Chenega Corporation TCFD Report

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Greenplaces

Executive Summary

This climate-related financial risk report is prepared for Chenega Corporation (referred to as “Chenega” or the “Corporation”), an Alaska Native Corporation, in accordance with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD, 2017) in response to the requirements under Section 38533 of the California Health and Safety Code, known as the “Climate-Related Financial Risk Act” or “California SB 261” (California State Legislature, 2023). A Climate Risk Assessment and Scenario Analysis were conducted to evaluate climate-related risks. The assessment addresses both physical and transition risks using reputable data sources, including FEMA, Climate Central, Climate Impact Lab, and the World Resources Institute. Physical risks are assessed across multiple timeframes and climate scenarios (RCP 4.5 and RCP 8.5), while transition risks are informed by Sustainability Accounting Standards Board (SASB) industry risk categories.

This Climate-Related Financial Risk Report is prepared in conformance with the *Final Report of Recommendations of the Task Force on Climate-related Financial Disclosures* (TCFD, 2017), one of the approved frameworks under HSC § 38533. The TCFD framework was selected because it is globally recognized, directly referenced by California Air Resources Board (CARB) draft checklist, and provides a clear structure aligned with the required disclosure pillars: Governance, Strategy, Risk Management, and Metrics & Targets.

Omissions: Chenega has elected to omit its company-wide carbon footprint at this time, as this requirement is not currently included as a minimum CARB requirement for this initial reporting period.

Governance a. Describe the board’s oversight of climate-related risks and opportunities b. Describe management’s role in assessing and managing climate-related risks and opportunities	Chenega’s Board of Directors (the “Board”) provides independent oversight of the Corporation’s long-term strategy and enterprise risk profile, including climate-related risks and opportunities. As an Alaska Native Corporation (ANC), the Board’s fiduciary responsibilities extend beyond traditional financial oversight to include cultural stewardship, community wellbeing, and sustainable value creation for Alaska Native shareholders. These broader responsibilities shape the Board’s approach to resilience, operational continuity, and long-term governance. Climate-related matters are reviewed as part of the Board’s overall oversight of enterprise risks, ethics and compliance, and major strategic decisions. The Board receives updates from the President & Chief

	Executive Officer (CEO) and Senior Executive Leadership at least annually through strategic planning and risk-management processes, and on an ad hoc basis when material regulatory or climate-related developments arise. These discussions include federal procurement trends, operational resilience needs, and environmental factors relevant to both contract performance and shareholder communities. Chenega's management team is responsible for assessing and managing climate-related risks across the Corporation's multi-subsidiary structure. Oversight begins with the Corporate Leadership Team, including the President & CEO, Chief Operating Officer (COO), and Chief Ethics & Compliance Officer (CECO). The CECO plays a central role in Chenega's governance of climate matters by overseeing the ethics and compliance framework, conducting regular compliance and risk assessments, monitoring sustainability-related reporting, ensuring the accuracy and integrity of climate disclosures, and engaging regulators and stakeholders on ESG issues. Because the CECO reports directly to the CEO, climate governance is embedded within Chenega's highest-level decision-making processes. Chenega's ESG Policy assigns additional responsibility to a designated ESG Officer, who coordinates ESG-related activities across the Corporation and ensures ESG topics, including climate risk, are reviewed at least annually at C-level meetings. Operationally, climate-related considerations are integrated across Chenega's Strategic Business Units (SBUs). SBU Presidents and their Quality and Compliance teams apply corporate governance expectations within their operational domains and align practices with Chenega's ethics, compliance, and risk-management frameworks. Climate considerations are incorporated into strategic planning, procurement and contract compliance, operational resilience and emergency planning, business continuity processes, and training programs. This distributed yet coordinated model enables Chenega to incorporate climate considerations into both enterprise-level governance and routine operational decision-making.
Risk Management a. Describe the	Chenega conducts forward-looking climate risk modeling across its office portfolio using standardized scenarios aligned with the Intergovernmental

processes for identifying and assessing climate-related risks b. Describe the processes for managing climate-related risks c. Describe how processes for identifying, assessing, and managing, climate-related risks and integrated into the organization's overall risk management	Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs). The analysis evaluates both: • RCP 4.5 (Moderate Emissions Scenario): Assumes moderate greenhouse gas mitigation efforts and climate stabilization by mid-century. • RCP 8.5 (Business as Usual Scenario): Assumes continued high emissions without significant policy intervention. Risks are assessed across three planning horizons to capture both near-term operational and long-term strategic implications: • Short-term (2025) • Mid-term (2030) • Long-term (2050) Each office location is evaluated for exposure to seven key climate hazards: extreme heat, drought, hurricanes and tropical storms, sea level rise and coastal flooding, inland flooding, wildfire proximity, and water stress. Locations receive a risk rating (Low, Medium, High, Very High) for each hazard across the scenario-time horizon combinations, creating a matrix of potential future conditions. The Risk Identification assessment process involves multiple steps: • Asset-Level Screening: Locations are geocoded and evaluated against climate hazard datasets that project future conditions under RCP 4.5 and 8.5 scenarios. This includes factors such as projected maximum temperatures, precipitation extremes, storm surge modeling, and groundwater depletion rates. • Exposure Quantification: This risk assessment was performed using headcount by office as the best available proxy to risk but does not necessarily reflect the Corporation's understanding of its material risks. • Scenario Comparison: By comparing risk ratings across RCP 4.5 and RCP 8.5 scenarios, risks that are potentially mitigable through global emissions reductions versus those that are "locked in" regardless of climate policy outcomes are identified. • Time Horizon Analysis: The Corporation tracks how risks evolve from baseline (2025) through mid-term (2030) to long-term

