INTER-CON SECURITY

Inter-Con Security Climate-Related Risk Assessment Report

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INTRODUCTION

As a physical security company, we recognize that climate change introduces new dimensions of risk that could impact the safety, continuity, and resilience of our services around the world. Extreme weather events, infrastructure disruptions, and evolving regulatory expectations have the potential to impact our business. In response, we are integrating climate risk considerations throughout our business strategies, from evaluating the exposure of our operations and supply chain to climate-related hazards to enhancing the resilience of our field operations so that we can continue to protect the global community.

In 2025, we took important steps toward maturing our management of climate risk. We expanded our team to include an Environmental Health & Safety Specialist to help us uncover climate risk exposure and improve our resilience planning. We also participated in the EcoVadis sustainability assessment for the second year and are leveraging the results to strengthen and advance our climate risk strategies. In addition to considering the way climate change impacts our business, we are seeking to understand the way our business impacts the world by measuring our Scope 1 and Scope 2 greenhouse gas emissions (GHGs) and laying the foundation to measure our Scope 3 GHGs in 2027. Guided by the Task Force on Climate-related Financial Disclosures (TCFD) framework, our approach reflects our commitment to maintaining reliable, resilient, and sustainable security operations in a changing climate.

OBJECT OF THIS REPORT

This report outlines Inter-Con's approach to identifying, assessing, and managing climate-related risks and opportunities across all four pillars in alignment with the recommendations of the TCFD. It applies to our owned and operated facilities, fleet operations, supply chain, and security services. The objective of this disclosure is to provide transparency around the governance structures, risk management processes, and strategic initiatives that support climate resilience across our organization. By systematically evaluating both short and long-term climate-related impacts, we aim to strengthen operational continuity, protect client interests, and ensure that our business remains adaptable and sustainable in the face of evolving environmental conditions.

OVERVIEW OF THE TCFD FRAMEWORK

The TCFD was established in 2015 by the Financial Stability Board (FSB) to develop a standardized approach for reporting climate-related financial risks and opportunities. Its recommendations, released in 2017, are structured around four pillars: **Governance**, **Strategy**, **Risk Management**, and **Metrics & Targets**. In 2023, the TCFD's responsibilities were transferred to the International Sustainability Standards Board (ISSB), which incorporated the framework into the IFRS S2 Climate-related Disclosures standard, further advancing global alignment in climate reporting.

