LEVERAGING DIGITAL ASSET COMPUTE TO SUPPORT THE ENERGY TRANSFORMATION

BUILT WITH A PURPOSE

OUR MISSION
To build a more sustainable and inclusive future by developing and deploying innovative technologies, while securing and supporting the world's preeminent blockchain ledger.

WHO WE ARE
We are a leading digital asset compute company. A united group of pioneers fueled by a deep passion for technology and a strong conviction in Bitcoin's and digital asset compute's ability to positively change the world.

WHY WE DO IT
We believe in human flourishing, where energy is a fundamental component of societal well-being and progress. Our contribution? Converting energy into economic value.

OUR IMPACT
Driven by technology, energy, and human-centric values, we enhance the viability of renewable energy projects, stabilize power grids, reduce emissions, and recycle heat for various applications.

APPROACH TO ESG

We serve and support the digital asset compute industry because we believe in its potential to drive positive change. Guided by our eight Core Values (see page 3), we are committed to operating with integrity and transparency. We are dedicated to transitioning our computing operations to produce a lower-carbon digital asset by prioritizing sustainability, energy efficiency, and renewable energy. We are committed to making a positive impact in our community through investment, robust support, and active engagement. We firmly believe that our strongest asset is our talent, and we are resolutely committed to creating an organizational culture where everyone feels welcomed, fulfilled, and supported. Through these unwavering commitments, we are determined to make our company and industry one of the most inclusive, sustainable, and impactful in the world.
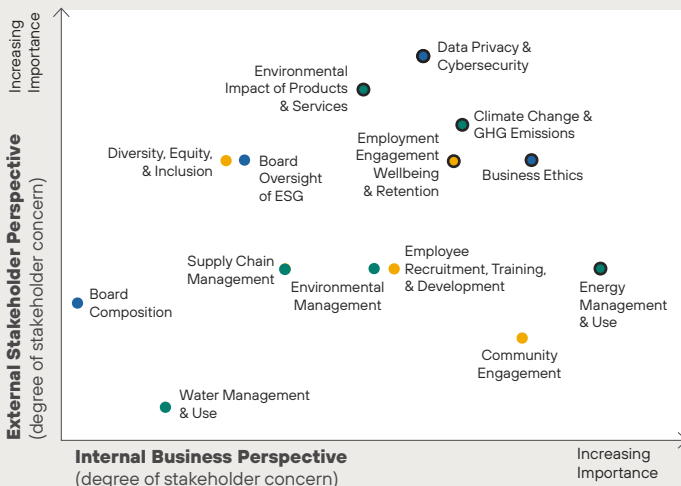
MATERIALITY ASSESSMENT

To determine the most critical ESG topics for strategic focus, MARA contracted an independent third-party consultant to conduct a materiality assessment for our core operations. Priority issues were identified and plotted on a materiality matrix based on their significance and impact on internal and external stakeholders. The matrix helps MARA to identify risks and opportunities and serves as a tool to guide sustainability strategy and decision-making processes.

Stakeholder Topic Priorities[1]

- Environmental
- Social
- Governance
- ○ ESG Strategic Priority

Increasing Importance

External Stakeholder Perspective (degree of stakeholder concern)

- Data Privacy & Cybersecurity
- Environmental Impact of Products & Services
- Climate Change & GHG Emissions
- Diversity, Equity, & Inclusion
- Board Oversight of ESG
- Employment Engagement Wellbeing & Retention
- Business Ethics
- Supply Chain Management
- Environmental Management
- Employee Recruitment, Training, & Development
- Energy Management & Use
- Board Composition
- Community Engagement
- Water Management & Use

Internal Business Perspective (degree of stakeholder concern)

Increasing Importance

X-Axis represents the importance to internal stakeholders

Y-Axis represents the importance to external stakeholders, including:

Employees
Investors
Community

[1]Materiality Assessment chart created by Nasdaq ESG Advisory on May 9, 2024, based on the results of surveying a sample of MARA stakeholders.

CORE THEMES

Energize · Optimize · Diversify

KEY USES OF MARA'S TECHNOLOGIES

Our operations provide several positive benefits for building a more sustainable future.

SUPPORTING RENEWABLE ENERGY PROJECTS
By providing consistent demand for underutilized electricity, we create a revenue stream for producers that can be reinvested into new or existing projects. This dependability supports the development and expansion of distribution infrastructure.

