



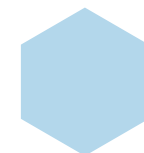
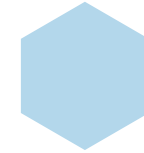
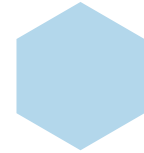
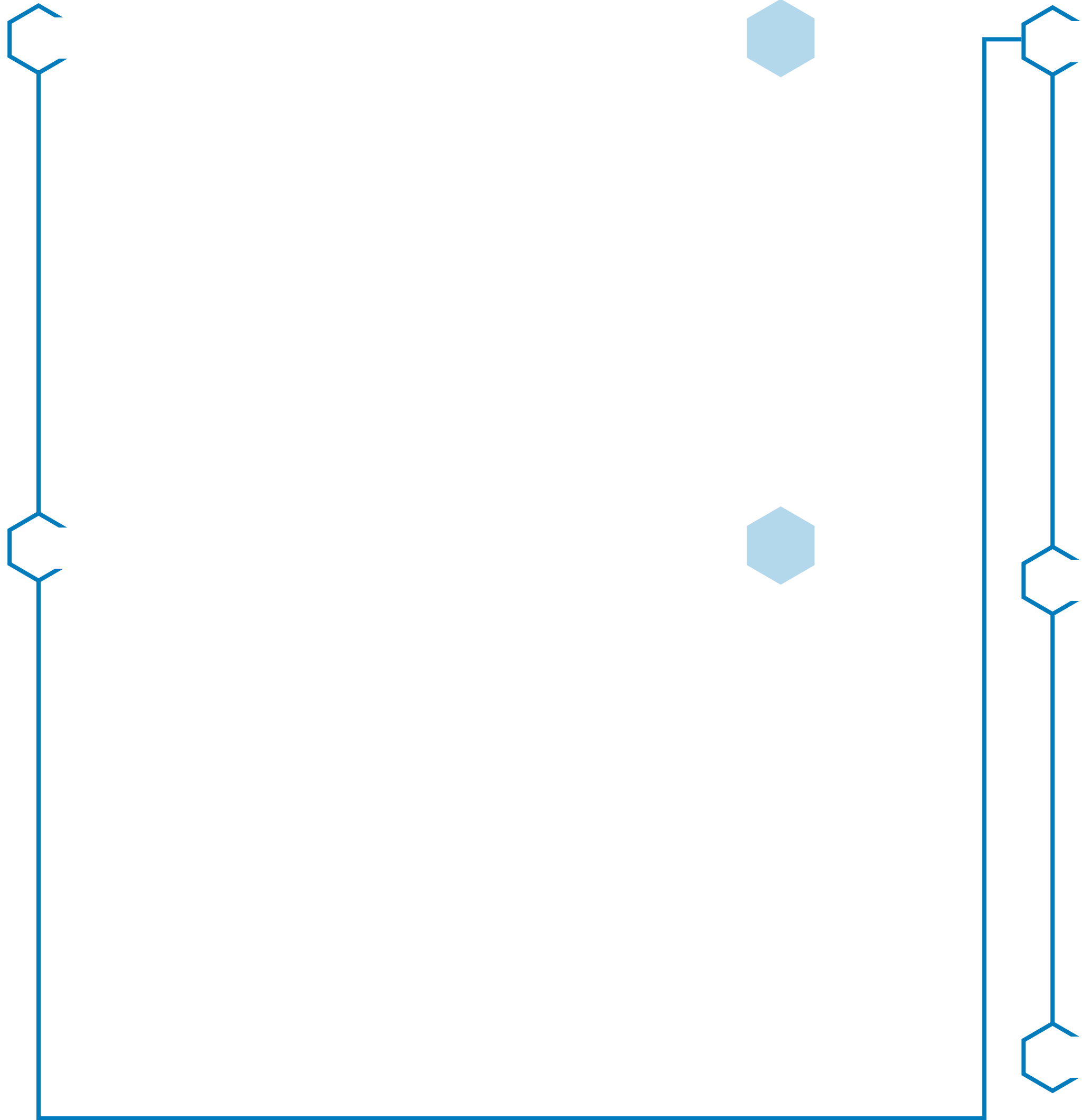
OUR ESG JOURNEY