Figure 1: The Pillars of TCFD Disclosure

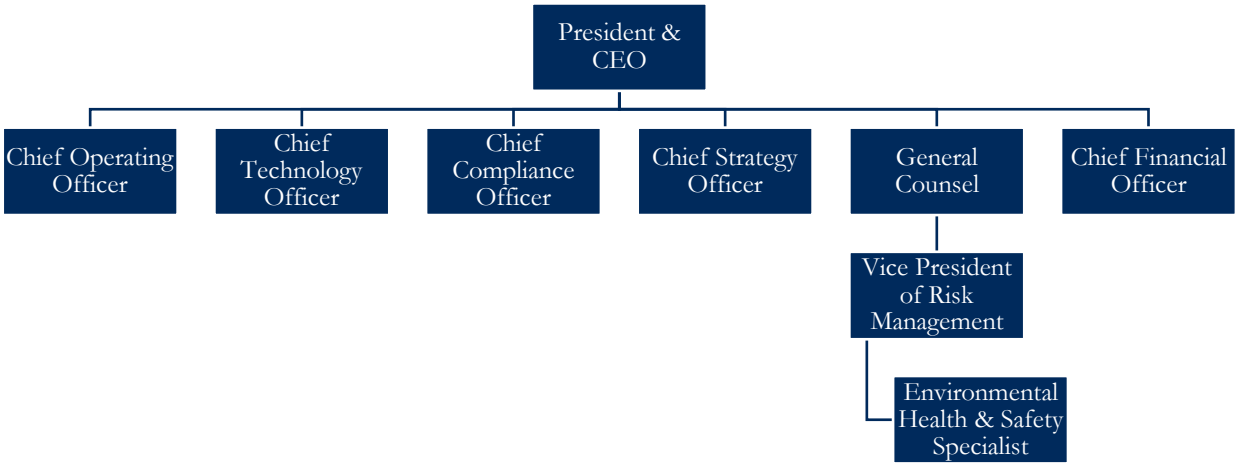
GOVERNANCE

Inter-Con has established governance structures to oversee the management of climate-related risks and opportunities across all levels of the organization. The Vice President of Risk Management is responsible for enterprise-wide risk strategy, including environmental and sustainability risks. The executive leadership team is informed of material climate-related risks and opportunities that could impact operational resilience, asset protection, or client service.

Day to day responsibility for implementing climate-related initiatives rests with the Environmental Health and Safety Specialist, supported by the Risk, Compliance and Operations departments and is bolstered by the Environmental Policy. These teams are responsible for ascertaining the implications of climate risk on Inter-Con's business operations and weaving resilience strategies into business continuity planning, fleet management, infrastructure investments, and supply chain oversight.

This governance structure ensures that climate-related issues are addressed with the same rigor and accountability applied to other strategic and operational risks. Regular engagement with senior management, with elevation of material climate threats to the executive leadership team, supports transparent decision-making and alignment with our long-term security and sustainability objectives.

Figure 2: Climate Governance



STRATEGY

Inter-Con's business strategy acknowledges that climate change has the potential to influence both the operating environment and the demand for private security services. Our climate strategy focuses on three pillars: measuring our GHG emissions, reducing our environmental impact, and building climate resiliency within our business.

Measure Our Emissions

Reduce Our Impact

Build Resiliency

MEASURING OUR EMISSIONS

Emissions data provides critical information that will enable us to better identify transition risks, such as policy, regulatory, or market shifts related to decarbonization, as well as understand our exposure to physical risks from climate change. This data will form the foundation for informed decision making and will enable us to manage climate-related risks proactively, as well as identify opportunities associated with the transition to a low carbon economy.

We are working to improve our approach to measuring Scope 1 and 2 emissions and continue to closely monitor the evolving development of measurement techniques for Scope 3 emissions. We are on track to disclose our Scope 1 and 2 emissions in 2026 and Scope 3 emissions in 2027 in compliance with California's Senate Bill 253.

Scope 1

Direct GHG emissions that occur from sources that are owned or controlled by our organization

Scope 2

Indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling

Scope 3

Indirect emissions that occur as a result of our operations within our value chain

REDUCING ENVIRONMENTAL IMPACT

Once a robust emissions baseline is established and confidence in measurement methodologies is achieved, we plan to set formal emissions reduction targets aligned with our broader climate strategy.

In parallel, we are exploring ways to integrate climate impact considerations into our day-to-day operations. In 2024, we expanded our electric and hybrid vehicle fleet to 158 vehicles, reflecting our commitment to reducing our environmental footprint and enhancing resilience to extreme weather and infrastructure disruptions. We also maintain six electric vehicle charging stations at our headquarters. Our operations and facilities teams partner to identify opportunities to further reduce the environmental impact of our business activities. By modernizing our fleet with energy-efficient vehicles and improving emergency preparedness across field operations, we are taking meaningful steps to ensure service continuity while being mindful of our environmental footprint.

BUILDING RESILIENCY

Over the medium to long term horizon, we anticipate that climate change may reshape security dynamics globally, including increased demand for protective services in disaster-affected regions, greater emphasis on securing critical infrastructure, and heightened client expectations for sustainability within security operations.

