



The Chefs' Warehouse

TCFD Index





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Governance

The Chefs' Warehouse Inc.'s (TCW) Board of Directors maintains comprehensive oversight of climate-related risks and opportunities through a well-defined governance structure.

The Environmental Social and Governance (ESG) Committee, established in 2022, serves as the primary body responsible for overseeing TCW's framework, external reporting, and shareholder proposals related to climate and environmental matters. It also delivers regular updates to the Board, ensuring transparency and effective communication. The ESG Committee actively advises the company's senior executives on our ESG strategy by offering direct guidance to help mitigate risks and safeguard business continuity.

Our senior leadership team is dedicated to effectively managing and mitigating a wide range of risks that have the potential to impact our business and financial performance, including physical and transition risks. These risks are of paramount importance and are consistently reviewed and discussed by our leadership team at regular intervals, fostering a proactive approach to risk management throughout the organization. We integrate climate considerations into our senior leadership risk management framework, which allows us to identify, evaluate, and prioritize these risks effectively.



Strategy

Our first Climate-related Risk and Opportunity assessment to understand the relevant climate-related risks and opportunities over the short-, medium-, and long-term are summarized in the table below. To facilitate this assessment, we engaged a third-party consultant to host Climate Risk and Opportunity Workshops and an Education Session for functional leaders at The Chefs' Warehouse. This qualitative assessment was intended to examine our strategic resilience to future climate impacts, recognizing that climate change will continue to evolve over the coming decades. While The Chefs' Warehouse has not conducted a formal quantitative scenario analysis for this reporting period, we have evaluated our strategy's resilience across key business operations and geographic footprint. For compliance purposes, this qualitative assessment is considered reasonable in relation to the TCFD framework.

As it relates to business strategy and for climate-related planning, The Chefs' Warehouse considers the following time horizons:

- **Short-term:** 0-2 years
- **Medium-term:** 3-7 years
- **Long-term:** 8+ years

Additionally, when assessing potential impact, we evaluate the following financial measures:

- + potential financial benefit
- potential financial liability

Climate-Related Risks, Opportunities, and Strategy Table

Risk/ Opportunity	Description	Strategy	Time Horizon	Potential Impact
Policy & Legal Risk	Increased climate-related reporting obligations (i.e., California Climate Law, EU)	Our legal team monitors climate-related reporting obligations and streamlines reporting efforts.	Short	- Increased compliance costs



Climate-Related Risks, Opportunities, and Strategy Table *cont.*

Risk/ Opportunity	Description	Strategy	Time Horizon	Potential Impact
Policy & Legal Risk	Federal and State regulation on refrigeration upgrades and systems conversion (e.g., California banning Freon)	The Chefs' Warehouse's Director of Facilities regularly reviews Federal and State regulations as part of a proactive approach to anticipate regulations and their implications.	Short, Medium, Long	<ul style="list-style-type: none"> - Increased CapEx converting existing refrigeration systems - Fines for noncompliance + Increased regulation can lead to a more difficult business environment which can lead to less competition - Suppliers subject to the same regulations could pass costs on to The Chefs' Warehouse
Policy & Legal Risk	State regulations requiring Zero Emission Vehicle (ZEV) fleet requirements	The Chefs' Warehouse's Director of Facilities regularly reviews Federal and State regulations as part of a proactive approach to get ahead of regulations and their implications.	Medium, Long	<ul style="list-style-type: none"> - Increased CapEx costs for updating and replacing the fleet
Policy & Legal Risk	Regulations following California WAIRE (e.g., Seattle, NYC, Denver)	The Chefs' Warehouse's Director of Facilities regularly reviews Federal and State regulations as part of a proactive approach to anticipate regulations and their implications.	Short, Medium	<ul style="list-style-type: none"> - Increased compliance costs + Lower operating expenses
Policy & Legal Risk	Increased regulations related to organic certifications	Our Food Safety team certifies organic items and facilities, and conducts regular audits.	Short, Medium	<ul style="list-style-type: none"> - Increased compliance costs
Technology Risk	Increased costs and increased installation complexity for sustainable and low-carbon products/technologies/materials. Traditional fleet tech and refrigeration systems may become obsolete.	We pilot new technologies where financial and operational incentives exist.	Short, Medium, Long	<ul style="list-style-type: none"> - Increased CapEx required to upgrade to more energy-efficient and lower-emission systems + Lower OpEx related to energy costs - Accelerated depreciation and replacement of outdated systems



