirement		
Projected obligation—September 30, 2022	\$ 1,468	\$ 223	\$ 796,368
Service cost			2,115
Interest cost	77	9	42,290
Actuarial loss (gain)	1,631	(46)	19,773
Benefit payments	<u>(171)</u>	<u>(44)</u>	<u>(78,902)</u>
Projected obligation—September 30, 2023	3,005	142	781,644
Service cost			1,368
Interest cost	167	7	13,143
Actuarial loss (gain)	(1,115)	(1)	5,769
Plan settlements			(761,418)
Benefit payments	<u>(162)</u>	<u>(60)</u>	<u>(40,506)</u>
Projected obligation—September 30, 2024	<u>\$ 1,895</u>	<u>\$ 88</u>	<u>\$ -</u>
Change in Fair Value of Plan Assets			
Fair value of plan assets—September 30, 2022	\$ -	\$2,206	\$ 816,844
Actual return on plan assets		83	(42,227)
Benefit paid and expected expenses—benefit payments	<u>_____</u>	<u>(44)</u>	<u>(78,903)</u>
Fair value of plan assets—September 30, 2023	-	2,245	695,714
Actual return on plan assets		115	4,396
Employer contributions	162		101,815
Plan settlements			(761,418)
Benefit paid and expected expenses—benefit payments	<u>(162)</u>	<u>(60)</u>	<u>(40,507)</u>
Fair value of plan assets—September 30, 2024	<u>\$ -</u>	<u>\$2,300</u>	<u>\$ -</u>
Funded status (deficit) surplus—September 30, 2023	<u>\$(3,005)</u>	<u>\$2,103</u>	<u>\$(85,930)</u>
Funded status (deficit) surplus—September 30, 2024	<u>\$(1,895)</u>	<u>\$2,212</u>	<u>\$ -</u>

Amounts recognized in the consolidated balance sheets as of September 30, consisted of the following:

	2024		2023	
	Pension	Postretirement	Pension	Postretirement
Noncurrent assets—net amount recognized	\$ -	\$2,212	\$ -	\$2,103
Current liabilities—net amount recognized			85,930	
Noncurrent liabilities—net amount recognized	1,895		3,005	

The funded status for each of Battelle's pension and postretirement plans improved in fiscal year 2024, primarily driven by significant return on assets, offset partially by the reduction of discount rates which led to increased benefit obligations.

Amounts recognized in accumulated other comprehensive income as of September 30, consisted of the following:

	2024			2023		
	Battelle Plan and SERP	Postretirement	2017 Plan	Battelle Plan and SERP	Postretirement	2017 Plan
Accumulated (loss) gain	\$(297)	\$ 2,481	\$ -	\$(1,618)	\$ 2,525	\$(269,118)
Accumulated prior-year service credit		19,865			21,235	

Net periodic cost as of September 30, consisted of the following:

	2024			2023		
	Battelle Plan and SERP	Postretirement	2017 Plan	Battelle Plan and SERP	Postretirement	2017 Plan
Service cost	\$ -	\$ -	\$ 1,368	\$ -	\$ -	\$ 2,115
Interest cost	167	7	13,143	77	9	42,290
Expected return on plan assets		(39)	(11,175)		(38)	(36,552)
Amortization of prior service cost		(1,370)			(1,370)	
Settlement loss			263,817			
Amortization of net actuarial (gain)/loss	<u>205</u>	<u>(121)</u>	<u>17,851</u>	<u>—</u>	<u>(119)</u>	<u>14,913</u>
Net periodic benefit cost	<u>\$372</u>	<u>\$(1,523)</u>	<u>\$285,004</u>	<u>\$77</u>	<u>\$(1,518)</u>	<u>\$ 22,766</u>

Pension and other postretirement expenses of \$345,508 and \$259,932 for the years ended September 30, 2024 and 2023, respectively, related to the U.S. Government-owned, contractor-operated labs were recorded in cost of operations. The pension expenses related to the U.S. Government-owned, contractor operated labs are recorded on a cash contribution basis as the plans represent multi-employer plans. The pension liabilities associated with these plans contractually are not those of Battelle or its subsidiaries.

Assumptions—Weighted-average assumptions used to determine benefit obligations as of September 30, were as follows:

	2024		2023	
	Pension	Postretirement	Pension	Postretirement
Discount rate	4.74 %	4.66 %	5.81%–5.92%	6.01 %
Rate of compensation increase (BMI Plan only)	N/A	N/A	N/A	N/A

Weighted-average assumptions used to determine net periodic benefit cost for the years ended September 30, were as follows:

	2024		2023	
	Pension	Postretirement	Pension	Postretirement
Discount rate	5.64%–5.92%	6.01 %	5.58%–5.63%	4.79 %
Expected return on plan assets	5.64%–5.75%	1.75 %	4.75 %	1.75 %
Rate of compensation increase (BMI Plan only)	N/A	N/A	N/A	N/A

The expected long-term rate of return was developed by considering the target asset allocation, long-term historical market returns, and long-term projected market return.

The health care cost trend rates represent the rate of increase in employer claim payments. Battelle’s postretirement benefit costs are capped at a 5% annual increase. Future medical cost trend increases, which was assumed to be above the 5% cap, therefore, will have no material effect on plan liabilities.

In December 2003, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (the “Act”) became law in the United States. The Act introduced a prescription drug benefit under Medicare, as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to the Medicare benefit. The postretirement benefit values contained above do not reflect any amount associated with any subsidy provided by the Act. Any drug benefit resulting from this Act will be used to decrease retiree contributions and not the employer subsidy, thereby causing no net effect of the Act on the plan.

Plan Assets—Battelle’s pension plans and postretirement plan weighted-average asset allocations as of September 30, by asset category, were as follows:

Asset Category	2024				2023			
	Pension		Postretirement		Pension		Postretirement	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Equity securities	0 %	0 %	0 %	0 %	25 %	3 %	0 %	0 %
Debt securities	0 %	0 %	0 %	0 %	75 %	73 %	0 %	0 %
Cash	0 %	0 %	100 %	100 %	0 %	4 %	100 %	100 %
Real estate/other	0 %	0 %	0 %	0 %	0 %	20 %	0 %	0 %

The investment plan strives to optimize the availability of funds in relation to the long-term liabilities on the pension and postretirement plans. A long-term investment horizon enables the funds to tolerate the risk of somewhat volatile investment returns in the short run, with the expectation of higher returns in the long run. The funds are diversified across several asset classes and many securities to reduce risk. Current income is not a key goal of the plans, although current cash requirements related to benefit responsiveness are considered in the investment process. Derivatives are permitted only for hedging and transactional efficiency.

As required by ASC 820, financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Management’s assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels, which are outlined in Note 5—Fair Value of Financial Instruments.

The pension plan assets are part of a master trust. As of September 30, 2024, after the termination of the pension plan, no Battelle assets remain in the master trust. As of September 30, 2023, the plan assets associated with the consolidated financial statements consisted of approximately 28.9% or \$695,714 of the master trust. The pension's assets, set forth by level within the fair value hierarchy, as of September 30, 2023, are as follows:

	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Common stock	\$ 11,445	\$ -	\$ -	\$ 11,445
Corporate and Government bonds		404,125		404,125
Private equity funds			6,527	6,527
Real estate			2,101	2,101
Dividend and interest receivable	177	4,646		4,823
Asset backed securities	<u> </u>	<u>5,636</u>	<u> </u>	<u>5,636</u>
Total investment ⁽¹⁾	<u>\$ 11,622</u>	<u>\$ 414,407</u>	<u>\$ 8,628</u>	<u>\$ 434,657</u>

⁽¹⁾ Not included in this table is \$30,521 of cash as well as the assets valued at net asset value per share as noted in the following table.

As of September 30, the following plan financial assets measured at net asset value per share were categorized as follows:

	Fair Value	
	2024	2023
Funds—common stock ⁽¹⁾	\$ -	\$ 10,874
Funds—securitized credit ⁽²⁾		53,022
Real estate ⁽³⁾		43,173
Private equity ⁽⁴⁾	<u> </u>	<u>123,467</u>
Total	<u>\$ -</u>	<u>\$ 230,536</u>

⁽¹⁾ Funds—common stock—This class includes publicly traded equity, primarily stocks. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

⁽²⁾ Securitized credit—This class includes investments in commercial mortgage-backed securities, residential mortgage-backed securities, and collateralized loan obligations. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

⁽³⁾ Real estate—This class includes several real estate funds that invest primarily in various types of real estate. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

⁽⁴⁾ Private equity—This class includes limited partnership investments. The fair values of the investments in this class have been derived by using the net asset value per share of the investments.

The postretirement plan's assets, set forth by level within the fair value hierarchy, as of September 30, are as follows:

	<u>Net Asset Value</u>	
	<u>2024</u>	<u>2023</u>
Funds—short-term investment	<u>\$ 2,300</u>	<u>\$ 2,245</u>

Contributions—In fiscal year 2025, Battelle expects to contribute \$240 to its postretirement benefit plan. In 1999, the plans were amended to pay certain retiree medical claims from pension plan assets through a 401(h) account as permitted by Section 420 of the Internal Revenue Code.

Estimated Future Benefit Payments—The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Years Ending September 30	SERP	Postretirement	Total
2025	\$ 240	\$ 22	\$ 262
2026	218	21	239
2027	212	14	226
2028	204	14	218
2029	195	15	210
2030–2034	<u>791</u>	<u>12</u>	<u>803</u>
Total	<u>\$ 1,860</u>	<u>\$ 98</u>	<u>\$ 1,958</u>

12. COMMITMENTS AND CONTINGENCIES

Battelle is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Management is of the opinion that any liability or loss associated with such matters, either individually or in aggregate, will not have a material adverse effect on Battelle's operations and liquidity. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

Obligation under the Will—Battelle, pursuant to the Will and related subsequently issued agreements, is required, among other things, to distribute to qualified recipients a portion of its net income each year. Battelle is required to provide an annual distribution in the amount of the greater of 20% of Battelle's annual net income (excluding unrealized gains and losses on available for sale investments), or \$3,000 to qualified charitable causes. Of those distributed, at least 62% of the total annual distribution to qualified charitable causes shall be made in central Ohio for the benefit of central Ohio. Battelle's total obligation, as determined under the above formula for distribution to qualified recipients, was \$14,000 and \$22,281 for the years ended September 30, 2024 and 2023, respectively.

As of September 30, 2024, and 2023, Battelle is compliant with the distribution obligation.

13. CASH FLOWS—SUPPLEMENTAL INFORMATION

	<u>Years Ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
	(In thousands)	
Supplemental disclosures:		
Income taxes—net of refunds	\$ (2,655)	\$ (1,774)
Interest paid—net of amounts capitalized	(9,115)	(5,227)
Noncash Investing and Financing Activities:		
Capital additions in accounts payable	4,145	3,859
Investments mark-to-market adjustments	16,483	584
Amounts reclassified from Other Comprehensive Income for Pension and Postretirement Benefits	269,025	(86,669)
Lease liabilities created with ROU assets	27,573	-
Pending investment sales	1,215	1,061
Pending investment purchases	1,850	678
Asset transferred to held for sale	8,070	-
Reclassification of Debt Payable from long term to short term	-	20,000
Reclassification of Debt Payable from long term to short term	-	20,736
Reclassification of available-for-sale securities from long-term to short-term	11,977	20,736
Exchange of noncash assets/liabilities for AmplifyBio and Revive investments	563	3,690
Credit unbilled	(15,093)	4,881
Direct expense invoice accrual	3,030	12,457

14. RELATED PARTY TRANSACTIONS

For the years ended September 30 common or related parties balances were as follows:

	<u>Years Ending September 30,</u>	
	<u>2024</u>	<u>2023</u>
Sales	\$ 10,096	\$ 3,548
Purchases	9,742	2,953
Accounts receivable balance	1,650	3,056
Officer Loans	25,995	18,567

Sales and Purchases—Battelle sells and/or purchases certain services to and from other companies related to us through common or affiliated ownership and/or board of directors and/or management relationships.