Physical Risk

The physical impacts of climate change, including **acute** events such as extreme weather and **chronic** changes such as rising sea level

Transition Risk

The impacts that result from the transition to a lower carbon economy, driven by regulatory change, shifts in supply chain or consumer demand

As a world leader in security, we are committed to ensuring our business growth aligns with both resilience objectives and client expectations for sustainable practices. By embedding climate awareness into our long-term strategy, we aim to remain a trusted partner in safeguarding people, assets, and operations in an increasingly complex and climate-affected world.

ANALYZING CLIMATE SCENARIOS

In 2025, we conducted a qualitative, interview-based assessment with key internal stakeholders from across the organization to better understand potential exposures and vulnerabilities across our operations. We have defined three-time horizons to support our analysis of risks and opportunities, including short-term (0-5 years), medium term (6-10 years), and long term (11+ years). Insights from this assessment enabled us to identify our most significant risks and opportunities, and are informing our understanding of how climate-related events may affect our people, facilities, fleet operations, and service delivery in high-exposure regions. Based on this analysis, climate change is not projected to significantly increase our facilities' exposure to physical climate risk in the near or medium term.

Table 1: Most Significant Climate-related Risks

Type of Risk	Category	Description	Time Horizon	Business Impact	Business Response
Physical	Acute	Increased frequency of extreme weather events (storms, floods, wildfires, hurricanes) disrupting operations and client sites.	Short to Medium Term	Service interruptions, personnel safety risks, higher insurance and operational costs, and damage to facilities or fleet.	We recognize that physical climate risks, such as extreme weather events, could impact our business in a number of ways. Our ability to provide physical security could be impacted by our employees' inability to safely access work sites. We primarily operate from client-owned locations, but could also incur minimal additional operational costs from repairing our owned facilities or our fleet damaged due to extreme weather events. Therefore, we have developed a comprehensive business continuity plan to address physical threats to our employees, facilities and operations. Additionally, our leadership team considers the impact of increased insurance, operational costs, and physical damage in its strategic planning.
Physical	Chronic	Gradual temperature rise, heat stress, or sea level rise affecting assets or limiting outdoor operations.	Medium to Long Term	Reduced operational hours, higher energy costs, need for facility relocation, or increased	We recognize that chronic climate risks, such as gradual temperature rise or heat stress could impact our ability to provide physical security in a number of ways. Gradual temperature rise could result in higher energy costs. Additionally, temperature rise

				equipment maintenance.	could pose a safety risk to employees who are stationed outdoors, resulting in reduced operating hours and unhealthy working conditions. The safety of our 35,000 global employees is a top priority of our leadership team. We recognize the potential impact of chronic physical climate risk to our business and are considering ways to further enhance the resilience of our operations.
Transition	Market & Client Expectations	Clients increasingly require sustainability credentials or low-carbon service models from vendors.	Short to Medium Term	Loss of competitive advantage if sustainability standards are not met; conversely, opportunity to win new contracts if achieved.	We understand that our clients are becoming more focused on sustainable sourcing and the environmental impact of their supply chain. We have expanded our team to include an Environmental Health and Safety Specialist who is working alongside business leaders to ensure that we are integrating sustainability considerations into our operations. Additionally, we appreciate the importance of meeting sustainability standards and achieving sustainability credentials, and so we have begun to expand our participation in climate risk surveys. We have completed the EcoVadis climate risk assessment annually since 2024 and are using the results to improve our sustainability strategies.
Transition	Technology	Shift toward low-emission technologies (e.g., electric fleet, energy-efficient surveillance systems).	Medium to Long Term	Upfront capital expenditure but potential cost savings and risk reduction over time.	We have begun to consider ways to minimize the environmental impact of our operations and are focused on reducing emissions by modernizing our fleet. In 2025, we expanded our electric and hybrid vehicle fleet to 158 vehicles. Our operations and facilities teams are working together to identify opportunities to further reduce the environmental impact of our business activities.
Transition	Reputation	Stakeholder and client expectations for ESG transparency and climate action.	Short to Long Term	Reputational damage or loss of contracts if the company lags behind peers on	We appreciate that stakeholders expect ESG transparency and climate action. Therefore, we are taking a measured approach to making sustainability commitments, because we want