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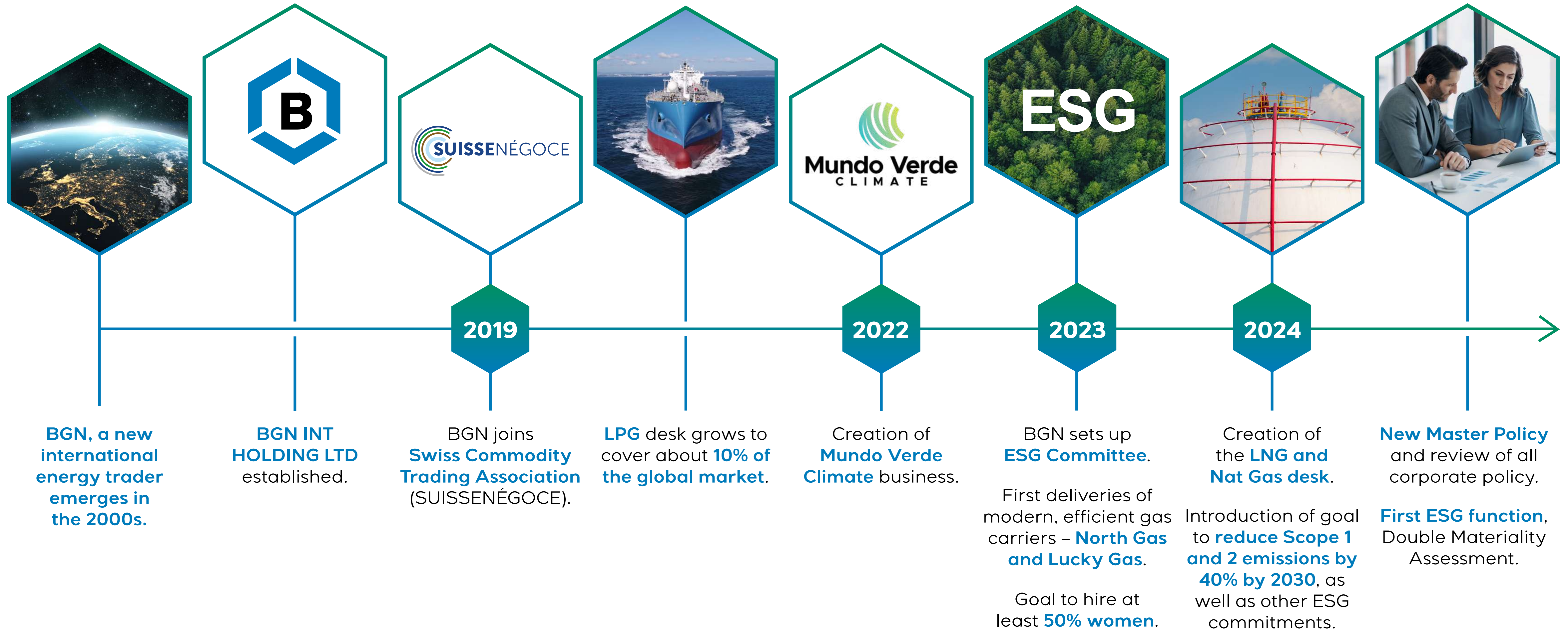




Contents



OUR ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) JOURNEY





Introduction

Group CEO Statement

As we navigate through a time of unprecedented global change, the role of sustainability within our operations has never been more critical.

We have grown our business very successfully in recent years; and with that growth comes the responsibility to re-focus on our impact, reassess what we can do regarding our Environmental, Social and Governance (ESG) goals and enhance our actions. As a result, I am delighted to introduce this document which provides transparency on our journey and invites engagement from our readers for future partnerships.

E We are aware of our role within the wider energy industry, in terms of both the impact of the products that we trade and the ships that we use to move those products. As a global business that deals with top multinationals, state-owned energy companies and some of the world's most prominent banks we believe that we have a responsibility to become one of the leaders in our sector stewarding the energy transition. Historically our portfolio has been in crude oil and condensates, and with fossil fuels accounting for 82% of world energy consumption as recently as 2023¹ they continue to form a significant proportion of our portfolio. However, reflecting the imperative for a transition, we have grown our Liquefied Petroleum Gas (LPG) trade platform leading up to 2023, believing it to be an important transition fuel. As of Financial Year 2023 (FY23), it accounts for around a quarter of our portfolio by volume, and we are one of the world's largest independent LPG trading companies with about 10% of the market share of all seaborne traded volumes. Adding to this diversification into transition fuels, I am proud of the launch of our Liquefied Natural Gas (LNG) trading desk in August 2024. With the first deals already completed, we are investing in the resources necessary to scale this business in the coming years.

S For a family-owned business with a multi-generational focus, our commitments extend beyond profits. People are at the core of what we do; fostering an inclusive, supportive, and empowering workplace remains one of our top priorities. Our vision is for BGN to be recognized as a great place to work, where our employees are proud to contribute to our shared mission.



This document is not just about showcasing and celebrating our achievements. It is a chance for communal self-reflection and holding ourselves accountable to deal with any challenges appropriately. We acknowledge the complexities of our sector, and we are committed to ensuring that our business practices meet the highest standards of integrity. I am very proud of the efforts we have made since 2023 to establish robust policies and corporate governance structures to have confidence in our business conduct. In 2024 we strengthened our ESG Committee that guides and oversees the implementation of ESG initiatives and have continued to enhance our overall corporate policy framework.

Thank you to my colleagues for your hard work and dedication to BGN. Together with our counterparties and partners, we'll continue to drive our business and industry forward responsibly and sustainably.