Officer Loans—The Board of Directors of Battelle approved and adopted the Battelle Capital Accumulation Plan (“BCAP”), effective July 1, 2019. The program constitutes a loan regime split-dollar life insurance program, under which participants will purchase and own life insurance policies, subject to collateral assignment of certain policy proceeds to ensure the repayment, with interest, of the funds advanced for their benefit. Battelle is responsible for paying directly to the insurer all planned periodic premiums during the premium payment period while the participating employee is actively employed by Battelle. Premiums and certain associated fees paid by Battelle to the participant’s policies under BCAP are recorded as related party loans receivable on the Company’s Consolidated Balance Sheets.

15. SUBSEQUENT EVENT

The Company has performed an evaluation of subsequent events through December 2, 2024, which is the date the Financial Statements were available to be issued. The Company determined no additional disclosure is necessary.

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BATTELLE MEMORIAL INSTITUTE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
1. Direct Funding							
10	310	Yes	Department of Agriculture	National Institute of Food and Agriculture - AFRI	\$ 106,774	\$ 51,483	20216703734847
					106,774	51,483	
12	420	Yes	Department of Defense	Office of Assistant Secretary of Defense for Health Affairs - Military Medical Research	390,574	-	W81XWH2211119
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	15,293,076	14,917,855	W911SR1520001
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	3,352,576	3,352,681	W911SR1520001 0004
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	170,555	152,002	W911SR1520001 0010
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	462,435	311,768	W911SR1520001 0007
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	103,784	103,784	W911SR1520001 0002
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	3,452,348	3,452,348	W911SR1520001 0005
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	3,294	3,294	W911SR1520001 0011
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	283,663	209,514	W911SR1520001 0009
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	10,008	10,008	W911SR1520001 0012
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	6,000	6,000	W911SR1520001 0003
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	802,383	719,607	W911SR1520001 13
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	445,910	354,110	W911SR1520001 14
12	630	Yes	Department of Defense	Army - Basic, Applied, and Advanced Research in Science/Eng	121,097	105,492	W911SR1520001 W911SR20F0037
12	800	Yes	Department of Defense	Air Force - Defense Research Sciences Program	(1,227)	-	FA86501926985
12	420	Yes	Department of Defense	Army - Military Medical Research and Development	146,798	-	W81XWH2210594
12	RD	Yes	Department of Defense	Air Force	1,230,488	393,238	FA865020D5703 FA865021F5703
12	RD	Yes	Department of Defense	Air Force	2,901,490	-	FA865022C6296
12	RD	Yes	Department of Defense	Air Force	345,269	-	FA945322C0115
12	RD	Yes	Department of Defense	Air Force	6,115,488	1,747,487	GS00Q14OADU402 FA805122F0041
12	RD	Yes	Department of Defense	Air Force	563	-	FA702222D0003 FA702223F0009
12	RD	Yes	Department of Defense	Air Force	7,892,253	504,417	FA865023C1000
12	RD	Yes	Department of Defense	Air Force	2,377,103	1,171,336	FA942223C0001
12	RD	Yes	Department of Defense	Air Force	3,050,048	-	FA865020D5703 FA865023F5708
12	RD	Yes	Department of Defense	Air Force	6,877	4,000	FA701423D0003 FA701423F0102
12	RD	Yes	Department of Defense	Air Force	115,678	-	FA702222D0003 FA702223F0041
12	RD	Yes	Department of Defense	Air Force	571,069	-	FA850423C0001
12	RD	Yes	Department of Defense	Air Force	331,334	-	FA702222D0003 FA702223F0067
12	RD	Yes	Department of Defense	Air Force	2,161,873	1,756,117	FA865020D5703 FA239423FB001
12	RD	Yes	Department of Defense	Air Force	514,262	-	FA702222D0003 FA702224F0017
12	RD	Yes	Department of Defense	Air Force	240,016	-	FA702222D0003 FA702224F0037
12	RD	Yes	Department of Defense	Air Force	3,240,742	-	FA237724CB012
12	RD	Yes	Department of Defense	Air Force	536,400	-	GS00Q14OADU402 FA805124F0026
12	RD	Yes	Department of Defense	Air Force	(1,950)	-	FA850415C0002
12	RD	Yes	Department of Defense	Air Force	(100)	-	FA807514D0015 0004
12	RD	Yes	Department of Defense	Air Force	148,379	-	FA865017F1047
12	RD	Yes	Department of Defense	Air Force	12,026	-	FA822418C0003 0
12	RD	Yes	Department of Defense	Air Force	(1,100)	-	GS00Q14OADU402 47QFSA18F0003
12	RD	Yes	Department of Defense	Air Force	3,883,291	-	GS00Q14OADU402 FA805119FA020
12	RD	Yes	Department of Defense	Air Force	274,984	95,919	FA865020D5703 FA865020F5704
12	RD	Yes	Department of Defense	Air Force	23,760,092	2,622,235	FA807518D0005 FA807521F0065
12	RD	Yes	Department of Defense	Air Force	1,270,966	614,970	FA865020D5703 FA865021F5702
12	RD	Yes	Department of Defense	Air Force	137,323	36,386	FA807518D0005 FA807521F0082

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BATTELLE MEMORIAL INSTITUTE

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FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Major Sub Agency / Program Title	Total Expenditures	Subrecipients	Contract Ref.
12	RD	Yes	Department of Defense	Army	2,102	-	W912HQ22P0027
12	RD	Yes	Department of Defense	Army	359,090	-	W912HQ22C0061
12	RD	Yes	Department of Defense	Army	794,104	5,927	FA807518D0005 FA807523F0017
12	RD	Yes	Department of Defense	Army	23,567	-	W912HQ24C0054
12	RD	Yes	Department of Defense	Army	2,114,264	912,569	GS00Q14OADU402 W9132V24F0003
12	RD	Yes	Department of Defense	Army	7,493	6,150	W911NF15D0002 0003
12	RD	Yes	Department of Defense	Army	(20,716)	-	FA807514D0015 2T03
12	RD	Yes	Department of Defense	Army	1,308,496	-	FA807514D0015 FA807518F1326
12	RD	Yes	Department of Defense	Army	2,091	-	FA807514D0003 FA807519FA020
12	RD	Yes	Department of Defense	Army	31,362	-	W912HQ20C0048
12	RD	Yes	Department of Defense	Army	8,565,085	4,342,007	GS00Q14OADU402 W9132V19F0005
12	RD	Yes	Department of Defense	Army	1,111,126	151,928	FA807518D0016 FA807520F0023
12	RD	Yes	Department of Defense	Army	1,732,957	1,297,076	FA807518D0005 FA807520F0059
12	RD	Yes	Department of Defense	Army	7,621,120	-	FA807518D0005 FA807520F0064
12	RD	Yes	Department of Defense	Army	826,903	295,029	W15P7T19D0156 W15P7T21F0225
12	RD	Yes	Department of Defense	Army	247,154	-	FA807518D0016 FA807521F0058
12	RD	Yes	Department of Defense	Central Command	25,392	25,500	GS00Q14OADU102 47QFSA18F0065
12	RD	Yes	Department of Defense	Chief Information Officer	8,973,367	837,289	FA807518D0005 FA807522F0056
12	RD	Yes	Department of Defense	Classified	2,142,921	-	21C0194
12	RD	Yes	Department of Defense	Classified	541	-	17G002 011
12	RD	Yes	Department of Defense	Classified	4,184	-	22040600002
12	RD	Yes	Department of Defense	Classified	771,934	-	19D0000632 F0000393
12	RD	Yes	Department of Defense	Classified	345,716	231,502	21D0003 22F0062
12	RD	Yes	Department of Defense	Classified	11,124,977	-	23C5039
12	RD	Yes	Department of Defense	Classified	447,013	309,460	W911QY22D0003 W911QY23F0054
12	RD	Yes	Department of Defense	Classified	76	-	Business Sensitive
12	RD	Yes	Department of Defense	Classified	2,583,439	-	2310600001
12	RD	Yes	Department of Defense	Classified	1,239,343	-	23101G401 001
12	RD	Yes	Department of Defense	Classified	641,480	-	23101G401 002
12	RD	Yes	Department of Defense	Classified	208,657	-	23101G401 003
12	RD	Yes	Department of Defense	Classified	748,724	-	23101G401 004
12	RD	Yes	Department of Defense	Classified	962,907	-	23101G401 006
12	RD	Yes	Department of Defense	Classified	633,464	-	23101G401 007
12	RD	Yes	Department of Defense	Classified	2,025,842	-	Business Sensitive
12	RD	Yes	Department of Defense	Classified	4,536,311	-	21D0003 23F0049
12	RD	Yes	Department of Defense	Classified	1,279,822	-	XXXXXXXX91007
12	RD	Yes	Department of Defense	Classified	1,892,914	-	XXXXXXXX91007
12	RD	Yes	Department of Defense	Classified	23,593	-	23101G401 005
12	RD	Yes	Department of Defense	Classified	421,464	-	23101G401 009
12	RD	Yes	Department of Defense	Classified	222,728	-	23101G401 008
12	RD	Yes	Department of Defense	Classified	7,657,989	1,542,668	21D0003 23F0085
12	RD	Yes	Department of Defense	Classified	2,647,205	213,429	23C1951
12	RD	Yes	Department of Defense	Classified	153,220	-	23227G005
12	RD	Yes	Department of Defense	Classified	1,803,878	-	N6523624C8001
12	RD	Yes	Department of Defense	Classified	1,352,477	138,125	FA875024CB007
12	RD	Yes	Department of Defense	Classified	545,832	-	23101G401 010

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency / Program Title	Total Expenditures	Subrecipients	Contract Ref.
12	RD	Yes	Department of Defense	Classified	375,687	-	D0000124 F0000212
12	RD	Yes	Department of Defense	Classified	362,967	-	24-061400001
12	RD	Yes	Department of Defense	Classified	115,349	-	TBD
12	RD	Yes	Department of Defense	Classified	26,688	-	21D0003 24F0064
12	RD	Yes	Department of Defense	Classified	54,501	-	23101G401 011
12	RD	Yes	Department of Defense	Classified	334,575	-	19D0000632 24F0000210
12	RD	Yes	Department of Defense	Classified	333,248	-	24060600401 001
12	RD	Yes	Department of Defense	Classified	71,574	-	CNTR000000000001706
12	RD	Yes	Department of Defense	Classified	834	-	FA702222D0003 FA702224F0075
12	RD	Yes	Department of Defense	Classified	11,482	-	12158G001002
12	RD	Yes	Department of Defense	Classified	26,065	-	120158001003
12	RD	Yes	Department of Defense	Classified	1,775,754	-	1616152G003
12	RD	Yes	Department of Defense	Classified	(51,020)	-	18C5090
12	RD	Yes	Department of Defense	Classified	(471)	-	117G002 002
12	RD	Yes	Department of Defense	Classified	4,125	-	2015244G0026 0
12	RD	Yes	Department of Defense	Classified	7,801	-	117G002 003
12	RD	Yes	Department of Defense	Classified	2,042,497	-	XX19D0000632 19F0002323
12	RD	Yes	Department of Defense	Classified	1,320,414	-	XXXXX19F0002278 XXXXX19F0002278
12	RD	Yes	Department of Defense	Classified	143,164	-	19203G401 001
12	RD	Yes	Department of Defense	Classified	585,121	-	60900001
12	RD	Yes	Department of Defense	Classified	6,302	-	17G002 007
12	RD	Yes	Department of Defense	Classified	3,247	-	117G002 008
12	RD	Yes	Department of Defense	Classified	895,030	-	19203G401 009
12	RD	Yes	Department of Defense	Classified	2,455,635	-	XXXXXXXX31600001
12	RD	Yes	Department of Defense	Classified	(659)	-	17G002 010
12	RD	Yes	Department of Defense	Combating Terrorism Technical Support Group	1,167	-	W911NF15D0002 DO W911NF19F0 0
12	RD	Yes	Department of Defense	Defense Advance Research Projects Agency	2,260,198	12,305	HR001123C0102
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	2,196,155	677,776	140D0423C0021
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	2,426,453	773,428	HR001124C0370
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	315,506	-	HR001124C0482
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	143,809	-	HR001119C0019
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	17,211	-	W911NF19C0041
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	1,740,031	-	HR001120C0118
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	11,790	-	HR001121C0027
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	3,658,900	1,181,372	FA865022C7213
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	420,690	-	HR001124C0333
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	681,069	10,675	HR001124C0334
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	268,403	-	0300 001
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	151,689	-	W911NF24C0023
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	66,752	-	0300 004
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	391,769	-	0300 002
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	202,650	-	0300 003
12	RD	Yes	Department of Defense	Defense Advanced Research Projects Agency	1,204,153	40,480	HR001124C0441
12	RD	Yes	Department of Defense	Defense Intelligence Agency	4,427	-	FA8075-18-D-0005 FA807524F0055
12	RD	Yes	Department of Defense	Intelligence Advanced Research	419,734	-	N6600123C4501
12	RD	Yes	Department of Defense	Intelligence Advanced Research	1,058,150	-	202323090800004