				sustainability commitments.	to ensure that they are achievable. We have begun a phased approach to measuring our Scope 1, 2, and material Scope 3 emissions and plan to set emissions reduction targets after we better understand our environmental footprint.
Transition	Policy & Regulatory	Introduction of carbon pricing, emissions reporting mandates, or climate disclosure regulations affecting suppliers or operations.	Medium Term	Increased compliance and reporting costs; potential penalties or reputational risk for non-compliance.	We have been following the evolving landscape of climate disclosure regulations and emissions reporting mandates and are well positioned from a compliance standpoint. We have started critical work, including gathering emissions data, beginning to establish internal controls, and engaging a third-party consultant to support us in complying with CA's SB 253 emissions disclosure requirements.

Table 2: Most Significant Climate-related Opportunities

Type of Risk	Category	Description	Time Horizon	Business Impact	Business Response
Resource Efficiency	Operational Optimization	Adoption of energy-efficient technologies, renewable energy sources, and sustainable fleet management.	Short to Medium Term	Reduced fuel and energy costs, lower emissions, improved operational resilience.	In 2025, we expanded our electric and hybrid vehicle fleet to 158 vehicles. We also maintain 6 EV charging stations at our headquarters. In addition to reducing our environmental impact, this move will enhance our resilience to extreme weather and infrastructure disruptions. Our leadership team continues to explore energy-efficient technologies that could reduce our fuel costs and improve operational resilience.
Markets	Client Demand Growth	Rising demand for security in climate-stressed areas (e.g., post-disaster zones, critical infrastructure).	Medium to Long Term	Increased demand for specialized security services and resilience consulting.	As physical climate risks become more prevalent, we recognize an opportunity to serve more clients due to a rising demand for security in climate-stressed areas. Whether it be physical asset protection due to flooding or hurricanes, or stabilizing post-disaster zones, we anticipate an increased demand for specialized security services.

Resilience	Business Continuity & Adaptation	Strengthening resilience of assets, supply chains, and workforce through adaptation planning.	Short to Long Term	Reduced disruption, improved reliability, and enhanced brand trust.	We have become a global leader in security through strategic organic growth. By strengthening the resilience of our assets, supply chains, and workforce to climate risk, we will be better positioned to serve without disruption.
Reputation	ESG Leadership	Demonstrating strong performance in sustainability ratings (e.g., EcoVadis, CDP).	Short to Medium Term	Competitive advantage in procurement processes and improved investor and client confidence.	We understand that demonstrating strong performance in sustainability ratings is good for our business and gives us a competitive advantage in procurement processes. Therefore, we have dedicated resources to exploring and enhancing our work in sustainability surveys and ratings, and aim to continually improve our performance.

RISK MANAGEMENT

The Environmental Health and Safety Specialist works closely with team leaders from across the organization to identify climate impact to fleet operations, service delivery, and demand in high-exposure areas, and develop processes for monitoring and responding to such risks. The Risk and Compliance teams coordinate closely with operational units to ensure that identified risks are integrated into strategic planning. This structured approach enables us to proactively manage climate-related risks, safeguard critical operations, and maintain continuity of service to clients under a wide range of environmental conditions. We have taken steps to improve mitigation measures, including strengthening infrastructure resilience, enhancing redundancy in communications and power systems, implementing emergency response and continuity protocols, and investing in adaptive technologies and training. Our IT systems are fully cloud-based and are diversified between multiple providers and geographic data center locations.

We follow a comprehensive business continuity plan to minimize the impact to our business of acute physical climate risks, including fires, floods, earthquakes, extended power interruptions, and other disasters. We have not yet conducted quantitative scenario analysis, however, we view this as a future opportunity to further enhance our understanding of climate-related risks and inform long-term resilience planning.