Rüya Bayegan

(Group CEO)



¹ Source: Energy Institute 2023 Statistical Review of World Energy. 2023 81.5% of the world's energy needs met by fossil fuels.



Introduction

Our Vision & Mission

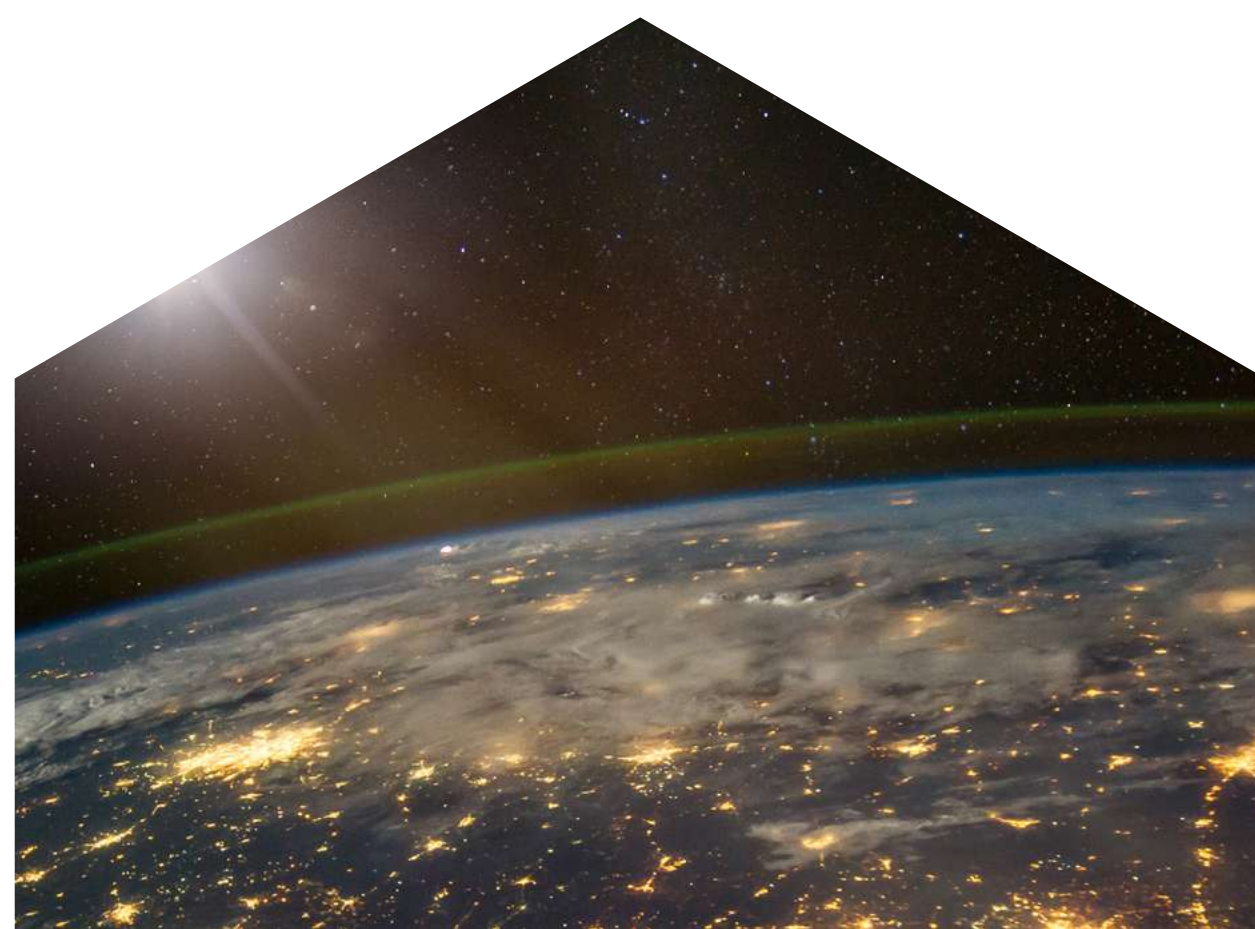
Our Vision

“ To be one of the leaders in our sector stewarding the energy transition while fostering a culture of collaboration and employee well-being, making BGN the preferred partner and employer in the energy and commodity trading industry.

We emboldened our vision in 2024 and we are working on a multi-year action plan to continue our journey in this direction.

Our Mission

“ To expand our international energy and commodity trading business by investing responsibly in assets and technologies, people and partnerships, to efficiently meet supply and demand needs amid the energy transition.





Introduction

Our ESG Ambition

BGN is incorporating key ESG factors into decision-making processes.

Below, we outline the key priority areas where we are determined to drive improvements and make a positive impact. Each section of this document begins with our stated ambition, followed by an overview of our current activities, and concludes with insights into our future plans.