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FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Major Sub Agency / Program Title	Total Expenditures	Subrecipients	Contract Ref.
12	RD	Yes	Department of Defense	Joint Program Executive Office	31,596	30,873	FA807514D0003 DO 0002
12	RD	Yes	Department of Defense	Joint Program Executive Office	(7,559)	-	FA807514D0003 FA8075 14 D 0003 0005
12	RD	Yes	Department of Defense	Joint Program Executive Office	72	-	GS00Q14OADU402 W911QY18F0701
12	RD	Yes	Department of Defense	Joint Program Office	10,020,332	5,096,476	FA807518D0016 FA807522F0014
12	RD	Yes	Department of Defense	Joint Program Office	7,505,930	3,221,790	W911SR2390012
12	RD	Yes	Department of Defense	Joint Program Office	18,147	-	GS00Q14OADU402 W911QY16F0074
12	RD	Yes	Department of Defense	Joint Program Office	1,111	-	FA807514D0003 0011
12	RD	Yes	Department of Defense	Joint Program Office	123,008	125,914	FA807514D0003 FA807517F1416
12	RD	Yes	Department of Defense	Joint Program Office	899,585	743,944	GS00Q14OADU402 W911QY18F0007
12	RD	Yes	Department of Defense	Joint Program Office	31,874,607	15,653,845	FA807518D0016 FA807521F0011
12	RD	Yes	Department of Defense	Joint Program Office	1,536,238	10,000	FA807518D0016 FA807521F0057
12	RD	Yes	Department of Defense	Joint Project Manager for Medical Countermeasures	266,637	-	FA807518D0016 FA807522F0023
12	RD	Yes	Department of Defense	Joint Project Manager for Medical Countermeasures	4,013,730	-	GS00Q14OADU402 W911SR23F0049
12	RD	Yes	Department of Defense	Joint Requirements Oversight Council	18,676	-	N0017814D7640 DO EX01
12	RD	Yes	Department of Defense	National Guard Bureau	4,264,289	-	GS00Q14OADU402 47QFSA20F0081
12	RD	Yes	Department of Defense	Navy	227,757	-	N3943022C2443
12	RD	Yes	Department of Defense	Navy	22,015,352	1,613,347	FA807518D0005 FA807523F0016
12	RD	Yes	Department of Defense	Navy	14,025	-	N6258311D0515 DO 0006
12	RD	Yes	Department of Defense	Navy	40,380	33,074	FA807514D0003 FA8075 14 D0003 0007
12	RD	Yes	Department of Defense	Navy	2,858	(1,818)	N3943016D1802 0003
12	RD	Yes	Department of Defense	Navy	(89,573)	-	N3943016D1802 0008
12	RD	Yes	Department of Defense	Navy	55	-	N3943016D1802 0009
12	RD	Yes	Department of Defense	Navy	660	-	N3943016D1802 N3943017F4038
12	RD	Yes	Department of Defense	Navy	60	-	N39430 16 D 1802 ESTS TO 023 N3943017F41
12	RD	Yes	Department of Defense	Navy	385	165	N3943016D1802 N3943018F4147
12	RD	Yes	Department of Defense	Navy	2,257	-	N3943016D1802 N3943018F4328
12	RD	Yes	Department of Defense	Navy	518	-	W911NF 17 D 0011 W911NF18F0060
12	RD	Yes	Department of Defense	Navy	432,649	970	N3943016D1802 N3943018F4354
12	RD	Yes	Department of Defense	Navy	13	-	N3943016D1802 N3943018F4359
12	RD	Yes	Department of Defense	Navy	(141)	-	N3943016D1802 N3943018F4387
12	RD	Yes	Department of Defense	Navy	68,842	-	N3943016D1802 N4008019F4588
12	RD	Yes	Department of Defense	Navy	10	-	N3943016D1802 N3943019F4083
12	RD	Yes	Department of Defense	Navy	639,538	28	N3943016D1802 N6247319F4965
12	RD	Yes	Department of Defense	Navy	1,829	1,501	N3943016D1802 N3943019F4131
12	RD	Yes	Department of Defense	Navy	57,760	-	N3943016D1802 N6247319F5192
12	RD	Yes	Department of Defense	Navy	303,257	-	N3943016D1802 N3943019F4121
12	RD	Yes	Department of Defense	Navy	150,027	103,321	N3943016D1802 N6247319F5442
12	RD	Yes	Department of Defense	Navy	870,441	-	N4175620C4417
12	RD	Yes	Department of Defense	Navy	1,326	-	N3943016D1802 N3943020F4146
12	RD	Yes	Department of Defense	Navy	10	-	N3943016D1802 N6247320F5085
12	RD	Yes	Department of Defense	Navy	2,988	-	N3943016D1802 N3943020F4183
12	RD	Yes	Department of Defense	Navy	582,596	-	N0018920C2035
12	RD	Yes	Department of Defense	Navy	196,673	3,059	N3943016D1802 N6945020F0491
12	RD	Yes	Department of Defense	Navy	202,515	12,520	N3943016D1802 N3943021F4029
12	RD	Yes	Department of Defense	Navy	9,690	5,245	N3943016D1802 N6247321F4495
12	RD	Yes	Department of Defense	Navy	277,613	71,608	N3943016D1802 N6247321F4520

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
12	RD	Yes	Department of Defense	Navy	473,487	150,783	N3943016D1802 N6945021F0189
12	RD	Yes	Department of Defense	Navy	7,292	3,859	N3943016D1802 N3943021F4078
12	RD	Yes	Department of Defense	Navy	282,466	8,780	N3943016D1802 N6247321F4786
12	RD	Yes	Department of Defense	Navy	60,206	-	N3943016D1802 N3943021F4085
12	RD	Yes	Department of Defense	Navy	123,770	-	N3943016D1802 N3943021F4088
12	RD	Yes	Department of Defense	Navy	80,325	303	N3943016D1802 N6945021F0306
12	RD	Yes	Department of Defense	Navy	62,086	(221)	N3943016D1802 N4425521F4224
12	RD	Yes	Department of Defense	Navy	308,735	199,663	N3943016D1802 N4425521F4226
12	RD	Yes	Department of Defense	Navy	104,623	61,360	N3943016D1802 N3943021F4134
12	RD	Yes	Department of Defense	Special Operations Command	73,203	-	H9222216D0043 H9240322F0014
12	RD	Yes	Department of Defense	Special Operations Command	-	-	47QFSA20D0001 47QFSA22F0059
12	RD	Yes	Department of Defense	Special Operations Command	208	-	H9222216D0043 H9240322F0036
12	RD	Yes	Department of Defense	Special Operations Command	459	-	H9222217D0001 H9240222F0021
12	RD	Yes	Department of Defense	Special Operations Command	6	-	H9222216D0043 H9240322F0050
12	RD	Yes	Department of Defense	Special Operations Command	145,195	-	H9222216D0043 H9240323F0004, 23F0016, 23F0033, 23F0039, 23F0044
12	RD	Yes	Department of Defense	Special Operations Command	24,644	-	47QFSA20D0001 47QFSA23F0012
12	RD	Yes	Department of Defense	Special Operations Command	38,451	-	47QFSA20D0001 47QFSA23F0026
12	RD	Yes	Department of Defense	Special Operations Command	40,301	-	47QFSA20D0001 47QFSA23F0042
12	RD	Yes	Department of Defense	Special Operations Command	323,081	-	H9222216D0043 H9240323F0041
12	RD	Yes	Department of Defense	Special Operations Command	345,122	-	47QFSA20D0001 47QFSA23F0049
12	RD	Yes	Department of Defense	Special Operations Command	32,714	-	47QFSA20D0001 47QFSA23F0062
12	RD	Yes	Department of Defense	Special Operations Command	374,987	-	46QFSA20D0001 47QFSA23F0064
12	RD	Yes	Department of Defense	Special Operations Command	56,616	-	47QFSA20D0001 47QFSA23F0066
12	RD	Yes	Department of Defense	Special Operations Command	261,390	-	47QFSA20D0001 47QFSA23F0084
12	RD	Yes	Department of Defense	Special Operations Command	322,620	-	H9222216D0043 H9240323F0114
12	RD	Yes	Department of Defense	Special Operations Command	438,223	-	H9222216D0043 H9240324F0005
12	RD	Yes	Department of Defense	Special Operations Command	612,581	-	47QFSA20D0001 47QFSA24F0007
12	RD	Yes	Department of Defense	Special Operations Command	71,067	-	46QFSA20D0001 47QFSA24F0026
12	RD	Yes	Department of Defense	Special Operations Command	92,044	-	46QFSA20D0001 47QFSA24F0028
12	RD	Yes	Department of Defense	Special Operations Command	126,898	-	47QFSA20D0001 47QFSA24F0036
12	RD	Yes	Department of Defense	Special Operations Command	99,958	-	47QFSA20D0001 47QFSA24F0062
12	RD	Yes	Department of Defense	Special Operations Command	114,674	-	H9240124C0003
12	RD	Yes	Department of Defense	Special Operations Command	4,949	-	H92222 17 D 0001
12	RD	Yes	Department of Defense	Special Operations Command	(157,034)	-	FA807516D0002 FA807517F1370
12	RD	Yes	Department of Defense	Special Operations Command	13,505	-	H9222217D0001 H9240220F0007
12	RD	Yes	Department of Defense	Special Operations Command	114,796	-	47QFSA20D0001 47QFSA20F0021
12	RD	Yes	Department of Defense	Special Operations Command	105	-	47QFSA20D0001 47QFSA20F0 47QFSA20F0041
12	RD	Yes	Department of Defense	Special Operations Command	1,436,424	-	H9240120C0005
12	RD	Yes	Department of Defense	Special Operations Command	31,163	-	H9222217D0001 H9240221F0025
12	RD	Yes	Department of Defense	Special Operations Command	(778)	-	H9222216D0043 H9240321F0066
12	RD	Yes	Department of Defense	Special Operations Command	1,893	-	H9222217D0001 H9240221F0034
12	RD	Yes	Department of Defense	Special Operations Command	9	-	H9222216D0043 H9240321F0057
12	RD	Yes	Department of Defense	Special Operations Command	478	-	47QFSA20D0001 47QFSA21F0135
12	RD	Yes	Department of Defense	Strategic Environmental Research and Devel Program	376,177	30,604	W912HQ22C0037
12	RD	Yes	Department of Defense	Technical Information Center	2,658	2,177	FA807516D0002 FA807518F1460
12	RD	Yes	Department of Defense	Technical Information Center	75,603	41,425	FA807516D0002 FA807518F1537
					288,418,511	72,873,858	