STABILIZING ENERGY GRIDS
Our systems help grid operators balance load and generation by dynamically adapting to grid conditions. We can scale down power consumption during high demand periods and scale up when there is excess power to prevent grid congestion.

MITIGATING FLARING & METHANE EMISSIONS
We can help convert methane from oil fields, landfills, and other sites into electricity, reducing energy waste and greenhouse gas emissions. Capturing and utilizing methane provides a sustainable solution for the environment and operations.

RECYCLING HEAT
We can capture and use the heat from our data centers to supplement traditional heating sources, lowering operating costs. This efficient and sustainable solution can support industrial applications like district heating, greenhouse operations, and manufacturing processes.
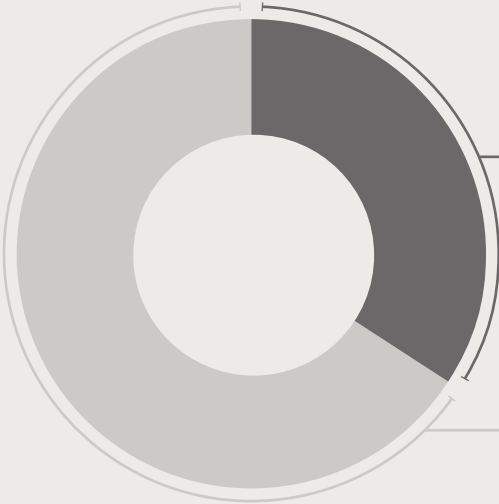
OPTIMIZING DATA CENTER OPERATIONS
Our advanced cooling technology, 2PIC, delivers exceptional performance, efficiency, and space savings, ensuring operations stay cool in the most extreme conditions. Our custom firmware improves digital asset compute efficiency and performance.

MARA™

ENVIRONMENT

GHG Emissions mtCO$_2$e[2]*

Scope 1
0

0 › Stationary Combustion
0 › Mobile Combustion

Scope 2
914,393

1,294,321 › Location-Based
914,393 › Market-Based (incl. RECs)

Scope 3
1,750,158

884,690 › Purchased Goods and Services
438,317 › Capital Goods
425,598 › Fuel and Energy Related Activities
1,484 › Business Travel
67 › Employee Commuting
2 › Waste Generated in Operations

* Results not independently audited. We intend to engage an independent ESG audit firm by end of 2025.

In 2023, MARA calculated its baseline year GHG emissions using a third-party carbon accounting software program in accordance with GHG Protocol Corporate Standard.

We are reporting a market-based Scope 2 emissions figure to capture our significant investment in renewable energy certificates (RECs). Because we operated in 100% hosted site locations as a tenant, MARA did not report Scope 1 direct emissions from operations. As we continue to rapidly grow and expand our operations globally, MARA is committed to tracking and managing its carbon emissions year-over-year in order to create impactful future low-carbon digital asset computing strategies.

"WE ARE A COMPANY THAT LEVERAGES THE NEXUS OF ENERGY AND COMPUTE"

Fred Thiel, CEO

SOURCING RENEWABLE ENERGY

Green-e Certified Renewable Energy Credits (RECs)

In 2023, we made our largest purchase of Green-e Energy certified RECs for the McCamey, Texas data center. The purchase of 1,192,183 wind energy RECs covered 79% of the total megawatt-hours consumed at McCamey. MARA will continue to evaluate contractual investments in renewable energy through instruments such as certified RECs, power purchase agreements, and green energy tariffs to further reduce Scope 2 emissions.
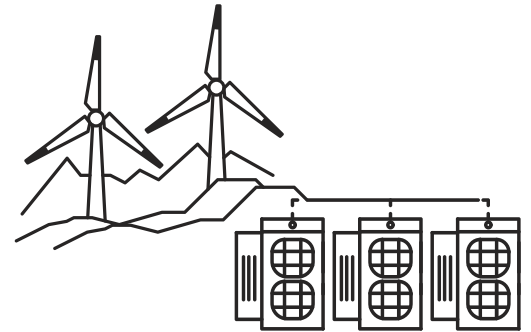
E-WASTE MANAGEMENT

MARA has approximately 200,000 ASICs[3] in its fleet. As newer, more energy-efficient ASICs are purchased and deployed, MARA has created a strategy called the **"Advanced ASIC Retirement Program"** to repurpose and reuse older generation models at pilot projects, test sites, and lower operating cost locations. As ASICs reach their economic useful life and can no longer be repurposed, MARA will properly dispose of the hardware using a certified E-Waste recycler.

