

A global leader in technology enabled security and safety solutions

2025 Climate Risk
Disclosure Report





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Convergent is a global leader in technology enabled security and safety solutions committed to delivering exceptional results through a culture rooted in service to our customers, colleagues, and communities.

In this report, Convergent outlines our approach to climate-related financial risk disclosure in accordance with the requirements of California Senate Bill 261, Greenhouse Gases: Climate-Related Financial Risk. By aligning our disclosure with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) (June 2017), Convergent aims to provide transparent and comprehensive information that supports continued dedication to responsible business practices.

TCFD (June 17) Recommended Disclosures

	Recommendation	Consistency	Page
Governance	(A) Board oversight of climate-related risks & opportunities	Full	2
	(B) Management's role in assessing and managing climate-related risks and opportunities	Full	2
Strategy	(A) Climate-related risks and opportunities identified by the organization	Full	3-4
	(B) Impacts of climate-related risks and opportunities on the organization's business, strategy & financial planning	Full	3-4
	(C) Resilience of the organization's strategy taking into consideration different climate-related scenarios	Partial	5
Risk Management	(A) Processes for identifying and assessing climate-related risks	Full	6
	(B) Processes for managing climate-related risks	Full	6
	(C) Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Full	6
Metrics & Targets	(A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Gap	7
	(B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Gap	7
	(C) Describe the targets used by the organization to manage climate-related risks, opportunities and performance against targets	Gap	7



a. Board oversight of climate-related risks and opportunities.

Convergint and its affiliates are governed by its holding company's Board of Managers, which recognizes the importance of managing climate-related issues as part of the broader strategic and risk management agenda. At the highest level, oversight of Environmental, Social, and Governance matters, including climate-related risks and opportunities, rests with the Board's Audit Committee. Compensation and related pay equity matters are governed by the Board's Compensation Committee.

b. Management's role in assessing and managing climate-related risks and opportunities.



At the management level, all sustainability-related matters are overseen by Convergint's Chief Financial Officer (CFO), who reports to the Chief Executive Officer. The Vice President of Internal Audit leads the development of Convergint's overall sustainability strategy for the organization and works with the executive leadership team to prioritize activities and set climate-related targets.

Convergint's Business Continuity Management Team (BCMT) is responsible for coordinating crisis response, including those related to physical climate-related risks such as blizzards, floods, hurricanes, and other natural disasters. In addition, the Health & Safety team at Convergint leads the development, implementation, and continuous improvement of our safety culture, ensuring that every colleague has the knowledge, resources, and support needed to work safely every day. They guide our teams in identifying risks, promoting safe behaviors, and upholding our commitment to a safe, inclusive, and positive work environment.

- a. Climate-related risks and opportunities identified by the organization
- b. Impacts of climate-related risks and opportunities on the organization's business, strategy & financial planning

Convergint conducted a climate risk assessment to identify and evaluate potential climate-related risks and opportunities across its operations and value chain. These risks and opportunities were identified over short-term (<3 years), medium-term (3-5 years), and long-term (> 5 years) time horizons aligning with the anticipated lifespan of our assets and infrastructure and related lease arrangements acknowledging that climate impacts often develop over time.

The tables below capture our priority climate-related risks and opportunities, as well as their preliminary potential impacts on our business:

TCFD Risk/Opp. Classification	Risk or Opportunity Description	Impact	Time Horizon
Opportunities 			
Resource Efficiency/ Energy Source	Leveraging enhanced telematics and fleet electrification to optimize Convergint's transportation logistics may reduce operating costs and lower environmental impact.	<ul style="list-style-type: none"> • Reduction in transportation, inventory, fuel, and maintenance costs resulting in enhanced operating margin. • Improved service order intake and spare parts inventory management providing competitive edge through reliable service delivery. • Higher service reliability enhances brand trust and attractiveness to customers/investors, positioning Convergint as the global leader in its industry. 	Medium-term
Transition Risks 			
Policy & Legal	Upcoming climate-related regulations (e.g., California Senate Bill 219) may impose additional reporting obligations, potentially resulting in increased operating costs associated with compliance, due diligence, and enhanced reporting requirements, as well as legal action or regulatory sanctions in instances of non-compliance.	<ul style="list-style-type: none"> • Potential non-compliance with emerging sustainability regulations may lead to increased costs, including fines, fees, and penalties, as well as higher compliance expenses to establish data collection and due diligence mechanisms. • Regulatory inquiries and actions may result in operational disruptions. • Non-compliance could lead to negative media attention and reduced stakeholder trust, threatening Convergint's brand image and customer/investor relationships. 	Short-term

Transition Risks



Reputation

Failure to set climate objectives and meet stakeholder expectations may result in negative brand perception, lost business, and reduced ability to recruit/retain workforce and investors.

- Potential revenue loss or reduced funding from environmentally conscious stakeholders. Further, this transition could also introduce costs related to data collection and reporting.
- Lack of climate leadership may hinder competitiveness in sustainability-focused markets, making it difficult to attract or retain customers and top talent who prioritize environmental values.