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
19	RD	Yes	Department of State	Bureau of Diplomatic Security	529,223	-	47QTC19D000MB 19AQMM22F3657
19	RD	Yes	Department of State	Bureau of International Organization Affairs	559,386	-	19AQMM21C0123
					1,088,609	-	
20	RD	Yes	Department of Transportation	Federal Aviation Administration	492,047	-	OTMOA692M1523T00006
20	RD	Yes	Department of Transportation	Federal Aviation Administration	(7,652)	-	692M1518T00015
20	RD	Yes	Department of Transportation	Federal Aviation Administration	1,358,317	79,310	692M1520C 00026
20	RD	Yes	Department of Transportation	Federal Highway Administration	28,693	3,901	693JJ322A000001 693JJ322F00101N
20	RD	Yes	Department of Transportation	Federal Highway Administration	29,724	-	693JJ322A000001
20	RD	Yes	Department of Transportation	Federal Highway Administration	122,421	80,618	693JJ322A000001 693JJ322F00247N
20	RD	Yes	Department of Transportation	Federal Highway Administration	128,250	1,651	693JJ322A000010 693JJ322F00296N
20	RD	Yes	Department of Transportation	Federal Highway Administration	2,523,349	1,828,754	693JJ322A000001 693JJ322F00364N
20	RD	Yes	Department of Transportation	Federal Highway Administration	5,789	-	693JJ322A000001
20	RD	Yes	Department of Transportation	Federal Highway Administration	3,390	2,754	693JJ322A000001 693JJ323F00242N
20	RD	Yes	Department of Transportation	Federal Highway Administration	315,681	76,557	693JJ322A000001 693JJ323F00245N
20	RD	Yes	Department of Transportation	Federal Highway Administration	215,496	93,254	693JJ322A000001 693JJ323F00262N
20	RD	Yes	Department of Transportation	Federal Highway Administration	141,617	-	693JJ322A000001 693JJ323F00333N
20	RD	Yes	Department of Transportation	Federal Highway Administration	98,044	30,869	693JJ322A000001 693JJ323F00423N
20	RD	Yes	Department of Transportation	Federal Highway Administration	51,915	-	693JJ322A000010 693JJ324F00049N
20	RD	Yes	Department of Transportation	Federal Highway Administration	1,062	-	693JJ322A000010 693JJ324F00201N
20	RD	Yes	Department of Transportation	Federal Highway Administration	8,996	-	693JJ324F00332N 693JJ324F00332N
20	RD	Yes	Department of Transportation	Federal Highway Administration	427	-	693JJ319D000006 693JJ319F000289
20	RD	Yes	Department of Transportation	Federal Highway Administration	(65)	-	693JJ319D000006 693JJ319F000389
20	RD	Yes	Department of Transportation	Federal Highway Administration	23,565	45,581	DTFH6116D00049L 693JJ320F000361
20	RD	Yes	Department of Transportation	Federal Highway Administration	19	19	DTFH6116D00049L 693JJ320F000399
20	RD	Yes	Department of Transportation	Federal Highway Administration	7,011	20,772	DTFH6116D00049L 693JJ320F000438
20	RD	Yes	Department of Transportation	Federal Highway Administration	57,342	57,342	DTFH6116D00049L 693JJ321F000061
20	RD	Yes	Department of Transportation	Federal Highway Administration	6,022	-	GS00Q14OADU402 693JJ321F000281
20	RD	Yes	Department of Transportation	Federal Railroad Administration	430,928	-	693JJ622C000037
20	RD	Yes	Department of Transportation	National Highway Traffic Safety Administration	12,477	-	693JJ923F000304 693JJ923F000304
20	RD	Yes	Department of Transportation	National Highway Traffic Safety Administration	9	-	DTNH2217D00033 DTNH2217F00205
20	RD	Yes	Department of Transportation	National Highway Traffic Safety Administration	40,983	32,460	DTNH2217D00033 693JJ918F000228
20	RD	Yes	Department of Transportation	National Highway Traffic Safety Administration	19,166	15,698	693JJ918D000003 693JJ920F000160
					6,115,023	2,369,540	
21	RD	Yes	Department of Treasury	U.S. Mint	19,396	-	2031JG19D00001 2031JG23F00162
21	RD	Yes	Department of Treasury	U.S. Mint	88,125	-	2031JG19D00001 2031JG23F00188
					107,521	-	
43	001	Yes	National Aeronautics and Space Administration	Earth Science Division	148,742	105,338	80NSSC20K1730
43	001	Yes	National Aeronautics and Space Administration	Earth Science Division	48,916	-	80NSSC21K0190
43	001	Yes	National Aeronautics and Space Administration	Science	291,098	180,913	80NSSC22K1097
					488,756	286,251	
47	050	Yes	National Science Foundation	Geosciences	36,358	23,208	2220614
47	070	Yes	National Science Foundation	Computer and Information Science and Eng	45	-	2226372
47	070	Yes	National Science Foundation	Computer and Information Science and Eng	31,520	-	2022042
47	074	Yes	National Science Foundation	Biological Sciences	25,708	-	2438072
47	074	Yes	National Science Foundation	Biological Sciences	12,974,451	810,134	1724433
47	074	Yes	National Science Foundation	Biological Sciences	(1,111)	-	1744849
47	074	Yes	National Science Foundation	Biological Sciences	6,671	-	2106138
47	074	Yes	National Science Foundation	Division of Biological Infrastructure	67,602,237	1,239,574	2217817
47	074	Yes	National Science Foundation	Division of Environmental Biology	12,773	-	2307253
47	076	Yes	National Science Foundation	Division of Graduate Education	28,574	25,504	2312058

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
47	078	Yes	National Science Foundation	Polar Programs	48,959	3,740	1936608
47	078	Yes	National Science Foundation	Polar Programs	21,166	-	2045880
47	079	Yes	National Science Foundation	Office of International Science and Engineering	134,217	19,598	2301655
47	079	Yes	National Science Foundation	Office of International Science and Engineering	1,746	-	2431267
47	RD	Yes	National Science Foundation	Convergence Accelerator	235,581	16,870	49100424C0006
47	RD	Yes	National Science Foundation	Office of Polar Programs	52,214,107	21,573,353	49100420C0001
47	RD	Yes	National Science Foundation	SOLAR program	379,069	279,806	49100423C0005
					133,752,071	23,991,787	
66	511	Yes	Environmental Protection Agency	Office of Land and Emergency Management	130,556	-	84068101
66	931	Yes	Environmental Protection Agency	International Financial Assistance Projects - Inter. And Tribal Affairs	315,751	3,200	83617201
66	931	Yes	Environmental Protection Agency	Office of International and Tribal Affairs	71,509	360	84060801
66	RD	Yes	Environmental Protection Agency	Ambient Monitoring Technology Information Center	5,775	5,775	68HEOH18D0009 68HERH19F0326
66	RD	Yes	Environmental Protection Agency	Ambient Monitoring Technology Information Center	-	15,548	68HERD21A0001 68HERH21F0328
66	RD	Yes	Environmental Protection Agency	Ambient Monitoring Technology Information Center	193	-	68HERD21A0001 68HERH21F0263
66	RD	Yes	Environmental Protection Agency	Center for Environmental Solutions & Emergency Response	5,067	-	68HERC21D0002 68HERC24F0416
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Center	477,721	12,514	68HERC21D0002 68HERC22F0036
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Center	127,439	-	68HERC21D0002 68HERC22F0129
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Center	2,720,135	3,410	68HERC21D0002 68HERC22F0417 - TO5
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Center	(97)	-	EPC16014 68HERC19F0123
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Program	26,285	-	68HERC21D0002 68HERC24F0260
66	RD	Yes	Environmental Protection Agency	Homeland Security Research Program	1,619	-	EPC16014 00006
66	RD	Yes	Environmental Protection Agency	National Homeland Security Research Center	167	-	EPC16014 68HERC19F0208
66	RD	Yes	Environmental Protection Agency	National Vehicle and Fuel Emissions Laboratory	340,243	-	GS00F084CA 68HERH22F0220
66	RD	Yes	Environmental Protection Agency	OAQPS	86,526	6,845	68HERD21A0001 68HERH23F0034
66	RD	Yes	Environmental Protection Agency	Office of Air and Radiation	220,527	-	68HERD21A0001 68HERH23F0151
66	RD	Yes	Environmental Protection Agency	Office of Air and Radiation	36,348	-	68HERD21A0001 68HERH24F0338
66	RD	Yes	Environmental Protection Agency	Office of Air Quality Planning and Standards	57,299	-	68HERD21A0001 68HERH22F0305
66	RD	Yes	Environmental Protection Agency	Office of Air Quality Planning and Standards	61,704	-	68HERD21A0001 68HERH23F0216
66	RD	Yes	Environmental Protection Agency	Office of Air Quality Planning and Standards	93,821	-	68HERD21A0001 68HERH24F0076
66	RD	Yes	Environmental Protection Agency	Office of Air Quality Planning and Standards	170,156	-	68HERD21A0001 68HERH24F0199
66	RD	Yes	Environmental Protection Agency	Office of Chemical Safety and Pollution Prevention	19,363	-	68HERC23D0005/68HERC23F0447 68HERC23F0447
66	RD	Yes	Environmental Protection Agency	Office of Pesticide Programs	835,591	20,660	68HEOH18D0009/68HERC23F0431 68HERC23F0431
66	RD	Yes	Environmental Protection Agency	Office of Pesticide Programs	325,832	46,614	68HEOH18D0009 68HERC23F0426
66	RD	Yes	Environmental Protection Agency	Office of Pollution Prevention	262,162	42,766	68HERC23D0005/68HERC23F0273 68HERC23F0273
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	20	-	68HERC21D0002 68HERC22F0073
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	97,525	-	68HERC21D0002 68HERC23F0201
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	44,730	-	68HERD21A0001 68HERH23F0191
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	181,038	-	68HERC21D0002 68HERC23F0279
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	255,933	-	68HERC21D0002 68HERC23F0435
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	163,332	-	68HERC21D0002 68HERC24F0029
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	6	-	EPC16014 68HERC20F0184
66	RD	Yes	Environmental Protection Agency	Office of Research and Development	7	-	68HERC21D0002 68HERC21F0149
66	RD	Yes	Environmental Protection Agency	Streams IV	5,904	-	68HERC21D0002 68HERC24F0347
					7,140,187	157,692	

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
81	255	Yes	Department of Energy	National Renewable Energy Laboratory	3,567,406	2,038,217	DECD0000021
81	255	Yes	Department of Energy	Office of Clean Energy Demonstrations	553,509	-	OPP220397
81	049	Yes	Department of Energy	Office of Science Financial Assistance Program	292,496	-	DESC0022026
81	086	Yes	Department of Energy	Conservation Research and Development	164,675	136,947	DEEE0009299
81	089	Yes	Department of Energy	Fossil Energy and Carbon Management	835,631	862,096	DEFE0032160
81	089	Yes	Department of Energy	Fossil Energy and Carbon Management	1,621,831	6,170	DEFE0032312
81	089	Yes	Department of Energy	Fossil Energy and Carbon Management	371,075	56,639	DEFE0032407
81	089	Yes	Department of Energy	National Energy Technology Lab - Fossil Energy Research and Development	985,374	498,953	DEFE0031792
81	089	Yes	Department of Energy	National Energy Technology Lab - Fossil Energy Research and Development	2,793,632	982,942	DEFE0031836
81	089	Yes	Department of Energy	National Energy Technology Lab - Fossil Energy Research and Development	159,804	55,351	DEFE0032062
					<u>11,345,433</u>	<u>4,637,315</u>	
84	RD	Yes	Department of Education	STEM Initiatives	16,022	-	2007433145GCS0
					16,022	-	
93	103	Yes	Department of Health and Human Services	Food & Drug Administration	72	-	5U01FD00735902
93	273	Yes	Department of Health and Human Services	Alcohol Research Programs	5,114	-	1R01AA024709 01A1
93	393	Yes	Department of Health and Human Services	National Cancer Institute - Cancer Cause & Prevention Research	793	-	1R21CA26380901
93	077	Yes	Department of Health and Human Services	Family Smoking Prevention and Tobacco Control Act Regulatory Research	314,902	3,806	1R01ES03301602
93	RD	Yes	Department of Health and Human Services	Agency for Toxic Substances and Disease	36,729	-	75D30120C08057
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	267,134	-	HHSO100201500004I 75A50121F33005
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	1,560,351	55,773	75A50122D00007 75A50122F61001
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	4,210	-	75A50122D00017 75A50123F61001
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	110,074	-	75A50122D00017 75A50123F61004
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	613,282	-	75A50122D00017 75A50123F61003
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	1,873,594	163	75A50122D00007 75A50123F61002
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	445,433	-	75A50122D00017 75A50123F61002
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	4,459	-	HHSO100201700011I HHSO10033004T
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	461,099	-	HHSO100201500004I HHSO10033003T
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	1,278,824	794,594	HHSO100201700011I 75A50119F33009
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	155,856	-	HHSO100201700011I 75A50119F33010
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	550,843	-	HHSO100201700011I 75A50119F33011
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	663,157	-	HHSO100201700011I 75A50120F33012
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	2,085,294	102	HHSO100201500004I 75A50120F33004
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	728,495	286,339	HHSO100201700011I 75A50121F33014
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	250,383	-	HHSO100201700011I 75A50121F33013
93	RD	Yes	Department of Health and Human Services	Biomed Advanced Research Development Authority	(315)	-	HHSO100201700011I 75A50121F33015
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	263,331	-	GS00Q140ADU402 75D30122F15631
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	2,905,366	62,742	GS00Q140ADU102 75D30122F15553
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	18,026	-	200201689243 0
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	367,272	-	HHSO2002013M53942B 2002017F93801
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	(4,746)	-	GS00Q140ADU402 75D30119F06822
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	5,615,740	-	GS00F084CA 75D30119F06700
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	1,104,263	7,779	GS00Q140ADU102 75D30120F08954
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control	3,153,495	218,599	GS00Q140ADU102 75D30120F09238
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control and Prevention	(849)	-	GS00Q140ADU402 75D30118F00788
93	RD	Yes	Department of Health and Human Services	Centers for Disease Control and Prevention	180,530	-	GS00Q140ADU402 75D30121F12217
93	RD	Yes	Department of Health and Human Services	Centers for Medicare & Medicaid Services	32,719	1,579	75FCMC18D0018/75FCMC18F0001 75FCMC18D0018/75FCMC18F0001
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	730,573	696	75F40123C00039
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	451,041	-	75F40123C00060