IMPACTS OF PRODUCTS & SERVICES

Transitioning the Business Model

We are currently shifting our business model from asset-light – relying on third parties to host our fleet – to a blended model where we own and operate more of our sites. Being site owners means we have more opportunities for energy management, renewable energy procurement, and innovative new ideas.

Efficient ASIC Fleet

MARA strives to have the most energy-efficient digital asset computing fleet in the industry. Efficiency is measured in Joules per Terahash (J/TH). Our J/TH metric has consistently decreased over the years as we purchase and energize the most efficient ASICs.

Research & Development

Our research and development (R&D) efforts play a critical role in driving our innovation and growth. Our R&D process is designed to support the creation and development of new tools and processes intended to serve an integral part of our overall business strategy and enhance our market position as an advanced digital asset company.

No Water Usage[4]

Unlike the AI/HPC industry, our ASIC fleet and sites do not require any water for cooling hardware. Instead, we use air-cooling or closed-loop immersion cooling technology. The only water we use is for drinking water or restrooms. Digital asset computing is one of the least water-intensive technology-driven businesses in the world.

MARA™

SOCIAL

EMPLOYEE DEVELOPMENT

MARA's Board of Directors and senior management maintain oversight of human resources to foster a growth-oriented career for each employee.

» Weekly one-on-one meetings between manager and employee
» Weekly team meetings
» Quarterly and annual goals and performance reviews
» Promote-from-within culture
» Monthly Town Halls (All Hands Meetings)

EMPLOYEE ENGAGEMENT & WELL-BEING

MARA offers generous employee benefits including:

» Fully paid medical, dental and vision insurance for employees and family members, paid and unpaid leave, and life and disability/accident coverage
» Variable performance-based pay
» Parental leave
» Equity incentive plans
» Remote-work lifestyle for most positions

CORE VALUES

C.A.N.I - CONSTANT NEVER-ENDING IMPROVEMENT

TRUST

READINESS & URGENCY

RELIABILITY

INTEGRITY & TRANSPARENCY

DO WHAT'S RIGHT

HAVING A SOLUTION MINDSET

CLARITY OF COMMUNICATION

PEOPLE, DIVERSITY, & INCLUSION

At MARA, we seek to attract a pool of diverse, best-in-class candidates and emphasize hiring the best talent available, rather than relying solely on educational background. In support of this initiative, we look for candidates in local communities and large cities alike, and from a variety of backgrounds. We also believe that our ability to retain our workforce is dependent on our ability to foster an environment that is sustainable, safe, respectful, fair, and inclusive of everyone.

COMMITTED TO HIRING VETERANS

» MARA is honored to be rapidly growing the number of Veterans in our workforce
» MARA works with Cohen Partners, a strategic military placement agency

2023 END-OF-YEAR WORKFORCE METRICS

56 Total Employees

50% Racial/ethnic minorities

23% Women

4% Veterans
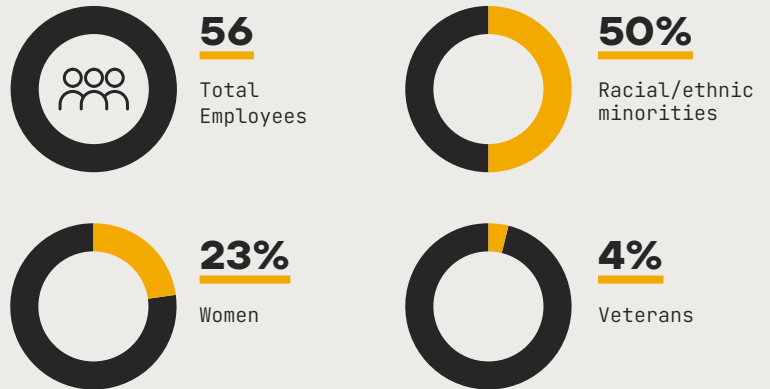
COMMUNITY ENGAGEMENT

The growth and development of the digital asset community is a core focus area for MARA. We're supporting the next generation of digital asset professionals by investing in initiatives such as Summer of Bitcoin and Bitcoin Core Developers. The examples below are just two of many community engagement activities we continue to prioritize.