Medium-term

Physical Risks



Acute

Severe weather events (storms, floods, hurricanes) could disrupt supply chains, increasing cost and limiting availability of critical components, impacting customer service and potentially resulting in lost revenue opportunities.

- Repeated supply interruptions are likely to increase component costs and result in revenue loss.
- These disruptions may also negatively impact reputation and operational reliability.

Short-term

Acute

Severe weather may reduce facility accessibility or damage assets, causing service interruptions, delayed project delivery, higher repair costs, potential revenue loss, and reputational impacts from repeated disruptions.

- Project delivery delays and service interruptions due to physical events may reduce reliability among customers, resulting in decreased revenue.
- These issues can also diminish the reputation as a reliable provider, potentially undermining customer confidence and stakeholder trust.

Short-term

Chronic

Service delivery delays due to weather and precipitation variability (including wildfires) may impact business operations, leading to absenteeism, decreased productivity, and increased costs for health, safety, and compliance.

- Project delivery delays and service interruptions caused by adverse weather conditions may result in reduced revenue.
- Operating costs may increase, including employee-related expenses, due to lower productivity and health and safety concerns.

Long-term



As Convergent advances its climate-related risk management practices, we remain dedicated to enhancing our insight into the potential evolution of these risks and opportunities.

c. Resilience of the organization's strategy taking into consideration different climate-related scenarios

Our enterprise-wide risk management framework maintains a robust inventory of various business risks, which are assessed, prioritized, and ranked by the respective departments within the organization. This inventory includes climate risks, which represent significant business risks. The inventory of risks is periodically reviewed with Senior Leadership and the Board's Audit Committee. As part of our broader risk mitigation strategy, Convergent's business model provides flexibility to pivot to different suppliers if needed, strengthening our resilience against potential climate-related and supply chain disruptions.

Convergent recognizes scenario analysis is a valuable tool for evaluating climate-related risks and opportunities, as well as understanding the resilience of our strategy across a range of climate scenarios for long-term value creation and risk management. Convergent is currently preparing a formal climate scenario analysis to further test the robustness of our existing strategy, evaluate options for adaptation and mitigation, and make informed decisions.



- a. Processes for identifying and assessing climate-related risks
- b. Processes for managing climate-related risks
- c. Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

In 2025, Convergent conducted a climate risk assessment to identify and evaluate climate risks and opportunities across its operations and value chain. The risk identification process drew on industry and market research and input from internal stakeholders to gain a thorough understanding of climate risks and opportunities that may be relevant to our company and industry.

Through this approach, we identified a comprehensive set of climate risks and opportunities that may be relevant to our business or industry. The assessment utilized the TCFD climate risk terminology and taxonomy to maintain a consistent and industry-aligned framework for defining and classifying risk outcomes.

We then applied a structured rating system to rank and prioritize each risk and opportunity identified as potentially relevant, assessing their potential impact and likelihood. As a result of this prioritization process, we identified six priority climate-related risks and opportunities comprised of three physical risks, two transition risks, and one opportunity.

We have implemented robust procedures to enhance operational resilience, including the regular engagement of multiple suppliers to ensure continuity and flexibility in our operations. Our Business Continuity Plans coordinate all aspects of crisis response, including climate-related risks such as blizzards, floods, fires, and hurricanes. All incidents, whether climate-related or otherwise, are managed using established procedures. These include invoking the notification system, activating predetermined task priorities—Critical, Secondary, and Deferred—and employing standardized communication plans. In addition, by incorporating ISO 14001, we enhance our commitment to systematically recognizing and evaluating environmental risks as part of our operational resilience strategy.

The transition risks and opportunities identified here represent Convergent's first formally recognized climate-related considerations and mark an important step in our overall risk management journey. Moving forward, we are committed to thoroughly assessing these risks and opportunities, determining effective response strategies, and clearly assigning ownership and responsibilities to ensure successful execution.

We are considering further integration of climate-related risk management into our overall enterprise risk management framework for the priority risks identified.



- a. **Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process**
- b. **Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks**
- c. **Describe the targets used by the organization to manage climate-related risks, opportunities and performance against targets**

The absence of climate-related metrics and targets presents a gap against the TCFD (June 2017) recommendations. In alignment with CA SB-261 guidance, we have explained these gaps and our path to remediate these gaps below.

Convergint internally tracks various environmental metrics such as use of fuel and electrical energy, but does not disclose or leverage specific metrics to assess climate-related risks and opportunities in alignment with its strategy and risk management process. While the company's broader operational and business continuity metrics capture general disruptions from a variety of sources, including weather and natural disasters, these are not currently tracked or presented as explicit climate-related measures.

Convergint is committed to understanding and managing our climate-related risks and opportunities. As part of this commitment, we are currently undertaking our first comprehensive GHG scoping and calculation assessment, which will allow us to establish a baseline for our emissions across Scope 1, Scope 2, and relevant Scope 3 categories.

At present, we do not have established climate-related targets. Our immediate focus is on identifying and quantifying our GHG emissions as stated above using recognized methodologies such as the GHG Protocol. We are committed to transparency and continuous improvement. We will disclose our baseline emissions in future TCFD-aligned reports, and update stakeholders on our performance as we advance our climate strategy.