Environmental Ambition

A key highlight of our environmental ambition is to reduce Scope 1 and 2 emissions by 40% by 2030. We are also committed to aligning with the International Maritime Organization's (IMO) decarbonization strategy in the long term, aiming to reduce greenhouse gas (GHG) emissions from international shipping in line with the IMO 2023 Strategy.

Social Ambition

Our social ambition involves tracking employee experiences, across diversity metrics. By creating this evidence foundation, we aim to improve retention rates and create a thriving workplace. Ultimately, we seek to foster a diverse and inclusive workplace that reflects our communities. Our commitment to respecting human rights is at the core of our company culture, and we recognize the broader social responsibilities within our industry. We are committed to aligning our practices with ethical standards, including respect for human rights, fair treatment, and transparency across our operations and partnerships.



Governance Ambition

We are committed to maintaining high standards in anti-bribery and corruption through comprehensive policies, processes, and training. This document represents part of our broader commitment to transparency, which we continually strive to enhance in our communications and practices.



Introduction

About This Document

The data and statements presented in this document pertain specifically to BGN INT HOLDING LTD and its subsidiaries, collectively referred to as BGN throughout the report. Any reference to BGN exclusively refers to BGN INT HOLDING LTD and its subsidiaries unless explicitly stated otherwise.

BGN INT HOLDING LTD was established in 2017 by Růya Bayegan, to further develop BGN's trading and logistics operations, mainly dealing in energy products. It is incorporated as a limited liability company under the Companies Act, Cap. 386 of the Laws of Malta with registration number C80522. Its registered office is Level 4 Suite 4 Office 4 Plaza Commercial Centre, Bisazza street, Sliema SLM 1640, Malta.

All active subsidiaries within the scope of this document, as per our consolidated financial statements, are listed below. Other subsidiaries that are within our consolidated financial reporting scope but are either inactive or dormant, do not impact the activities relevant to this document and are not listed:

- ◆ BGN INT DMCC
- ◆ BGN SA
- ◆ BGN INT PTE. LTD.
- ◆ BGN ENERGY MAROC
- ◆ BGN INT LLC
- ◆ BGN INT B.V.
- ◆ MUNDO VERDE CLIMATE SA

Where figures are disclosed, we have clearly indicated the applicable years. As this is our inaugural document on ESG activities, we have included references to notable events from previous years, along with the most up-to-date insights available at the time of publication, to provide a comprehensive overview.

For further information on this document or to share feedback, please contact our ESG Team at esg@bgn-int.com.

This document also includes forward-looking statements, which describe our intent based on our current understanding of BGN's progress and capacity to reach its ESG-related targets. BGN expects readers of this document to understand that these statements are made within that context and cannot be held accountable for any kind of damage arising from the reliance on these statements.





Introduction

Our Business

BGN is an international commodity trading group with a focus on energy products, backed by expertise in shipping, risk management, financing and credit management.

Our business model revolves around the physical sourcing and delivery of energy commodities, ensuring a reliable supply of essential fuels, particularly in regions where energy security remains a priority.

Currently, around 50% of our trading volumes are derived from crude oil and condensates. While fossil fuels still play a significant role in global energy systems—especially in developing nations where access to renewable infrastructure is limited—BGN is committed to supporting the transition to cleaner energy sources. Recognizing the critical importance of the global energy transition, BGN has been actively increasing Liquefied Petroleum Gas (LPG) trading, which accounts for about 25% of our portfolio. LPG is considered as a lower-carbon alternative and transition fuel within our energy mix.

To provide sustainable supply of products to our clients despite potential market fluctuations and supply chain disruptions, we effectively manage price volatility risks and ensure timely shipping of these commodities to clients who may process, consume, or further trade them.

Shipping is at the heart of our operations. To enhance our operational capacity, BGN has invested in new-build LPG vessels and continues to charter vessels from both our related-party B-Shipping, which itself invests in new-build projects specifically to support BGN's LPG growth, and third-party vessel owners.

BGN has historical links with the petrochemicals business BAYEGAN that continues to provide some administration services to BGN through shared employee in Istanbul office. BAYEGAN is an international petrochemicals distribution business based in Türkiye and owned by the Bayegan family. It has been operating since 1940 and sits independently from BGN's energy and commodities trading business.

BGN operates globally with six main offices and a physical presence in 15 additional countries. Our headquarters in Geneva, alongside offices in Rotterdam, Dubai, Singapore, Malta, and our location in Istanbul, support the company's extensive trading activities, ensuring a robust global footprint and operational efficiency.



MAIN OFFICES Representative Offices Services Location

*We have an office in Houston as part of the other trading entity BGN AMERICAS LTD.



Introduction

BGN has achieved strong economic growth in recent years. This growth reflects our global reach and the solid partnerships we have established across Asia, Europe, Africa, the Middle East, and the Americas. Alongside this progress, BGN is actively allocating resources—and will continue to do so—to reduce our environmental impact and integrate sustainable practices within our operations, ensuring our growth aligns with our commitment to responsible business practices.