	(2050), identifying locations where currently low risks escalate to medium or high ratings. These "emerging risks" require proactive adaptation planning before they materialize. • Severity and Likelihood Integration: Each risk rating incorporates both the physical severity of potential climate impacts and the likelihood of occurrence within each time period. Beyond physical hazards, the Corporation evaluates transition risks stemming from policy, regulatory, market, technology, and reputational factors associated with the transition to a low-carbon economy. Chenega identifies and assesses climate-related risks through its established corporate Risk Management Plan, which outlines organization-wide processes for risk identification, qualitative assessment, response planning, and ongoing monitoring. Climate-related risks, both physical and transition, were evaluated as part of Chenega's 2025 climate risk assessment facilitated by Greenplaces, and will continue to be incorporated into the Corporation's existing risk register and risk governance practices. Risks are identified through Chenega's enterprise risk processes, which allow risks to be raised at any time by Corporate Leadership, Strategic Business Unit (SBU) management, project teams, or other stakeholders. These processes include structured risk identification procedures and ongoing reviews aligned with Chenega's Risk Management Plan. Once identified, climate-related risks are assessed using Chenega's qualitative risk-rating methodology, which evaluates likelihood and impact on mission performance, financial results, operations, assets, and people. Materiality thresholds for climate-related financial impacts that have been written into Chenega's risk policy, support consistent evaluation across the Corporation. Chenega manages risks through defined response strategies within its Risk Management Plan, including escalation, mitigation, avoidance, transfer, and acceptance. Climate-related risks are addressed through measures such as facility-level emergency action planning, SBU disaster-response plans, operational resilience measures, and compliance monitoring led by the Chief Ethics & Compliance Officer (CECO).

	Mitigation actions, where needed, are documented in the risk register and monitored through established review cycles. Quarterly and annual risk reviews, along with business continuity planning and strategic planning discussions, incorporate climate considerations alongside cybersecurity, operational, financial, and compliance risks. This integrated approach ensures that climate-related risks are assessed and managed in accordance with the same governance standards applied to all enterprise risks, while scaling proportionally as Chenega's Enterprise Risk Management capabilities continue to mature. Following its 2025 climate risk assessment, Chenega determined that no climate-related risks currently exceed the Corporation's materiality threshold. This conclusion reflects Chenega's diversified service model, distributed operational footprint, and the strength of its risk-management planning, which enable the Corporation to identify, assess, and mitigate emerging risks through structured review, documentation, and escalation mechanisms.
Strategy a. Describe the climate-related risks and opportunities the company has identified over the short, medium and long-term b. Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning c. Describe the resilience of the company's strategy, taking into consideration different climate-related	Chenega has evaluated climate-related physical risks across its operational footprint using scenarios aligned with the Intergovernmental Panel on Climate Change's Representative Concentration Pathways (RCP 4.5 and RCP 8.5) over three time horizons: near-term (current/2025), mid-term (2030), and long-term (2050). **Risks** Chenega faces a range of climate-related physical risks across its U.S. operating footprint. Hurricanes represent the most material near-term exposure, driven by the Corporation's large presence in Lorton, Virginia. Extreme heat is the next-most significant risk, affecting roughly one-fifth of operations, particularly in San Antonio and Huntsville, where higher temperatures may strain facilities and affect workforce readiness. Drought and wildfire risks are more geographically limited but still present potential disruptions. Sea level rise and coastal flooding are immaterial in the short term, as no high-risk coastal areas currently host Chenega operations, though this may change if future expansion occurs. Several locations currently considered low-risk are projected to experience significant long-term increases in climate exposure under

scenarios	both RCP 4.5 (moderate cuts) and RCP 8.5 (business-as-usual) emissions scenarios. In particular, Chenega's Massachusetts locations in Concord and Burlington shift from Relatively Low to Very High coastal-flooding risk by mid-century. Emerging risks highlight the need for forward-looking facility planning and regular reassessment of climate impacts in regions where Chenega may anticipate future growth. Under RCP 8.5, coastal infrastructure is projected to face higher inundation potential, more frequent flood events, and increased storm surge impacts. While these risks are geographically concentrated, they may elevate concerns related to site accessibility, insurance costs, and business interruption in vulnerable waterfront cities. Chenega also faces a set of transition risks shaped by evolving federal and state climate policies, procurement expectations, and stakeholder priorities. Regulatory developments, including emerging emissions-disclosure mandates, may increase compliance requirements for federal contractors. Market expectations are shifting as federal agencies place greater emphasis on sustainability practices, energy performance, and climate-ready operations when evaluating service partners. Reputational pressures may grow as agencies integrate climate resilience into security and base-operations contracts, elevating the importance of securing personnel with relevant technical and climate-informed skills. Technology-related risks stem from rising expectations for efficient building systems, lower-emission fleets, and emissions-tracking tools, which may require investment ahead of reimbursement mechanisms. As an Alaska Native Corporation, Chenega must also maintain trust with shareholder communities by ensuring that its operational climate performance aligns with broader commitments to environmental stewardship and long-term community resilience. **Opportunities** Climate-related transition trends also present opportunities for Chenega. As agencies expand requirements for energy efficiency, resilience, and emissions transparency, the Corporation is building a credible, enterprise climate management program, including annual climate-risk assessments, GHG inventories, and internal data systems that support rapid and accurate reporting. Further investments in low-emission technologies,