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	277,563	-	75F40122D00027 75F40123F19003
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	45,541	40,898	75F40122D00027 75F40123F19004
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	69	-	75F40122D00027 75F40124F19006
93	RD	Yes	Department of Health and Human Services	Food & Drug Administration	235,782	99,579	75F40119D10010 75F40120F19003
93	RD	Yes	Department of Health and Human Services	National Center for Advancing Translational Sciences	4,891	-	HHSN271201700015I-HHSN27100002
93	RD	Yes	Department of Health and Human Services	National Center for Environmental Health	254,261	-	GS00F084CA 75D30124F20084
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	177,090	104,888	HHSN272201800013I 75N93022F00002
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	477,920	248,232	HHSN272201800013I 75N93022F00003
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	517,428	-	HHSN272201800013I 75N93022F00004
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	1,373,370	-	HHSN272201800013I 75N93022F00005
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	269,027	129,102	HHSN272201800013I 75N93023F00001
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	90,117	-	HHSN272201800013I 75N93023F00002
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	19,063	-	HHSN272201800013I 75N93024F00001
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	79,026	64,868	HHSN272200700016I Year 5
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	116,914	95,967	HHSN272200700016I Year 6
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	80,714	1,944	HHSN272201200003I 27200003
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	505,764	415,150	HHSN272200700016I Year 7
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	(109,791)	(90,121)	HHSN272200700016I Year 8
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	313,399	-	CONTRACT NO. HHSN272201200003I
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	(28,194)	(23,143)	HHSN272200700016I Year 9
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	5,870	-	HHSP233201500095I HHSP23337001T
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	(468,418)	(383,667)	HHSN272200700016I Year 10
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	41,616	-	HHSN272201200003I HHSN27200024
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	128,833	-	HHSN272201800013I 75N93021F00001
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	1,792,568	-	FA807518D0016 FA807521F0044
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	2,467,755	1,417,854	HHSN272201800013I 75N93021F00002
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	-	-	HHSN272200700016I YEAR 2
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	-	-	HHSN272200700016I Year 3
93	RD	Yes	Department of Health and Human Services	National Institute of Allergy and Infectious Disease	1	1	HHSN272200700016I Year 4 V
93	RD	Yes	Department of Health and Human Services	National Institute of Environmental Health	355,150	-	75N96024C00005
93	RD	Yes	Department of Health and Human Services	National Institute of Environmental Health	3,016,557	-	HHSN273201400027C
93	RD	Yes	Department of Health and Human Services	National Institute of Environmental Health	14,105,072	2,802,850	HHSN273201400015C
93	RD	Yes	Department of Health and Human Services	National Institute of Environmental Health	2,453,167	549,029	HHSN273201700005C
93	RD	Yes	Department of Health and Human Services	National Institute of Health	299,054	-	75N95022D0002I 75N95024F00001
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	77,911	-	75N95022D0002I 75N95022D0002I/75N95023F00001
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	95,273	-	75N95022D0002I 75N95023F00002
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	813,808	482,015	75N95022D0002I 75N95023F00003
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	280,397	147,148	75N95022D0002I 75N95024F00002
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	-	-	HHSN272201700012I HHSN27200006
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	144,909	-	HHSN272201800013I HHSN27200001
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	119,702	35,788	HHSN271201700015I 75N95019F00088
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	451,373	241,279	HHSN272201800013I 75N93019F00131
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	3,358	(1,500)	HHSN271201700015I 75N95020F00001
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	(3,499)	-	HHSN272201700012I 75N93020F00001
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	(35,303)	-	HHSN272201800013I 75N93020F00002
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	23,841	-	HHSN272201800013I 75N93020F00003
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	1,943,254	872,366	HHSN271201700015I 75N95020F00002
93	RD	Yes	Department of Health and Human Services	National Institutes of Health	1,415,319	-	HHSN272201800013I 75N93020F00006
					60,454,066	8,682,699	

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Agency Code	ALN	R&D	Federal Agency	Major Sub Agency/Program Title	Total Expenditures	Subrecipients	Contract Ref.
97	RD	Yes	Department of Homeland Security	Chemical Security Analysis Center	31,736	25,994	FA807514D0003 0010
97	RD	Yes	Department of Homeland Security	Countering Weapons of Mass Destruction Office	592,415	-	70RWMD22C 00000014
97	RD	Yes	Department of Homeland Security	Domestic Nuclear Detection Office	8,751	5,802	FA807514D0003 FA807518F1414
97	RD	Yes	Department of Homeland Security	Federal Emergency Management Agency	(2,013)	-	SPE8EJ-20-D-0501 - SPE8EJ-20-F
97	RD	Yes	Department of Homeland Security	Federal Emergency Management Agency	(4,703)	(3,578)	SPE8EJ-20-D-0501 - SPE8EJ-20-F
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	6,024,820	943,932	FA807518D0016 FA807522F0003
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	107,687	-	70RSAT24CB0000006
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	2,626,368	421,934	70RSAT19CB0000014
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	(780)	-	70RSAT18D00000003 70RSAT19FR0000043
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	562,332	45,084	70RSAT18D00000003 70RSAT19FR0000136
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	23,963,765	1,899,133	FA807518D0016 FA807521F0073
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	1,018,506	572,659	70RSAT18D00000003 70RSAT21FR0000039
97	RD	Yes	Department of Homeland Security	Science and Technology Directorate	308,016	-	70RSAT18D00000003 70RSAT21FR0000115 TO 22
97	RD	Yes	Department of Homeland Security	Transportation Security Administration	39,750	-	GS00F084CA, HSTS0415ACT6005 HSTS0415JC T6057
97	RD	Yes	Department of Homeland Security	Transportation Security Administration	(72)	-	HSTS04 15 A CT6005 70T04020F1NAP6611
97	RD	Yes	Department of Homeland Security	Transportation Security Administration	5,342,110	1,493,986	70T04021A7672N002 70T04021F7672N052
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	1,290,888	40,218	70RSAT18D00000003 70RSAT22FR0000027
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	510,719	75,935	70RSAT18D00000003 70RSAT22FR0000063
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	1,430,526	26,303	70RSAT18D00000003 70RSAT22FR0000049
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	20	-	70RSAT18D00000003 70RSAT22FR0000123
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	203,561	61,136	70RSAT18D00000003 70RSAT22FR0000160
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	353,271	-	70RSAT18D00000003 70rsat23fr0000028
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	3,488,774	145,130	GS00Q14OADU102 70RSAT23FR0000102
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	492,681	-	70RSAT23D00000002
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	531,500	-	70RSAT23D00000002 70RSAT24FR0000050
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	45,301	-	70RSAT24FR0000068 70RSAT23D00000002
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	5,351	-	70RSAT23D00000002 70RSAT24FR0000087
97	RD	Yes	Department of Homeland Security	Transportation Security Laboratory	88,381	41,717	GS00Q14OADU102 70RSAT18FR0000168
97	RD	Yes	Department of Homeland Security	US Secret Service	2,006,109	-	70QS0320C 00000005
					51,065,770	5,795,385	
Total Direct Funding					\$ 560,098,743	\$ 118,846,010	

(Continued)

BATTELLE MEMORIAL INSTITUTE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Prime/Upper Tier Contractor	Total		Contract Ref.
					Expenditures	Subrecipients	
2. Indirect Funding (Battelle is Sub recipient/subcontractor)							
12	431	Yes	Department of Defense	The Ohio State University	\$ 354,968	\$ -	W911NF2220140 SPC-1000007008 GR129178
12	910	Yes	Department of Defense	UNIVERSITY OF CALIFORNIA - DAVIS	3,584	-	N660012024046 Subaward # A21-0795-S002
12	RD	Yes	Department of Defense	Advanced Acoustic Concepts	30,949	-	N0001421C2004
12	RD	Yes	Department of Defense	Advanced Acoustic Concepts	33,755	-	N0001421C2004
12	RD	Yes	Department of Defense	Advanced Technology International	557,182	-	N001742290011 01
12	RD	Yes	Department of Defense	Advanced Technology International	2,296,247	82	W81XWH2290011 MTEC-22-02-MPAI-050
12	RD	Yes	Department of Defense	Advanced Technology International	601,607	-	N001742090001 N001742390012PPANo02MODNo01
12	RD	Yes	Department of Defense	Advanced Technology International	1,620,871	-	W9124P1990001 AMTC 2021-437 / AMTC-22-01-037
12	RD	Yes	Department of Defense	Advanced Technology International	2,151,439	-	W15QKN1691002 2018-865-05 / MCDC2213-002
12	RD	Yes	Department of Defense	Advanced Technology International	581,440	-	W15QKN-18-9-1004 CWMD2305-003
12	RD	Yes	Department of Defense	Advanced Technology International	2,144,917	893	W15QKN1691002 2018-865-06 / MCDC2402-001
12	RD	Yes	Department of Defense	Advanced Technology International	222,038	26,477	HQ0034249C00B
12	RD	Yes	Department of Defense	Advanced Technology International	7,709	-	W15QKN1691002
12	RD	Yes	Department of Defense	Advanced Technology International	6,767,005	4,855,031	W15QKN1691002 2018-865-01 / MCDC-18-06-16-05
12	RD	Yes	Department of Defense	Advanced Technology International	12,733,952	9,942,524	W15QKN1691002 2018-865-04 / MCDC2001-10
12	RD	Yes	Department of Defense	Advanced Technology International	220,807	-	W15QKN1691002 2018-865-002/MCDC1911-003
12	RD	Yes	Department of Defense	Advanced Technology International	6,931,010	1,481,141	W15QKN1691002 2018-865-03 / MCDC2002-002
12	RD	Yes	Department of Defense	Advanced Technology International	15,600	-	W9124P1990001 2021-437 - AMTC -20-02-065
12	RD	Yes	Department of Defense	Advanced Technology International	387	-	W9124P1990001 02
12	RD	Yes	Department of Defense	Alion Science and Technology Corporation	5,976	-	Subcontract Number SUB1132280
12	RD	Yes	Department of Defense	Alion Science and Technology Corporation	1,010,056	-	HDTRAI14D0002 004
12	RD	Yes	Department of Defense	Applied Research Associates Inc	1,331,297	-	HDTRA119D0007 S-D00189-02-TO-01-Battelle
12	RD	Yes	Department of Defense	Applied Research Associates Inc	696,822	1,780	HDTRA119D0007 S-D00189-02-TO-02-Battelle
12	RD	Yes	Department of Defense	Bavarian Nordic	4,892,009	-	W911SR2390008 OPP221916R3 - Project 5075
12	RD	Yes	Department of Defense	Bavarian Nordic	5,450	-	WEV-MVA-001 0
12	RD	Yes	Department of Defense	Bechtel National Inc	(90,296)	187	W52P1J09C0013 Multiple Change Orders
12	RD	Yes	Department of Defense	Bechtel National Inc	6,888	-	W52P1J09C0013 Change Order 00062
12	RD	Yes	Department of Defense	Bechtel National Inc	55,023,481	133	W52P1J09C0013 24915-300-FC4-HXYT-00002
12	RD	Yes	Department of Defense	Bechtel National Inc	49,210,322	186,505	W52P1J09C0012 24852-FC7-T000-00002
12	RD	Yes	Department of Defense	Bechtel National Inc	(140)	-	W52P1J09C0013 SCN 105
12	RD	Yes	Department of Defense	Booz-Allen Hamilton	15,254	-	FA807518D0004 FA807521F0005
12	RD	Yes	Department of Defense	Booz-Allen Hamilton	145,963	-	GS00Q140ADU108 M9549423F0019
12	RD	Yes	Department of Defense	CFD RESEARCH CORP	137,429	-	N6426724C0003 0000005488
12	RD	Yes	Department of Defense	CH2M Hill	860,762	-	HDTRA118D0007 148034784
12	RD	Yes	Department of Defense	CH2M Hill	286,620	-	HDTRA118D0007 148019700
12	RD	Yes	Department of Defense	CH2M Hill	171,296	-	HDTRA118D0007
12	RD	Yes	Department of Defense	Classified	48,540	-	FA875021C1501 1146-SF
12	RD	Yes	Department of Defense	Classified	3,830,952	-	XXXXXXXXXX401003 Business Sensitive
12	RD	Yes	Department of Defense	Classified	66,786	-	Proprietary
12	RD	Yes	Department of Defense	Classified	517,625	-	Proprietary
12	RD	Yes	Department of Defense	Classified	455,272	-	XXXXXXXX21F0001 1160.02-SC
12	RD	Yes	Department of Defense	Classified	12,919	-	Proprietary
12	RD	Yes	Department of Defense	Classified	255,457	-	XXXXXXXX40040010
12	RD	Yes	Department of Defense	Classified	22,658	-	Proprietary DTRA Battelle 001
12	RD	Yes	Department of Defense	Classified	637,802	-	Business Sensitive