Introduction

Double Materiality Assessment

In July 2024 we conducted a double materiality assessment (DMA) as part of our preparation to comply with the Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS).

Beyond regulatory compliance, a DMA also allows us to identify emerging ESG risks and opportunities, ensuring that both financial and sustainability impacts are proactively managed.

We expect to refresh the assessment process as our company continues to evolve, each time deepening our understanding and reflecting on our interdependencies and impact across the value chains in which we operate. As the first undertaking of a DMA for BGN, this included the steps highlighted below:

This assessment addresses two dimensions:

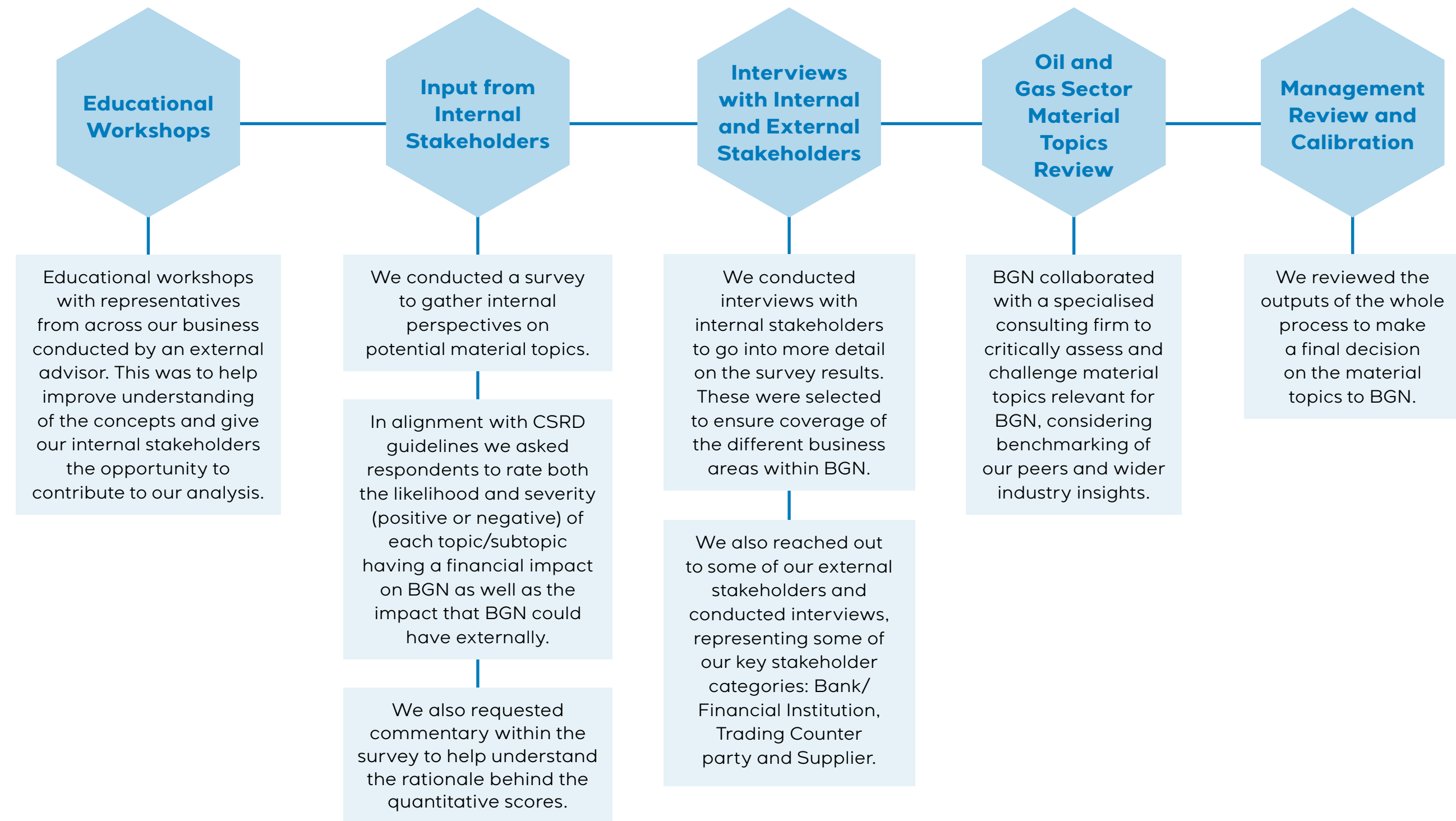
IMPACT MATERIALITY

It evaluates how BGN's operations affect society and the environment.

FINANCIAL MATERIALITY

It examines how ESG risks and opportunities may impact BGN's financial performance.

By conducting a DMA, we identified the ESG topics that are most material to our business, ensuring we are fully aware of the areas requiring attention. This process enables us to take decisive actions—whether mitigating risks or enhancing our positive impact. For a topic to be considered material, it must have significant consequences from either an impact perspective, a financial perspective, or both. Through this, we continue to align our business strategy with our commitment to sustainability and long-term resilience of our business.





