

WOLF SUB-ZERO COVE

# 2025 Climate Report







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# Sub-Zero, Wolf, *and* Cove

Sub-Zero Group, Inc. is a third-generation, family-owned company and the industry-leading manufacturer of luxury kitchen appliance brands Sub-Zero, Wolf, and Cove. Headquartered in Fitchburg, Wisconsin, Sub-Zero Group has set a higher standard for design excellence, technological advancement, and performance for more than 80 years.

The company's iconic brands are trusted in the world's most luxurious homes. Sub-Zero pioneered the concept of dual refrigeration, ensuring that food stays fresher longer. With the acquisition of Wolf Range Company in 2000, Sub-Zero Group expanded to add residential cooking products, including ranges, cooktops, wall ovens, warming drawers, and ventilation to its offering. In 2018, the company launched Cove, a new brand focused on dishwashing solutions engineered for spotless cleaning and near-silent operation, completing the kitchen suite.







## About this Report

This report provides essential climate-related insights in line with TCFD's four key areas: Governance, Strategy, Risk Management, and Metrics and Targets. It reflects a collaborative effort to integrate climate-related risks and opportunities into Sub-Zero Group Inc.'s business strategy and operations, highlighting the significance of organizational awareness. As the company progresses on its sustainability journey, it will continue to enhance its ESG reporting. The data presented pertains to the year ending December 31, 2024.



# Governance

Each department focuses on complying with all legal and regulatory requirements in the jurisdictions where we do business and strive to go beyond compliance in our communities. We continue to strengthen the way in which we govern our company and invest in opportunities that develop innovative, safe, and efficient solutions that best meet our customers’ needs. Sub-Zero Group, Inc., is a third generation, family-owned company

that incorporates a framework of transparency amongst the executive team. Ethical decision making is demonstrated in every choice we make. As a privately owned entity, Sub-Zero Group, Inc. prioritizes the confidentiality of its employee information, including collective bargaining agreements, reflecting its dedication to privacy and ethical conduct. Our code of ethics, which applies to all Sub-Zero Group, Inc., employees, is our framework for

ethical decision-making and how we conduct business every day, throughout our value chain. Sub-Zero Group, Inc., is influenced by government decisions and legal requirements. We incorporate guidelines based on issues throughout the manufacturing industry, such as hazardous substances and the circular economy. Corporate representatives contribute their expertise to domestic and international committees and associations.





# Strategy

The Sustainability Steering Team is tasked with regularly monitoring and assessing climate-related risks—such as regulatory changes, physical impacts from climate events, and shifting consumer preferences—and opportunities, like advancements in sustainable technologies within our products. Management ensures that there are robust frameworks and methodologies in place for identifying, evaluating, and prioritizing these risks and opportunities.

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning where such information is material.

Through a supply chain climate-related risk and opportunity assessment conducted in 2024 which included both internal and external subject matter expertise, we determined that no climate-related risks are currently material to Sub-Zero Group, Inc. when applying the same threshold as to our other manufacturing risks. However, we continue to closely monitor the climate-related physical and transition risks and opportunities identified by the assessment.

Climate-related risks and opportunities were qualitatively prioritized based on their identified time horizon, probability rating, impact rating and mitigation status. This framework enables Sub-Zero Group, Inc. to methodically evaluate and manage climate-related risks while positioning itself to capitalize on emerging opportunities.

Short-term: 0–5 years                      Medium-term: 6–10 years                      Long-term: 11+ years

The most relevant climate-related risks and opportunities that were identified and further evaluated through scenario analysis are set out in the following table.

CLIMATE RELATED RISKS	TIME HORIZON	PROBABILITY RATING	IMPACT RATING	MIGRATION STATUS
Chronicle Physical				
Risk of supply chain disruptions due to climate-related events	Short-term (0-5 years)	Low	Medium	Monitoring supplier climate resilience and exploring alternate sourcing
Physical risk from increased frequency of extreme weather events affecting logistics	Long-term (11+ years)	Medium	High	Scenario planning and investing in more adaptable logistics solutions
Strengthened environmental reporting and standards	Short-term (0-5 years)	High	Medium	Adoption of water efficiency, reuse, recycling, and conservation practices
Technology				
Cost of transitioning to lower emissions products	Medium-term (6-10 years)	High	Medium	Investing in innovative technologies and sustainable processes
Policy				
Transition risk from future emissions regulations	Medium-term (6-10 years)	Medium	High	Developing products that exceed current compliance requirements and engaging in policy advocacy
Market				
Consumer behavior changes to purchasing sustainable products	Long-term (11+ years)	High	High	R&D initiatives focused on developing next-generation energy-efficient products



# Risk Management

The Sustainability Steering Team at Sub-Zero Group, Inc. is committed to identifying and mitigating risks associated with climate change to safeguard the company’s operations and financial health. Our goal is to create a robust climate risk management system that is tailored to the unique business characteristics of each affiliate within the organization.

Through the implementation of this climate risk management system, Sub-Zero Group, Inc. strives to build a robust and sustainable business model that not only meets regulatory requirements but also positions the company as a leader in sustainability within the industry. This proactive approach will enable us to safeguard our operations and drive long-term value in the face of climate change challenges.

## Metrics and Targets

The Sub-Zero Group, Inc. Sustainability Steering Team is dedicated to establishing clear metrics and objectives to effectively monitor and enhance its climate-related performance. We recognize our responsibility to implement initiatives that significantly reduce greenhouse gas emissions and advance sustainability across all aspects of our operations.

In addition to emissions data, we actively monitor regulatory compliance, stakeholder engagement, and reputation metrics influenced by climate-related risks. Our Sustainability Steering Team integrates key environmental, social, and governance (ESG) priorities into their individual performance goals, reinforcing accountability and alignment with our sustainability strategy.

## Emission Impacts: Our Products

As we are transitioning to a new internal database management system, our goal is to improve our capacity to monitor and evaluate the emission impacts of our products throughout their life cycles. This new system will enable us to conduct more comprehensive life cycle assessments (LCAs), which will offer meaningful insights into environmental effects of our appliances at every stage— from raw material extraction and production to distribution, usage, and end-of-life disposal.

By implementing this more sophisticated database management system, we reaffirm our commitment to sustainability and responsible manufacturing, ensuring that our products meet not only the highest quality standards but also the rigors of environmental management.

## Renewable Energy: Our Facilities

Sustainability is embedded in every aspect of our operations—from facility design to daily practices. Across our campuses, we are implementing strategic initiatives that reduce environmental impact and support a cleaner, more resilient future.

Currently, three company-owned facilities are equipped with solar photovoltaic (PV) systems, which help offset local utility consumption, reduce greenhouse gas emissions, and increase our reliance on renewable energy sources. In addition, several leased facilities have adopted rooftop solar PV systems, demonstrating a shared commitment to sustainable energy practices.

Looking ahead, our newest manufacturing sites in Goodyear and Cedar Rapids, along with regional distribution centers, have been intentionally designed to accommodate future solar installations. These efforts reinforce our long-term commitment to integrating sustainability into our manufacturing footprint and advancing our environmental goals.