Climate-Related Risks, Opportunities, and Strategy Table *cont.*

Risk/ Opportunity	Description	Strategy	Time Horizon	Potential Impact
Market Risk	Changing diet preferences of consumers (natural and organic products) can affect supply chain sourcing	The Chefs' Warehouse is ready to adapt to changes in market demand and respond accordingly.	Short, Medium, Long	+/- Changes in demand for certain food products
Market Risk	Increased upstream and downstream requests for ESG & climate-related information (e.g. policies, programs, results) from suppliers and customers	We are simplifying supplier onboarding to efficiently address ESG and climate-related requests.	Short, Medium, Long	- Increased compliance costs related to reporting
Reputation Risk	Environmental/Climate programs and disclosures not being seen/ received as sufficient by customers, investors, and regulators	We continue to execute our lower-carbon journey and communicate efforts to stakeholders.	Short, Medium	- Changes to sales volume - Increased scrutiny of the company
Chronic Physical Risk	Long-term shifts in climate patterns will impact the global food supply	Our decentralized supply chain allows flexible sourcing adjustments in response to impacted regions. We have multiple SKUs for each food product, allowing for flexible shifting of suppliers for the same product.	Long	- Lower amount of food supply, not able to meet demand - Increased costs from food suppliers
Acute Physical Risk	Increased frequency and magnitude of acute weather-related events, driven by climate change, can disrupt operations and damage our facilities (E.g., Blizzards in Northeast, heatwaves or flooding in Texas, hurricanes in Florida, drought/fires in Southern California)	Our warehouses and facilities are typically located in commercial areas, away from sea level, minimizing risk exposure. We have installed backup generators in various locations and continue to analyze locations where onsite generation makes sense.	Short, Medium, Long	- Inability to service customers and operational downtime - Contribute to operational downtime
Acute Physical Risk	Global adverse weather events can affect sourcing	We have multiple SKUs for each food product, allowing for flexible shifting of suppliers for the same product.	Short, Medium, Long	- Supply chain disruption or increased costs due to lack of supply



Climate-Related Risks, Opportunities, and Strategy Table *cont.*

Risk/ Opportunity	Description	Strategy	Time Horizon	Potential Impact
Resource Efficiency Opportunity	Onsite energy efficiency, e.g., LED lighting in warehouse facilities	We regularly review energy efficiency opportunities with Facilities Managers & Lease Holders.	Short	+ Potential lower operating costs related to energy - Potential increased CapEx costs + increased rents
Resource Efficiency Opportunity	Logistics optimization and EV implementation	We will continue to implement fleet optimization and work towards our EV goals (see Metrics/Targets section for more details)	Short, Medium	+ Lower operating costs as a result of reduced fuel/power spending - Potential increased CapEx costs
Energy Sources Opportunity	Onsite generation through use of solar panels	Facility Managers regularly review opportunities to install onsite solar at facilities. When available, we leverage state and federal tax incentives/rebate programs for energy efficiency and renewable energy installations.	Short, Medium	+ Lower operating costs related to energy + Increased resiliency and decreased downtime and financial losses during weather-related events - Increased CapEx costs
Product/ Service Opportunity	Sourcing food from alternative or atypical climates (most immediately, produce)	We have multiple SKUs per food product which allows for flexible shifting of suppliers to alternative areas.	Short, Medium, Long	+/- Costs to source from alternative areas compared to traditional + Ability to meet customer demand by shifting sourcing
Resilience Opportunity	Installing backup power (generators, solar battery storage, portable E-POWER, etc.) at facilities	Capital expense plan to install additional generators across facilities	Short, Medium	+ Increased resiliency and decreased downtime and financial losses from weather-related events - Additional upfront costs

The Chefs' Warehouse's climate risk analysis has identified its exposure to factors which could result in both physical and transition risks. Based on information currently made available to The Chefs' Warehouse, we believe that no risks assessed were deemed material to our financial and/or business operations. However, we continue to monitor and track both physical and transition risks on a biennial basis and assess the potential of additional material risks and reserve the right to amend and/or update the contents herein upon discovery of new or additional facts reasonably discovered by or otherwise made available to The Chefs' Warehouse.