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The following topics were included in the assessment. We deliberately included a broad set of categories in our assessment to give our internal stakeholders awareness of the wide scope of CSRD topics, to enable the gathering of insights on areas that may not be immediately apparent as relevant to our business, and enable a more holistic view recognizing the interconnectedness of some of the topics.

Environment Topic	Environment Sub-topic
E1. Climate change The energy used, and carbon emitted from direct operations, and business line activities across the value chain.	1. Climate change adaptation 2. Climate change mitigation 3. Energy
E2. Pollution The pollution of air, water and soil through substances of concern that affect the environment, biodiversity, human health and quality of life.	1. Pollution of air 2. Pollution of water 3. Pollution of soil 4. Pollution of living organisms and food resources 5. Substances of concern 6. Substances of very high concern 7. Microplastics
E3. Water and marine resources The use and management of water and activities which impact marine ecosystems, either through direct use of resources or discharges/emissions into water bodies.	1. Water consumption 2. Water withdrawals 3. Water discharges 4. Water discharges in ocean 5. Extraction and use of marine resources
E4. Biodiversity and ecosystems The variability and diversity of species and quality of the habitats on which they depend, includes the impact on and use of ecosystem services.	1. Direct impact drivers of biodiversity loss 2. Impacts on the state of species 3. Impacts on the extent and condition of ecosystems examples 4. Impacts and dependencies on ecosystem services
E5. Resource and circular economy The efficient use of materials and resources and the promotion of circular business models to reduce resource depletion.	1. Resource inflows, including resource use 2. Resource outflows related to products and services 3. Waste

Social Topic	Social Sub-topic
S1. Own workforce The internal working conditions and employment practices, including prevention of physical and mental harm and promotion of workers' well-being, diversity and inclusion.	1. Working conditions of own workforce 2. Equal treatment and opportunities for all in own workforce 3. Other work-related rights of own workforce
S2. Workers in the value chain The conditions of those employed by suppliers and third parties along the value chain, including fair treatment and protection of workers' rights.	1. Working conditions in the value chain 2. Equal treatment and opportunities for all 3. Other work-related rights of workers in the value chain
S3. Affected communities The social and economic effects on groups of individuals living or working in areas close to business line activities, including particularly vulnerable groups such as indigenous peoples.	1. Communities' economic, social and cultural rights 2. Communities' civil and political rights 3. Particular rights of indigenous communities
S4. Consumers and end-users The consideration and relationship with consumers and end-users, including their safety and well-being.	1. Information-related impacts for consumers and/or end-users 2. Personal safety of consumers and/or end-users 3. Social inclusion of consumers and/or end-users

Governance Topic	Governance Sub-topic
G1. Business conduct The governance structures, controls and ethical practices ensuring compliance with laws and regulations in all business interactions and operations.	1. Corporate culture 2. Corruption and bribery incidents



Introduction

As part of our materiality analysis, the results from the survey were plotted on a matrix to see the highest-scoring topics from both an impact and financial materiality perspective, presented and then further discussed in detail to determine their relative positioning.

E1 Climate Change, E2 Pollution (specifically pollution of air and water), S1 Own Workforce and G1 Governance emerged as our key material topics. These topics were strongly supported by insights from interviews, highlighting their direct relevance to BGN's operations and strategy:

E1 CLIMATE CHANGE

The responses highlighted how climate change threatens to disrupt markets both physically and through the regulatory response to mitigate it. There was widespread awareness of the industry's contribution to emissions and the parallel calculation of BGN's own carbon footprint reinforced the priority of this topic.

E2 POLLUTION

The sub-topics of pollution of air and water were identified as being the most directly related to the business lines for BGN.