METRICS AND TARGETS

In 2024, we implemented an Environmental Policy which formalizes our commitment to reducing our environmental footprint through: sustainable sourcing, promoting energy and water conservation, promoting resource efficiency and thoughtful waste management. Inter-Con uses a range of metrics to monitor and evaluate progress in managing environmental impact and climate-related risks and opportunities. These metrics support transparency, performance tracking, and alignment with our broader environmental, social, and governance objectives. Leaders across our organization are working together to identify additional operational and resilience metrics that could be impactful to our business.

OPERATIONAL METRICS

Operational Metrics include energy consumption, fuel usage, and GHG emissions associated with fleet operations, facilities, and business travel. Inter-Con is implementing improved data collection processes to enhance the accuracy and completeness of these metrics across all operational regions.

RESILIENCE METRICS

Resilience metrics are being developed to track performance in areas such as business continuity readiness, infrastructure risk assessments, and climate-related incident response times. These indicators will help evaluate the effectiveness of our adaptation and preparedness measures.

TARGETS

We are taking steps to understand our environmental impact, including improving our data collection processes to enhance the accuracy and completeness of our Scope 1, Scope 2, and material Scope 3 GHG emissions. We are pursuing a phased approach to measuring our carbon footprint and will be disclosing our GHG emissions in compliance with regulations codifying California's SB 253. We are simultaneously strategically reducing operational GHG emissions through increased use of energy-efficient vehicles, facility upgrades, and renewable energy adoption where feasible. We aim to set emissions reduction targets after we are confident in our approach to measuring emissions.

Progress against these metrics is reviewed annually by the executive leadership team. This process ensures accountability, supports informed decision-making, and reinforces Inter-Con's commitment to sustainable and resilient security operations.

CONCLUSION

Inter-Con is committed to strengthening climate resilience, enhancing transparency, and integrating environmental considerations into strategic and operational planning. We will continue refining our climate-related processes, improving data quality, and advancing initiatives that support long-term sustainability and security service reliability.

Appendix

Element	Suggested Disclosure	Business Response
Governance	a) Describe the board's oversight of climate-related risks and opportunities	Inter-Con does not have a board of directors. Climate-related risks and opportunities are overseen by senior management and the executive leadership team.
Governance	b) Describe management's role in assessing and managing climate-related risks and opportunities	Oversight of climate-related matters resides with the Vice President of Risk Management, who leads Inter-Con's overall risk management strategy, including environmental and sustainability risk. The Vice President of Risk reports to the Chief Legal Officer who is a member of the executive leadership team. The executive leadership team is informed of material climate-related risks that could impact operational resilience, asset protection, or the ability for Inter-Con to serve its customers. Additionally, climate-related risks and opportunities are considered when guiding corporate strategy. Progress against sustainability metrics, including energy consumption, fuel usage, and GHG emissions associated with fleet operations, facilities, and business travel are reviewed annually by the executive leadership team. Furthermore, resilience targets to assess business continuity readiness, infrastructure risk and climate-related incident response times are under development and will be reviewed alongside sustainability metrics by the executive leadership team. Day to day responsibility for implementing climate-related initiatives rests with the Environmental Health and Safety Specialist, supported by the Risk, Compliance and Operations departments. These teams are responsible for unearthing the implications of climate risk on Inter-Con's business operations, and weaving resilience strategies into business continuity planning, fleet management, infrastructure investments, and supply chain oversight. Inter-Con's governance approach ensures that climate-related issues are addressed with the same rigor and accountability applied to other strategic and operational risks. Regular engagement with senior management, along with elevation of material climate threats to the executive leadership team, supports transparent decision-making and alignment with Inter-Con's long-term security and sustainability objectives.
Strategy	a) Describe climate-related risks and opportunities that the organization has identified over the short, medium and long term	Inter-Con considers climate related risks across a short, medium, and long-term time horizon. See the table below for more information about the most significant climate-related risks and opportunities we have identified.
Strategy	b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	Inter-Con considers climate-related risks and opportunities in its strategic and financial planning. See the table below for more information about our business response to identified climate-related risks and opportunities.