Risk Management

Risks identified through this assessment are evaluated based on their potential impact and the estimated time horizon for their occurrence. Beyond developing robust capabilities to address these risks, we remain committed to ongoing monitoring and adherence to both existing and emerging climate-related regulatory standards.

We treat environmental risks with the same level of importance as other business risks, underscoring our dedication to responsible and resilient operations. Our organization recognizes that the inherent nature of our activities subjects us to various climate-related challenges. Accordingly, we systematically evaluate physical risks as well as those associated with the transition to a low-carbon economy.

Given the increasing urgency of global warming, we prioritize identifying and continually monitoring environmental and climate-related risks across our business, operations, and supply chain. We are dedicated to formulating and implementing proactive strategies for both mitigation and adaptation of climate risks. Transparency is fundamental to our approach as we regularly share pertinent information about our climate-related risks and opportunities with stakeholders. By fostering open communication, upholding sound governance practices, and acting proactively, we aim to build trust and support a sustainable future for our organization and the markets we serve.



Metrics and Targets

In 2025, The Chefs' Warehouse completed our first Scope 1 and 2 greenhouse gas (GHG) emissions inventory. The inventory represents The Chefs' Warehouse's Scope 1 and Scope 2 GHG emissions for the reporting year of January 1, 2024, to December 31, 2024, aligned with our fiscal year end. The emissions reported for 2024 were calculated using the GHG Protocol Corporate Accounting and Reporting Standard prepared by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Scope 1 Emissions are direct emissions from sources that are owned or controlled by an organization. These include emissions from company-owned vehicles, production facilities, and on-site fuel combustion. Essentially, any emission that arises directly from company assets would fall into this category. Scope 2 Emissions are indirect emissions from the generation of purchased energy, such as electricity, steam, heating, and cooling consumed by The Chefs' Warehouse. These emissions are not directly controllable by The Chefs' Warehouse since they originate from the energy production process.

2024 GHG Emissions

GHG Emissions in Metric Tons of Carbon Dioxide Equivalent (CO ₂ e)	2024	%
Scope 1 Emissions	14,838	50.2%
Fleet	4,995	16.9%
Facility Heating	1,799	6.1%
Refrigerants	8,044	27.2%
Scope 2 Emissions (Location-based)	14,575	49.3%
Scope 2 Emissions (Market-based)	14,713	49.8%
Total Scope 1 & 2 Emissions (Market)	29,551	100.0%

The Chefs' Warehouse has ambitious goals for fleet optimization. We plan to replace more than 50% of our current fleet with vehicles that improve average fuel efficiency by approximately 30% compared to the existing fleet. This significant upgrade in efficiency will have a direct and positive impact on our **continued on page 8....**



continued from page 7... carbon emissions, reinforcing our commitment to sustainability. Furthermore, we've initiated collaborations with our primary fleet supplier to pave the way for the introduction of electric-powered trucks into our fleet.

The Chefs' Warehouse demonstrates a robust and forward-thinking approach to climate-related risks and opportunities, underscoring our commitment to sustainable business practices and environmental stewardship. Through strategic governance, comprehensive risk assessment, and proactive management, we are positioning ourselves to navigate the complex landscape of climate change with resilience and adaptability.

Our governance structure, led by the dedicated ESG Committee, ensures that climate-related considerations are integrated at the highest levels of decision-making. By systematically identifying and evaluating risks across short-, medium-, and long-term horizons, we have developed a nuanced understanding of potential challenges and opportunities that climate change presents to our business.