(Continued)

BATTELLE MEMORIAL INSTITUTE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Prime/Upper Tier Contractor	Total		Contract Ref.
					Expenditures	Subrecipients	
12	RD	Yes	Department of Defense	Classified	1,469,128	-	XXXXXXXXF1006 1170.02-SF
12	RD	Yes	Department of Defense	Classified	951,022	-	Proprietary
12	RD	Yes	Department of Defense	Classified	136,075	-	Business Sensitive
12	RD	Yes	Department of Defense	Classified	701,361	-	OPP227121
12	RD	Yes	Department of Defense	Classified	3,570,094	-	XXXXXXXX-XX-D-1000 1187.01-SC
12	RD	Yes	Department of Defense	Classified	32,843	-	Proprietary
12	RD	Yes	Department of Defense	Classified	5,605	-	CNTR00000000001755
12	RD	Yes	Department of Defense	Classified	(11)	-	Proprietary A000494527
12	RD	Yes	Department of Defense	Classified	854,990	-	Proprietary CW-2020-100
12	RD	Yes	Department of Defense	Classified	(656)	-	Proprietary ATL-2020-01-OH
12	RD	Yes	Department of Defense	Collaborations Pharmaceuticals, Inc.	165,663	41,498	HDTRA11910020 Services Agreement OPP208969R2
12	RD	Yes	Department of Defense	Critical Innovations LLC	236,923	6,627	Services Agreement OPP218671R
12	RD	Yes	Department of Defense	Danbury Mission Technologies	487,498	-	N092123616902 Letter SubK # 11675142 P309
12	RD	Yes	Department of Defense	Detect-Ion LLC	844,492	-	140D0424C0008 DI-24-SC-Battelle-01
12	RD	Yes	Department of Defense	Diversified Technologies	28,342	-	FA865120C0012 4222024
12	RD	Yes	Department of Defense	Dynavax Technologies Corp	1,422,108	-	W911SR2190011 OPP223919R
12	RD	Yes	Department of Defense	Elementum 3D, Inc.	5,386	-	FA86502025700 OPP224698
12	RD	Yes	Department of Defense	Emory University	73,358	-	Services Agreement OPP226674
12	RD	Yes	Department of Defense	Eos Energetics Inc	-	-	MDA22T013 CNTR000000000000836
12	RD	Yes	Department of Defense	ES3 Prime Logistics Group	12,622	-	FA822221C5012
12	RD	Yes	Department of Defense	Falcon Eye Partnerships, LLC	3,015	-	MSA SOW1
12	RD	Yes	Department of Defense	FLIR DETECTION INC	8,489	-	W15QKN1891004 INDC-0007-002
12	RD	Yes	Department of Defense	GigaGen Inc	39,676	-	W911SR2290005 W0001
12	RD	Yes	Department of Defense	GigaGen Inc	16,028	-	W911SR2290005 W0002
12	RD	Yes	Department of Defense	Harris Corporation	(2,325)	-	A000486740 - A000464676 A000486740
12	RD	Yes	Department of Defense	Harris Corporation	696	-	Proprietary A000563678
12	RD	Yes	Department of Defense	Huntington Ingalls Indust	391,512	-	FA807518D0002 FA807515D0002
12	RD	Yes	Department of Defense	Huntington Ingalls Indust	185,959	-	FA807518D0002 FA807515D0002
12	RD	Yes	Department of Defense	Huntington Ingalls Indust	1,012,420	-	HDTRA114D0002 P000048193
12	RD	Yes	Department of Defense	InnovaSystems International	605,837	-	N0017819D7833 / N0018922F3014 Battelle-D7833-3014
12	RD	Yes	Department of Defense	Logistics Management Institute	301,411	-	2018 876 02 SB19-00055
12	RD	Yes	Department of Defense	MANTECH INTERNATIONAL CORP	2,773,080	-	FA807518D0011 \ FA807523F0007 31824-23-TM-S-26462
12	RD	Yes	Department of Defense	MANTECH INTERNATIONAL CORP	1,150,315	-	N4175621C4351 MASI1-21-S-TM-0043
12	RD	Yes	Department of Defense	Mentis Sciences Inc	32,963	-	SP470123P0046 P00004209
12	RD	Yes	Department of Defense	Nimbis Services Inc	673,058	-	HQ086022C7136 Nimbis-22C-7136-Battelle
12	RD	Yes	Department of Defense	Ology Bioservices, Inc	66,178	-	W15QKN1691002
12	RD	Yes	Department of Defense	Ology Bioservices, Inc	(4,357)	-	W15QKN1691002
12	RD	Yes	Department of Defense	Ology Bioservices, Inc	81,347	-	W911QY2090003
12	RD	Yes	Department of Defense	Ology Bioservices, Inc	41,156	-	W911QY2090003
12	RD	Yes	Department of Defense	Qualis Corporation	8,838	-	FA704618D0003 0007
12	RD	Yes	Department of Defense	Resilience	40	-	W911QY2090003 P1032711
12	RD	Yes	Department of Defense	Resilience	1,203,769	-	G035201
12	RD	Yes	Department of Defense	Resilience	329,541	-	P1035826
12	RD	Yes	Department of Defense	Resilience	1,234,868	-	OPP219315R
12	RD	Yes	Department of Defense	Reynolds Systems Inc	1,217	-	PO001353 0
12	RD	Yes	Department of Defense	Rochester Institute of Technology	60,500	-	32588 01

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BATTELLE MEMORIAL INSTITUTE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Prime/Upper Tier Contractor	Total		Contract Ref.
					Expenditures	Subrecipients	
12	RD	Yes	Department of Defense	Science and Engineering Services, LLC	594,467	-	W58RGZ18D0001 W58RGZ23F0335
12	RD	Yes	Department of Defense	Science Applications Internation Corporation	144,993	-	P010243257
12	RD	Yes	Department of Defense	Senvol LLC	3,199	-	OPP226227
12	RD	Yes	Department of Defense	Signature Science LLC	623,733	-	HHM40217D0006 DO 0003
12	RD	Yes	Department of Defense	Signature Science LLC	137,780	-	HHM40217D0006 DO 0004 S1282
12	RD	Yes	Department of Defense	Signature Science LLC	5,351	-	HHM40217D0006 0001
12	RD	Yes	Department of Defense	Southwest Research Institute	1,752,970	-	W15QKN1691002
12	RD	Yes	Department of Defense	Spark Biomedical Inc	427,254	-	AGREEMENT NUMBER OPP222008
12	RD	Yes	Department of Defense	Spectrohm Inc	5,640	-	FA864922P1165 STTR Phase II
12	RD	Yes	Department of Defense	Systems & Technology Research LLC	10,465	-	Proprietary 0
12	RD	Yes	Department of Defense	Systems & Technology Research LLC	2,774	-	10303 0
12	RD	Yes	Department of Defense	TDA RESEARCH INC	87,096	-	3D Reactive Coatings Services Agreement OPP215406
12	RD	Yes	Department of Defense	TDA RESEARCH INC	2,874	-	OPP220945R
12	RD	Yes	Department of Defense	UES Inc.	60,509	-	FA865016D5851 TO 4 TO #4 FA8650-21-F-5803
12	RD	Yes	Department of Defense	UTC Aerospace Systems	362,667	-	10853241
12	RD	Yes	Department of Defense	ZEL TECHNOLOGIES LLC	13,298	-	FA702218D0002 BMI-23-01
					182,279,811	16,542,878	
15	RD	Yes	Department of Interior	BB&E INC	1076	-	WORK ORDER NO. 02077005000 02077005-000
					1,076	-	
16	RD	Yes	Department of Justice	WEST VIRGINIA UNIVERSITY	73,670	-	15PNIJ22GG03571SLFO 22795BMI
					73,670	-	
17	RD	Yes	Department of Labor	Decision Information Resources	417,950	-	GS10F0427Y 1605C224F00008 SUBCONTRACT NO. 101241
17	RD	Yes	Department of Labor	Decision Information Resources	372,016	-	1630DC18F00034 101181
					789,966	-	
20	RD	Yes	Department of Transportation	Dunlap and Associates, Inc.	100,393	-	DTNH2216D00023 OPP213138
20	RD	Yes	Department of Transportation	PARSONS CORP	242,943	-	6M8168 A.04 01 001
20	RD	Yes	Department of Transportation	Transportation Research Center	20,227	-	693J921D000018
20	RD	Yes	Department of Transportation	Washington State DOT	206	-	UCB 1249 UCB 1249
					363,769	-	
43	003	Yes	National Aeronautics and Space Administration	University of Alaska Fairbanks	816	-	P0557973
43	RD	Yes	National Aeronautics and Space Administration	California Institute of Technology	43,511	-	1684320
43	RD	Yes	National Aeronautics and Space Administration	California Institute of Technology	1,026	-	65L-S435932 Rev 2
43	RD	Yes	National Aeronautics and Space Administration	University of Maryland	1,330	-	OPP224225
43	RD	Yes	National Aeronautics and Space Administration	University of Maryland	4,509	-	NEON AA 2023-00003487
43	RD	Yes	National Aeronautics and Space Administration	University of Maryland	3,267	-	2023-3606
					54,459	-	
47	050	Yes	National Science Foundation	University Corporation for Atmospheric Research	94,158	-	
47	050	Yes	National Science Foundation	University Corporation for Atmospheric Research	8,772	-	2131914
47	050	Yes	National Science Foundation	University of Alaska Fairbanks	1,784	-	2118240
47	070	Yes	National Science Foundation	The Ohio State University	52,072	-	NSF 22-504 NEON AA 2021-070 OPP222196
47	074	Yes	National Science Foundation	Cleveland State University	131,442	-	PO 759372
47	074	Yes	National Science Foundation	Colorado State University	204	-	NEON AA 2023-00003506
47	074	Yes	National Science Foundation	Colorado State University	38,105	-	PO 735018
47	074	Yes	National Science Foundation	Dartmouth College	7,331	-	PO 749084
47	074	Yes	National Science Foundation	Denver Botanic Gardens	761	-	award #1844531
47	074	Yes	National Science Foundation	DePaul University	7,280	-	OPP220218
47	074	Yes	National Science Foundation	DUKE UNIVERSITY	1,300	-	PO# DEP000203081
47	074	Yes	National Science Foundation	Mississippi State University	48,599	-	OPP222941
47	074	Yes	National Science Foundation	NORTHERN ARIZONA UNIVERSITY	9,679	-	OPP221792
47	074	Yes	National Science Foundation	Penn State University	7,896	-	2000122465 / OPP214159