SUMMER OF BITCOIN INTERNSHIP PROGRAM

Summer of Bitcoin is a global internship program that introduces university students to Bitcoin and open-source development. In 2022, MARA made a significant donation to the program to fund multiple student projects, each of which is intended to support the development of the Bitcoin network.[5]

BRINK & BITCOIN CORE DEVELOPERS

In 2023, MARA partnered with Brink, a fully donor-supported organization dedicated to strengthening the Bitcoin protocol – the technology that enables Bitcoin to function as a decentralized peer-to-peer payment network. The protocol is maintained by a community of Bitcoin Core developers who often work on a pro-bono or donation basis. In 2023, we partnered with Brink to raise $1 million in donations to ensure their essential work could continue.[6]

[5] "Marathon Digital Holdings Donates to Summer of Bitcoin 2022." Marathon Digital Holdings, December 21, 2021. https://tinyurl.com/mr3zb4ye
[6] "Marathon Digital Holdings Collaborates with Brink To Raise Up to $1 Million To Support Bitcoin Core Developers." Marathon Digital Holdings, May 18, 2023. https://tinyurl.com/73jhf4ka
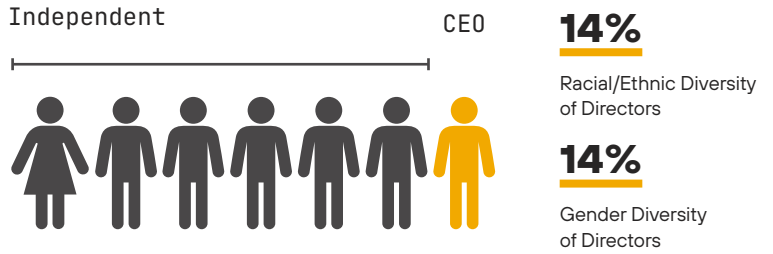
GOVERNANCE

BOARD COMPOSITION

Our governance structure ensures that we adhere to our core values, that our decision-making is informed and effective, and that we appropriately monitor performance, ethics, and compliance.

MARA recognizes the importance of diverse perspectives and backgrounds in leadership, and we evaluate and consider diversity whenever a new board member is added.

2023 END-OF-YEAR METRICS

Independent   CEO

14%
Racial/Ethnic Diversity of Directors

14%
Gender Diversity of Directors

ENSURING ETHICAL BEHAVIOR

BOARD	BOARD OF DIRECTORS		
Board Committees	**Audit Committee**	**Nominating and Corporate Governance Committee**	**Compensation Committee**
Key Tasks	» Evaluates and manages financial risk exposure » Oversees and evaluates reports from whistleblower hotline » Oversees cybersecurity and IT risks	» Sets corporate governance standards and code of business conduct and ethics » Recommends structure of Board and committees	» Oversees human resources and succession planning » Monitors CEO performance and pay » Sets long term incentives, equity payouts and performance-based bonuses
Independence	100%	100%	100%
Cadence	Quarterly	Quarterly	Quarterly

CYBERSECURITY GOVERNANCE

Our Board considers cybersecurity risk as part of its risk oversight function and has delegated the oversight of cybersecurity and other information technology risks to the Board's Audit Committee. As part of this oversight, we created the **Information Security Advisory Team** (ISAT). ISAT is comprised of senior managers and executives from multiple departments within MARA, including the IT, finance, legal, and operations departments. ISAT oversees our information security program and our strategy, including management's implementation of cybersecurity risk management. ISAT meets at least quarterly to discuss matters involving cybersecurity risks. ISAT ultimately provides information to our Audit Committee regarding its activities, including those related to cybersecurity risks. The Audit Committee also receives a briefing and continuing education from a member of ISAT relating to our cyber risk management program at least annually. ISAT is responsible for notifying the Audit Committee of material cybersecurity incidents.

TRAINING
» Annual awareness presentation on cybersecurity
» Scope includes all Board members

AUDITS
» Annual Cybersecurity Risk Assessment
» Annual SOX 404 testing
» Quarterly 302 certification

SECURITY FRAMEWORKS
» National Institute of Standards and Technology
» CryptoCurrency Security Standard

POLICIES

» Code of Conduct & Ethics Policy
» Anti-Bribery & Anti-Corruption Policy
» Corporate Governance Guidelines
» Insider Trading Policy

» Third-Party Whistleblower & Ethics Hotline available 24/7 in local languages:
  » RedFlagReporting.com
  » 1-877-647-3335

MARA™