Strategy	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario	We have conducted a qualitative climate scenario analysis to understand the resilience of our organization's strategy to climate risks. We are working to expand our practices to include quantitative scenario analysis. See table below for our qualitative scenario analysis.
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	Inter-Con integrates climate-related risks into its broader enterprise risk management strategies to ensure that environmental factors are identified, assessed, and managed alongside other operational and strategic risks. Climate risks are evaluated across two key categories: physical risks, which include acute events such as extreme weather and chronic changes such as rising temperatures; and transition risks, which relate to evolving regulations, market expectations, and shifts toward lower-carbon operations. In 2024, we implemented an Environmental Policy which promotes the identification and mitigation of climate-related risks. The policy supports monitoring of climate data, infrastructure vulnerabilities, supply chain evaluations, and potential impact to fleet operations and service delivery in high-exposure areas. We also consider how climate-related disruptions may influence client demand, personnel safety, and resource availability.
Risk Management	b) Describe the organization's processes for managing climate-related risks	In accordance with our Environmental Policy, we monitor climate data, infrastructure vulnerabilities, supply chain risk, and potential impact to fleet operations and service delivery in high-exposure areas. We also consider how climate-related disruptions may influence client demand, personnel safety, and resource availability. Additionally, we have employed a business continuity plan to minimize the impact of acute physical climate risks to our business, and are managing scenarios resulting from fires, floods, earthquakes, extended power interruptions, and other disasters. Mitigation measures include strengthening infrastructure resilience, enhancing redundancy in communications and power systems, implementing emergency response and continuity protocols, and investing in adaptive technologies and training.
Risk Management	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The Risk and Compliance teams coordinates closely with operational units to ensure that identified risks are integrated into strategic planning. This structured approach enables us to proactively manage climate-related risks, safeguard critical operations, and maintain continuity of service to clients under a wide range of environmental conditions.

Metrics and 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	Inter-Con uses a range of metrics to monitor and evaluate progress in managing climate-related risks and opportunities. These metrics support transparency, performance tracking, and alignment with our broader environmental, social, and governance objectives. Operational Metrics include energy consumption, fuel usage, and greenhouse gas emissions associated with fleet operations, facilities, and business travel. Inter-Con is implementing improved data collection processes to enhance the accuracy and completeness of these metrics across all operational regions. Resilience Metrics are being developed to track performance in areas such as business continuity readiness, infrastructure risk assessments, and climate-related incident response times. These indicators will help evaluate the effectiveness of our adaptation and preparedness measures.
Metrics and Targets	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	We have begun to measure direct emissions from owned or controlled sources (Scope 1) and indirect emissions from the generation of purchased energy (Scope 2). We are improving our approach to measuring Scope 1 and 2 emissions and are beginning to measure indirect emissions that occur in our value chain (Scope 3). We continue to closely monitor the evolving development of measurement techniques for Scope 3 emissions and will disclose our Scope 1, 2, and 3 emissions in compliance with California's Senate Bill 253.
Metrics and Targets	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	We are taking steps to understand our environmental impact, including improving our data collection processes to enhance the accuracy and completeness of our Scope 1, Scope 2, and material Scope 3 GHG emissions. We are pursuing a phased approach to measuring our carbon footprint and will be disclosing our GHG emissions in compliance with regulations codifying California's SB 253. We are simultaneously strategically reducing operational GHG emissions through increased use of energy-efficient vehicles, facility upgrades, and renewable energy adoption where feasible. We aim to set emissions reduction targets after we are confident in our approach to measuring emissions. Progress against these metrics is reviewed annually by the executive leadership team. This process ensures accountability, supports informed decision-making, and reinforces Inter-Con's commitment to sustainable and resilient security operations.