	efficient building systems, and emissions-tracking tools can position Chenega ahead of federal sustainability expectations while enhancing operational readiness. Chenega's SBUs, particularly Environmental, Healthcare & Facilities (EH&F) and MIOS, can expand offerings related to resilient base operations, energy management, environmental services, continuity planning, and climate-informed mission support. Developing a workforce pipeline trained in climate-resilient operations, energy management, and building automation can strengthen Chenega's ability to meet agency demands and reduce long-term labor constraints. **Resilience** Chenega enhances operational and organizational resilience through its enterprise-wide risk-management practices, business continuity planning, and the integration of climate considerations into facility, staffing, and service-delivery decisions. Climate risk assessments help the Corporation anticipate both physical and transition risks across its geographically distributed operations, while Emergency Action Plans and Disaster Response Plans guide preparedness and response to extreme weather, natural hazards, and operational disruptions. These processes support uninterrupted service delivery for federal customers and help safeguard employee health, infrastructure reliability, and mission continuity. As an Alaska Native Corporation, Chenega's approach to resilience extends beyond traditional operational measures to encompass cultural stewardship and long-term community wellbeing. Through programs led by the Chenega Regional Development Group, the Corporation advances cultural preservation, traditional ecological knowledge, and sustainable economic development as essential components of climate resilience. Initiatives focused on documenting cultural resources, supporting heritage education, expanding coastal resource development, and promoting environmental stewardship strengthen both community capacity and environmental adaptability. These efforts reinforce Chenega's role as a steward of lands and waters in Prince William Sound and help ensure that resilience planning aligns with shareholder values and Indigenous knowledge systems.

	By integrating climate insights into governance, operations, and cultural initiatives, Chenega strengthens its ability to anticipate and manage climate-related impacts, adapt to emerging transition risks in the federal contracting environment, protect mission-critical services, and support long-term resilience for both the Corporation and its shareholder communities.
Metrics & Targets a. Describe the metrics used to assess climate-related risks and opportunities in line with strategy and risk management process b. Disclose Scope 1, 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 and opportunities and performance against targets	Chenega systematically monitors its locations for exposure to upper quintile physical climate risk and integrates this analysis with financial metrics at each site. By linking climate vulnerability with personnel data, the reporting company is able to identify which locations may face the greatest potential financial impact from climate-related hazards such as extreme weather events, flooding, or prolonged heat stress. This approach enables Chenega to prioritize resilience planning, allocate resources more effectively, and proactively manage risks to both operations and long-term financial stability. Chenega has calculated its GHG footprint for FY2024 with the support of a qualified 3rd party carbon accounting vendor but is electing not to report under SB 261. The company plans to measure and pursue limited assurance over its FY2025 footprint in preparation for SB 253. Chenega recognizes that risks associated with emissions include potential regulatory costs, reputational pressures, and changes in client or supplier expectations as carbon reporting becomes increasingly standardized. Chenega does not currently have any climate-related targets, but may consider setting them in the future.

This report has been prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to ensure compliance with CA SB 261, as amended by CA SB 219.

The information presented in this report reflects our current assessment of climate-related risks and opportunities to our business operations, revenues and expenditures, based on available data, methodologies, assumptions and third-party sources. Certain disclosures may be required by California law

regardless of their materiality under U.S. federal securities laws, and references to "material" in this report are intended solely in the context of applicable TCFD-aligned disclosures.

This report includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our sustainability goals, plans, commitments, expectations, strategies and results, as well as related business and stakeholder impacts. Forward-looking statements can be identified by words such as "may," "could," "will," "goal," "estimates" or words of similar meaning. Forward-looking statements reflect our current views about our goals, plans, commitments, expectations, strategies and results, which are based on information currently available to us and on assumptions we have made. Forward-looking statements and underlying assumptions are subject to inherent uncertainties, including evolving regulations, market conditions and scientific understanding. Although we believe that our goals, plans, commitments, expectations, strategies and results as reflected in or suggested by any forward-looking statements are reasonable, we can give no assurance that they will be attained or achieved. We may determine, in our discretion, that it is not feasible or practical to implement or complete certain of our sustainability goals, plans, commitments, expectations or strategies based on cost, timing or other considerations.