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BATTELLE MEMORIAL INSTITUTE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Agency Code	ALN	R&D	Federal Agency	Prime/Upper Tier Contractor	Total Expenditures	Subrecipients	Contract Ref.
47	074	Yes	National Science Foundation	University of Alabama	33,873	-	OPP216727
47	074	Yes	National Science Foundation	University of California	1,672	-	2039932
47	074	Yes	National Science Foundation	University of Illinois	76	-	Subaward # 2020-1423
47	074	Yes	National Science Foundation	University of Missouri	2,571	-	2106075
47	074	Yes	National Science Foundation	University of Nebraska	18,374	-	OPP211746 - PO# U000235262
47	074	Yes	National Science Foundation	University of Notre Dame	1,080	-	AGREEMENT NUMBER: 22-8739
47	074	Yes	National Science Foundation	University of Utah	704	-	Subaward # 840K906
47	074	Yes	National Science Foundation	University of Wisconsin-Madison	6,634	-	OPP211855
47	074	Yes	National Science Foundation	University of Wisconsin-Madison	3,993	-	Subaward No. 21-310-BMI
47	074	Yes	National Science Foundation	University of Wisconsin-Madison	7,351	-	WOODWELL-NG0471-02
47	074	Yes	National Science Foundation	VIRGINIA POLYTECHNIC INSTITUTE & STATE U	17,127	-	NEON AA 2023-00003505
47	074	Yes	National Science Foundation	WEST VIRGINIA UNIVERSITY	202	-	PO# 704187
47	074	Yes	National Science Foundation	Woodwell Climate Research Center Inc	4,304	-	DEB-1754443
47	RD	Yes	National Science Foundation	Colorado State University	257	-	P0548061
47	RD	Yes	National Science Foundation	University Corporation for Atmospheric Research	14,522	-	PO U000261105
47	RD	Yes	National Science Foundation	University of Alaska Fairbanks	968	-	20-8374 / PO # 953K503 or PO # 023L413
47	RD	Yes	National Science Foundation	University of Alaska Fairbanks	248,880	45,820	
47	RD	Yes	National Science Foundation	University of Utah	549	-	
47	RD	Yes	National Science Foundation	University of Wisconsin-Madison	1,179	-	
					<u>773,699</u>	<u>45,820</u>	
66	509	Yes	Environmental Protection Agency	The Ohio State University	159,357	-	84024101 SPC-1000005375 / GR124479
66	RD	Yes	Environmental Protection Agency	Research Triangle Institute Inc	1,582,159	-	68HERC22A0020 2-312-0218781-67451L
66	RD	Yes	Environmental Protection Agency	Research Triangle Institute Inc	269	220	EPC17045 005
66	RD	Yes	Environmental Protection Agency	Research Triangle Institute Inc	1,532	-	EPC17045 006
					<u>1,743,317</u>	<u>220</u>	
81	087	Yes	Department of Energy	University of Utah	649,197	176,954	DEEE007080 10039612-Battelle-2-2439-AF1
81	089	Yes	Department of Energy	Aera Federal LLC	129,174	-	DEFE0032383
81	089	Yes	Department of Energy	CONSOL ENERGY INC	2,196,259	248,263	DEFE0031998 Subaward # DE-FE0031998-SUB1
81	089	Yes	Department of Energy	SOUTHERN STATES ENERGY BOARD	569	-	DEFE0031557 SSEBSEOFFS921BATTELLE2018
81	089	Yes	Department of Energy	University of Illinois	6,628	-	DEFE0031892 SUBAWARD Number 10191418218
81	089	Yes	Department of Energy	University of Wyoming, Carbon Management	422	-	DEFE0032048 1005212-BEA
81	RD	Yes	Department of Energy	LEIDOS INC	9,848,433	-	89243318CFE000003 P010218914
81	RD	Yes	Department of Energy	Mele Associates, Inc.	386,427	-	GS00F243CA DENA0001356
81	RD	Yes	Department of Energy	Stoller Corp	9,135	-	Purchase Order No. LMS3836 451001.01054
81	RD	Yes	Department of Energy	University of California	4,284	-	DEAC0205CH11231 0
81	RD	Yes	Department of Energy	WEST VIRGINIA UNIVERSITY	86,373	-	DEFOA0002618
					<u>13,316,901</u>	<u>425,217</u>	
84	RD	Yes	Department of Education	Tennessee Department of Education	292,369	-	2007433145GCS0
					<u>292,369</u>	<u>-</u>	
93	286	Yes	Department of Health and Human Services	The Johns Hopkins Researc	372,952	38,705	Subaward Number 2006323385
93	867	Yes	Department of Health and Human Services	Ohio State University Res	164,862	-	U01EY032973 GR133273 / SPC-1000012301
93	077	Yes	Department of Health and Human Services	Georgia State University, School of Publ	5,071	-	5R01CA23571903 SP00015723 02
93	RD	Yes	Department of Health and Human Services	Avanti Corporation	22,784	-	75N96020D00010 9
93	RD	Yes	Department of Health and Human Services	Basilea Pharmaceutica International Ltd	2,310,651	380,228	HHSOI 00201600002C Work Order No. 2
93	RD	Yes	Department of Health and Human Services	Basilea Pharmaceutica International Ltd	226	-	HHSOI 00201600002C Work Order No. 1

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Agency Code	ALN	R&D	Federal Agency	Prime/Upper Tier Contractor	Total		Contract Ref.
					Expenditures	Subrecipients	
93	RD	Yes	Department of Health and Human Services	Biofactura, Inc	1,129	-	OPP212346R2 0
93	RD	Yes	Department of Health and Human Services	Emergent Biosolutions Inc	66	-	Subcontract No. 19591 Purcha
93	RD	Yes	Department of Health and Human Services	Emergent Biosolutions Inc	114	-	HHSO100201600030C 19591
93	RD	Yes	Department of Health and Human Services	Emergent Biosolutions Inc	765	-	HHSO100201600030C
93	RD	Yes	Department of Health and Human Services	Emergent Biosolutions Inc	388	-	HHSO100201600030C 19591
93	RD	Yes	Department of Health and Human Services	Emergent Biosolutions Inc	418	-	HHSO100201600030C 19591
93	RD	Yes	Department of Health and Human Services	Enterprise Science and Computing	1,032,548	20,471	GS-35F-0539X/75FCMC20F0087 CMS-eCQM2-01
93	RD	Yes	Department of Health and Human Services	Icon Government and Publi	376,469	-	HHS75A50120D00017 BATTELLE-2023-01-Work Order 1
93	RD	Yes	Department of Health and Human Services	Icon Government and Publi	789,351	-	BATTELLE2023-01 OPP225220
93	RD	Yes	Department of Health and Human Services	International AIDS Vaccine Initiative	1,637	-	75A50121D00077 A12175
93	RD	Yes	Department of Health and Human Services	Moderna Inc	(1,851)	-	75A50120C00034 OPP215009R3
93	RD	Yes	Department of Health and Human Services	Moderna Inc	2,346	-	75A50120C00034 Task Order OPP219004R
93	RD	Yes	Department of Health and Human Services	Neuroene Therapeutics	7,892	-	OPP221044R1
93	RD	Yes	Department of Health and Human Services	Paratek Pharmaceuticals	2,737,937	-	75A50120C00001
93	RD	Yes	Department of Health and Human Services	Plowshare Group, Inc.	967,948	-	2002020F09371 PSG-002
93	RD	Yes	Department of Health and Human Services	Sabin Vaccine Institute	(645)	-	75A50119C00055 02043401
93	RD	Yes	Department of Health and Human Services	Sabin Vaccine Institute	344,715	-	75A50119C00055 02043403
93	RD	Yes	Department of Health and Human Services	The MITRE Corporation	(646)	-	75FCMC18D0047 Task Order No. 140794
					9,137,127	439,404	
97	RD	Yes	Department of Homeland Security	Amentum Services, Inc.	1,547	-	FA807518D0014 FA870520F0084
97	RD	Yes	Department of Homeland Security	Amentum Services, Inc.	1,683,545	-	FA807518D0014 / FA870522F0010 Rel 1
97	RD	Yes	Department of Homeland Security	Amentum Services, Inc.	702,162	-	FA807518D0014 / FA807522F0010 Rel 2
97	RD	Yes	Department of Homeland Security	Amentum Services, Inc.	497,462	-	FA807518D0014 FA807523F0012
					2,884,716	-	
Total Indirect Funding					\$ 211,710,880	\$ 17,453,539	
Total Expenditures of Federal Awards					\$ 771,809,623	\$ 136,299,549	

(Concluded)

BATTELLE MEMORIAL INSTITUTE

NOTES TO CONSOLIDATED SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (US GAAP). The accompanying consolidated financial statements include all the Company’s wholly owned and financially or otherwise controlled subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation and figures are presented in thousands but for the Schedule of Expenditures and Federal Awards for the year ended September 30, 2024 or unless otherwise stated.

The accompanying schedule of expenditures of federal awards (the “Schedule”) summarizes the expenditures of Battelle Memorial Institute (BMI) and subsidiaries (the “Company”) under programs funded by the federal government for the year ended September 30, 2024. The Schedule has been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America and includes all federal awards and contracts entered into directly between the Company and agencies and departments of the federal government, as well as funds passed through to the Company by other recipients. In accordance with the Uniform Guidance 2 CFR 200 (§200.38 Federal award) the Schedule does not include amounts received to operate government-owned, contractor-operated facilities. Negative amounts reported on the Schedule are adjustments or credits made in the normal course of business to amounts reported as expenditures in prior fiscal years.

Research and Development Cluster (“R&D cluster”)—OMB Uniform Guidance defines research and development as follows: research is a systematic study directed toward fuller scientific knowledge or understanding of the subject studied; development is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. The Company’s work is closely aligned with the R&D cluster of programs in accordance with 2 CFR 200.1. Accordingly, the schedule of expenditures of federal awards reports all reportable programs in the R&D cluster.

Subrecipient—Certain funds are passed through to subgrantee organizations by the Company. Expenditures incurred by the subgrantees and reimbursed by the Company are presented in the Schedule.

The Company is also the subrecipient of funds, which have been reported as expenditures and listed as pass-through funds.

2. NONCASH AWARDS

During the year ended September 30, 2024, the Company did not receive nonmonetary assistance.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR PROGRAM EXPENDITURES

Expenditures consist of direct and indirect costs. Direct costs are those that can be identified specifically with a sponsored project. Indirect costs are the costs of services and resources that benefit both sponsored and non-sponsored projects but are necessary for the operation of the Company.

The Battelle Science and Technology (S&T), Integration, and Battelle Ecology segment projects use indirect cost rates to charge indirect costs to individual sponsored projects. The rates are the result of a number of complex cost allocation procedures that the Company uses to allocate its indirect costs to both sponsored and non-sponsored activities. The indirect costs are allocated to sponsored projects by dividing by the direct cost

bases of the sponsored projects to arrive at the indirect costs rates. The indirect cost rates of the S&T and Integration segments are reviewed and approved by the Defense Contract Audit Agency (DCAA) and Defense Contract Management Agency (DCMA). The indirect cost rates of the Battelle Ecology segment are reviewed and approved by the National Science Foundation (NSF). The indirect cost rates are subject to final audit and final agreement with the appropriate Government representative in accordance with FAR 52.216-7(d).

The Battelle Education subsidiary has elected to charge the de minimis indirect cost rate of 10% as permitted under the Uniform Guidance.

4. LOANS/LOAN GUARANTEES

Battelle does not have loan balances outstanding at the end of fiscal year 2024 reportable in accordance with §200.502 — “Basis for determining Federal awards expended”.

5. CLASSIFIED INFORMATION

Due to the nature of research and development that the Company performs on behalf of the federal government, various contracts and project information is considered classified, which includes “Top Secret,” “Secret,” or “Confidential.” As a result, the Schedule reflects summarized data by agency in order to properly safeguard various information as required by the federal government.

6. RELATIONSHIP TO CONSOLIDATED FINANCIAL STATEMENTS

Awards in the amount of \$771,809,623 are reported as a portion of total project revenue in the Company’s consolidated financial statements as revenue from operations.

7. DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)

The Company did not receive any donated personal protective equipment from the federal government during the year ended September 30, 2024.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Battelle Memorial Institute
Columbus, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to consolidated financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Battelle Memorial Institute and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of September 30, 2024, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements"), and have issued our report thereon dated December 2, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Deloitte & Touche LLP

December 2, 2024

Report On Compliance For Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required By the Uniform Guidance

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Battelle Memorial Institute
Columbus, Ohio

Report on Compliance for the Major Federal Program

Qualified Opinion on Research and Development Cluster

We have audited Battelle Memorial Institute and subsidiaries (the "Company") with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Company's major federal program for the year ended September 30, 2024. The Company's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Qualified Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with 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 qualified opinion on compliance for Research and Development Cluster. Our audit does not provide a legal determination of the Company's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on Research and Development Cluster

As described in the accompanying schedule of findings and questioned costs, access to classified contracts was restricted. Therefore, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the Company with Research and Development Cluster as described in finding number 2024-001 for Allowable Costs and Activities Allowed and Unallowed and Special Tests and Provisions, consequently we were unable to determine whether the Company complied with those requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Company's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Company's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Company's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Company's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Company's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Company as of and for the year ended September 30, 2024, and have issued our report thereon dated December 2, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte & Touche LLP

June 19, 2025

BATTELLE MEMORIAL INSTITUTE

**SUPPLEMENTAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

PART I—SUMMARY OF AUDITOR’S RESULTS

Consolidated Financial Statements

Type of auditor’s report issued on whether the consolidated financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over consolidated financial reporting:

- Material weakness(es) identified? _____yes X_____no
 - Significant deficiency(ies) identified not considered to be material weaknesses? _____yes X_____none reported
- Noncompliance material to consolidated financial statements noted? _____yes X_____no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____yes X_____no
- Significant deficiency(ies) identified not considered to be material weaknesses(es)? _____yes X_____none reported

Type of auditor’s report issued on compliance for major federal programs:

Qualified for Allowable Costs and Activities Allowed and Unallowed and Special Tests and Provisions for Research & Development Cluster

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X_____yes _____no

Identification of Major Program:

Assistance Listing Number

Name of Federal Program or Cluster

Various

Research & Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs \$3,000,000

Auditee qualified as low-risk auditee? X_____yes _____no

PART II—FINANCIAL STATEMENT FINDINGS

None noted.

PART III— FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding Reference Number 2024-001 Qualified Auditor’s Opinion for Allowable Costs and Activities Allowed and Unallowed and Special Tests and Provisions for Research & Development Cluster Due to Material Scope Limitations

Criteria: In accordance with 2 CFR 200.508 (d), the auditee must provide the auditor access to personnel, accounts, books, records, supporting documentation, and any other information needed for the auditor to perform the audit required for the schedule of expenditures of federal awards.

Condition/Context: During our testing of allowable costs and special tests and provisions, access to classified contracts was restricted. Therefore, we were unable to attain contracts that are deemed to be classified. Consequently, the audit evidence was insufficient to support whether the Company has incurred expenses that are allowable in pursuant with the terms and conditions of federal awards. Further, there was no accessibility to the classified federal award contracts for the determination of whether other special tests and provisions are applicable to these classified contracts.

Under the testing for allowable costs, there were approximately 10% of expenses related to classified contracts within the total population. Further, the total classified contract expense amount is nearly two times program materiality.

For special tests and provisions, we were unable to attain classified contracts to examine the required level of security clearance for personnel assigned to the projects. Out of the total of 637 federal awards, the Company identified 96 contracts with the requirement of security clearance. Of these 96 contracts, 35 contracts (approximately 36%) were classified. Aside from the requirement for security clearance, we were unable to review other special provisions applicable to classified contracts given restricted access to classified contracts.

Cause: The Company acknowledges that classified contracts are subject to confidentiality requirements as mandated by external regulators. Access to classified information within these contracts are strictly limited to authorized auditors who have been granted clearance by relevant regulatory authorities.

Effect: Audit conclusion cannot be reached for the Company’s compliance with allowable costs and special tests and provisions.

Questioned Cost: Unknown

Recommendation: The Company is advised to engage with the external regulators to seek clarification on the scope limitation and explore any possible flexibility or alternative approaches.

Views of responsible officials: See Corrective Action Plan.

Finding Reference Number 2024-002 Access Restricted to Documentation for Various Compliance Requirements – Research & Development Cluster; Noncompliance – Period of Performance, Procurement (Micro Purchasing), Subrecipient Monitoring, and Equipment and Real Property Management

Criteria: In accordance with 2 CFR 200.508 (d), the auditee must provide the auditor access to personnel, accounts, books, records, supporting documentation, and any other information needed for the auditor to perform the audit required for the schedule of expenditures of federal awards.

Condition/Context: During our compliance testing of period of performance, procurement (micro purchasing), subrecipient monitoring, and equipment and real property management, access to classified contracts was restricted; therefore, we were unable to review certain information related to classified contracts. Respectively, we were unable to examine within the original contract with regards to:

Period of performance (5 of 50 selections) – unable to confirm the authorized project period

Procurement (micro purchasing) (2 of 40 selections) – unable to review applicable requirement relating to consent to subcontract

Subrecipient monitoring (2 out of 40 selections) – unable to inspect subaward information and applicable terms

Equipment and real property management (3 out of 50 selections) – unable to obtain proof of active use and safeguard of the classified equipment and validate whether the equipment disposal was handled properly in accordance with the contractual terms and conditions.

Cause: The Company acknowledges that classified contracts are subject to confidentiality requirements as mandated by external regulators. Access to classified information within these contracts are strictly limited to authorized individuals who have been granted clearance by relevant regulatory authorities.

Effect: Lack of sufficient documentation or support for expenditures and transactions could cause the expenditures to be denied by the grantor.

Questioned Cost: Unable to be determined, as documentation was not available for these selections

Recommendation: The Company is advised to engage with the external regulators to seek clarification on the access restrictions and explore any possible flexibility or alternative approaches.

Views of responsible officials: See Corrective Action Plan.

Corrective Action Plan – FY2024 Single Audit under Title 2 U.S. Code of Federal Regulations Part 200

Reference: Finding 2024-001 Qualified Auditor’s Opinion for Allowable Costs and Activities Allowed and Unallowed and Special Tests and Provisions for Research & Development Cluster Due to Material Scope Limitations

Contact: Erica Classing, Controller; classinge@battelle.org; 614-424-3372

Views of Responsible Officials:

Battelle acknowledges the scope limitation is the result of access restrictions to classified contract documents imposed by federal agencies that are beyond Battelle’s control. Battelle does not have the authority to grant auditor access to classified programs without the proper security clearance and program permissions, rather this authority resides with the federal awarding agency, in accordance with applicable federal security regulations. These restrictions prohibited access to classified contracts for required audit procedures in those areas noted in Finding 2024-001.

This limitation was only on classified contracts which is a small subset (10%) of Battelle’s total reportable expenditures. Battelle provided all unclassified documentation required to support transactions selected for testing. In addition, Battelle provided all documentation necessary to audit compliance with requirements on all non-classified contracts selected.

Management upholds high standards of compliance and transparency and continues to support audit processes to the fullest extent possible. Battelle agrees to explore options to satisfy audit requirements while maintaining compliance with classified contract security regulations.

Corrective Action Plan:

Summary of finding:

During testing of allowable costs and special tests and provisions, access to classified contracts was restricted. The auditor was unable to view federal award documents to determine allowability terms and conditions, security clearance requirements, or other special provisions for sample selections of classified contracts. Consequently, this restriction on access to the source contract document resulted in a material scope limitation for these testing areas.

Root cause:

Access to classified contracts is subject to confidentiality requirements mandated by external regulators, requiring appropriate security clearance levels and verified need-to-know status. If the classified contract is a special access program, obtaining program-specific approvals from the awarding agency in addition to

possessing the appropriate security clearance and need to know is required. There is no guarantee that the federal awarding agency will ultimately grant cleared auditors access to the classified contract.

Corrective action:

Battelle is taking the following steps to address the finding:

- Internal Review: We conducted an internal review of the areas affected by the scope limitation to validate each selection complied with the applicable contractual and regulatory requirements. This action was completed by December 19, 2024 and did not identify any instance of non-compliance with applicable rules, regulations, or contractual requirements.
- We have existing monitoring mechanisms in place to ensure compliance in the areas affected by the scope limitation.
- Early coordination with external auditor: We are collaborating with our external audit team to identify any classified contract audit selections earlier in the annual audit process. A proactive approach will allow Battelle extra time to engage clients for required approvals to either gain access to the classified information or obtain appropriate alternative audit evidence. In addition, any other related steps that can be completed in advance such as verifying auditor clearance types and levels will be performed early to help mitigate any delays. This corrective action requires the audit firm to provide auditors with the appropriate security clearances.
- Engagement with regulatory agencies: We are in dialogue with impacted federal awarding agencies to explore options to provide necessary audit evidence.
- Enhanced documentation: We are enhancing our audit support procedures to provide guidelines on how, within the bounds of regulatory restrictions, we can provide access to audit evidence for future audits.

Overall Anticipated Implementation Date: December 31, 2025

Corrective Action Plan – FY2024 Single Audit under Title 2 U.S. Code of Federal Regulations Part 200

Reference: Finding 2024-002 Access Restricted to Documentation for Various Compliance Requirements – Research & Development Cluster; Noncompliance – Period of Performance, Procurement (Micro Purchasing), Subrecipient Monitoring, and Equipment and Real Property Management

Contact: Erica Classing, Controller; classinge@battelle.org; 614-424-3372

Views of Responsible Officials:

Battelle acknowledges this finding is the result of access restrictions to classified contract documents imposed by federal agencies that are beyond Battelle’s control. Battelle does not have the authority to grant auditor access to classified programs without the proper security clearance and program permissions, rather this authority resides with the federal awarding agency, in accordance with applicable federal security regulations. These restrictions prohibited access to classified contracts for required audit procedures in those areas noted in Finding 2024-002.

Classified contracts are a small subset (10%) of Battelle’s total reportable expenditures. Battelle provided all unclassified documentation required to support transactions selected for testing. In addition, Battelle provided all documentation necessary to audit compliance with requirements on all non-classified contracts selected.

Management upholds high standards of compliance and transparency and continues to support audit processes to the fullest extent possible. Battelle agrees to explore options to satisfy audit requirements while maintaining compliance with classified contract security regulations.

Corrective Action Plan:

Summary of finding:

During compliance testing of period of performance, procurement (micro purchasing), subrecipient monitoring, and equipment and real property management, access to classified contracts was restricted. The auditor was unable to view federal award documents to confirm the following information:

- Period of performance (5 of 50 selections) - unable to confirm the authorized project period
- Procurement (micro purchasing) (2 of 40 selections) - unable to review applicable requirement relating to consent to subcontract
- Subrecipient monitoring (2 out of 40 selections) – unable to inspect subaward information and applicable terms
- Equipment and real property management (3 out of 50 selections) – unable to obtain proof of active use and safeguard of the classified equipment and validate whether the equipment disposal was handled properly in accordance with the contractual terms and conditions.

Root cause:

Access to classified contracts is subject to confidentiality requirements mandated by external regulators, requiring appropriate security clearance levels and verified need-to-know status. If the classified contract is a

special access program, obtaining program-specific approvals from the awarding agency in addition to possessing the appropriate security clearance and need to know is required. There is no guarantee that the federal awarding agency will ultimately grant cleared auditors access to the classified contract.

Corrective action:

Battelle is taking the following steps to address the finding:

- **Internal Review:** We conducted an internal review of the areas affected by the scope limitation to validate each selection complied with the applicable contractual and regulatory requirements. This action was completed by December 19, 2024 and did not identify any instance of non-compliance with applicable rules, regulations, or contractual requirements.
- We have existing monitoring mechanisms in place to ensure compliance in the areas affected by the scope limitation.
- **Early coordination with external auditor:** We are collaborating with our external audit team to identify any classified contract audit selections earlier in the annual audit process. A proactive approach will allow Battelle extra time to engage clients for required approvals to either gain access to the classified information or obtain appropriate alternative audit evidence. In addition, any other related steps that can be completed in advance such as verifying auditor clearance types and levels will be performed early to help mitigate any delays. This corrective action requires the audit firm to provide auditors with the appropriate security clearances.
- **Engagement with regulatory agencies:** We are in dialogue with impacted federal awarding agencies to explore options to provide necessary audit evidence.
- **Enhanced documentation:** We are enhancing our audit support procedures to provide guidelines on how, within the bounds of regulatory restrictions, we can provide access to audit evidence for future audits.

Overall Anticipated Implementation Date: December 31, 2025

PART IV—SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None noted.