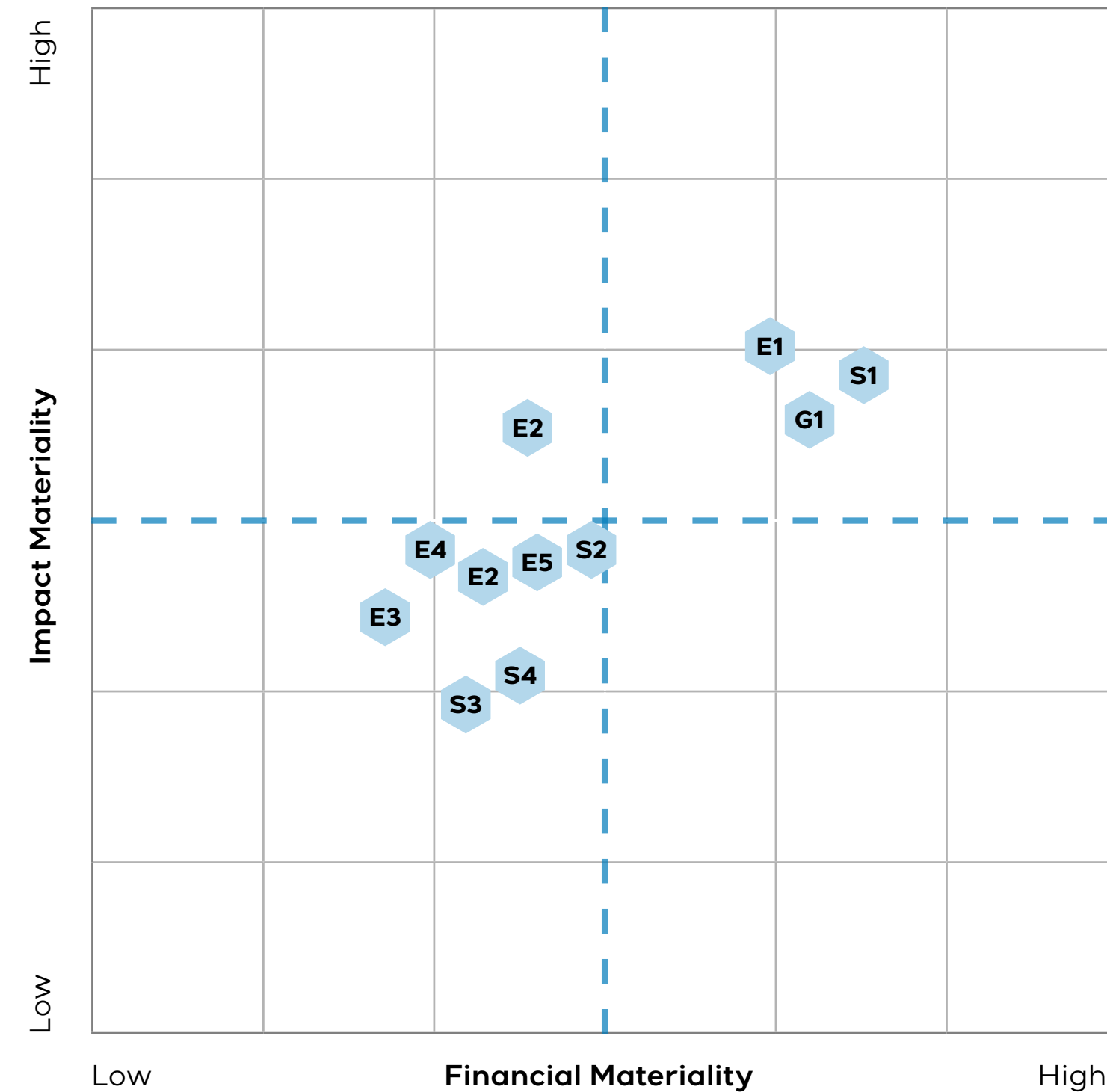
S1 OWN WORKFORCE

There was appreciation of the contribution that employees make to the business, especially as BGN is asset-light and relies on employees forming strong relationships with suppliers and partners.

G1 GOVERNANCE

There was recognition that good culture and ethical practices were important to the operation of the company and maintaining its reputation.

A summary of the final classification is shared below:



- E1** Climate change (mitigation, adaptation and energy)
- E2** Pollution
- E3** Water and marine resource
- E4** Biodiversity and ecosystem
- E5** Resource and circular economy
- S1** Own workforce (including working conditions and equal treatment and opportunities for all)
- S2** Workers in the values chain
- S3** Affected communities
- S4** Consumers and end-users
- G1** Governance (including corruption, bribery and Corporate Culture)



Introduction

E2 Pollution from microplastics, E5 Resource and circular economy and S2 Workers in the value chain were close to our indicative threshold for materiality. As these thresholds were not absolute, they were discussed further in the calibration session, taking into consideration all the insights gathered. It is important to note that these topics remain highly significant to BGN and the broader industry. However, at this point in BGN's journey we have not included them as material topics. This decision is based on evaluating their combined likelihood and the severity of their potential impact on our financial performance and our ability to make an external impact on these topics. Their exclusion as material topics from this iteration of the materiality analysis was not a reflection of their lack of importance but rather a result of our need to prioritize based on the combined likelihood of their financial impact and BGN's current capacity to influence them meaningfully.

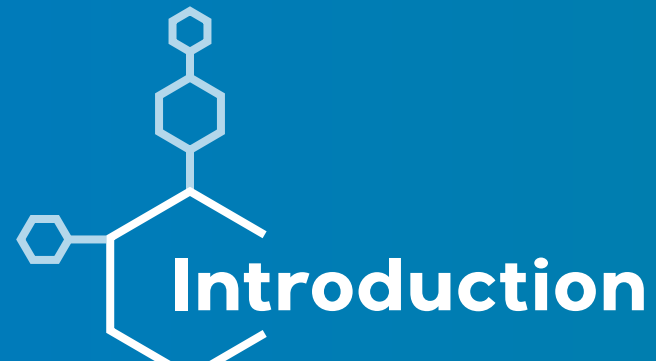
Stakeholder Engagement

BGN considers the following as stakeholders and we have had varying levels of engagement, appropriate to each group:

- Employees
- Trading counterparties
- Banks/Financial institutions
- Suppliers
- Shipping partners
- Governments
- Intergovernmental organizations
- Non-Governmental Organizations (NGOs)
- Academic and policymaking institutions
- Media

As part of our DMA, we have recently engaged with our internal employees and selected external stakeholders, including trading counterparties and banks, to gain insights into the topics that matter most to them. This engagement has provided valuable perspectives on our materiality landscape. Moving forward, we are committed to expanding these conversations by increasing the number and diversity of stakeholders involved in our sustainability discussions. We aim to build a more comprehensive understanding of their views, subject to their availability and willingness to participate.





BGN Strategy & Coordination Week

CASE STUDY

Aiming to further reduce our environmental footprint

What We Did?

BGN dedicates a whole week annually for our employees to reflect on the organization’s progress over the past year and consider its future. The event features cross-departmental presentations, providing each area the opportunity to share insights on key trends impacting the business and the markets in which we operate. In 2024 key discussions were focused on corporate governance development, strategic investments in new marine assets, and expanding into new markets and products, including showcasing the success of BGN’s LPG desk and welcoming new team members. The event underscored BGN’s commitment to sustainable and international growth building upon the foundational belief: **“We’re stronger working together”**.

Why We Did It?

The Strategy & Coordination Week serves as an invaluable platform for exchanging ideas and shaping our commercial planning. It fosters synergy across teams, aligning everyone toward the same goals, and raises awareness of corporate issues and activities.

As a people-centric organization, we value the opportunity to introduce new colleagues and strengthen internal relationships through face-to-face interactions. This event encourages networking through social-professional activities, primarily centered around meals and coffee breaks, helping our employees build connections.




The event also provides direct access to senior management and the Group CEO, enabling open discussions and information sharing. Additionally, we invite external experts to offer insights into the macroeconomic landscape, industry trends, and their potential impact on the business, contributing to the professional development of our employees.

What Was the Impact?

The 2024 event took place in person and meetings were streamed to other meeting rooms and desks for other employees to watch live.

We believe that the Strategy & Coordination Week provides social and governance benefits and therefore the plan is to continue to host this annually.

On the other hand, we are aware that there is an environmental impact. We have followed a few principles as shared below:

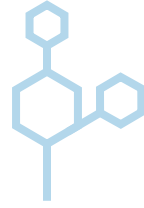
-  **We encourage our employees to take economy flights as they have a lower footprint than business class. Business class is only permitted for long-haul international flights.**
-  **Internal travel is all by shared minibuses chartered by the company to pool together and minimize road emissions.**
-  **Attendees are all lodged in the same hotel with catering largely on-site at office to maintain existing supply chain efficiencies.**

We recognize the need to further reduce our environmental footprint, and we will be evaluating the event and identifying areas for improvement. These changes will start to take effect in 2025.



Environmental





In 2024, we made significant progress by laying the foundation for our ESG commitments and setting a baseline for measuring our decarbonization efforts. This marks the beginning of our journey towards a more sustainable business model, focused on reducing our environmental footprint from our trading and shipping operations.

Our Environmental Ambition

We are committed to addressing environmental challenges through four key areas of ambition that focus on reducing our impact on climate change and pollution.

Our ambition covers our Scope 1, 2, and 3 emissions, aligns with global shipping decarbonization goals, and ensures stringent compliance with pollution regulations across our business operations. Below, we provide a detailed overview of each key area and the specific actions to drive our progress.

Scope 1 and 2 Emissions Reduction

We have undertaken a carbon emissions calculation exercise during Q3 2024 with the support of an external expert specializing in emissions calculations, setting clear targets for reducing our Scope 1 and 2 emissions. Our goal is to achieve a 40% reduction in these emissions by 2030, using 2023 as the baseline year. We will develop a detailed decarbonization plan by 2026 to achieve this goal. In line with an established framework of priorities we will seek to avoid and reduce emissions before offsetting any residual hard-to-abate areas.

Supply Chain Impact Assessment and Strategic Collaboration

We aim to expand the breadth and accuracy of our Scope 3 emissions calculations to gain a deeper understanding of what is within our control and where collaboration with supply chain partners is required. With this foundation, we will set realistic reduction targets and use data-driven insights to guide decision-making. Our ambition is to strategically collaborate with partners and join industry initiatives that effectively facilitate impactful action on reducing environmental impact throughout the value chain.

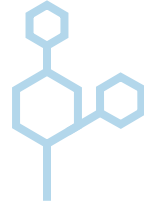
Alignment with IMO Shipping Decarbonization Goals

While we are at the beginning of our journey integrating ESG principles into our shipping activities, our ambition is aligned with the IMO's 2023 Strategy for Reducing GHG Emissions from International Shipping. Our shipping emissions targets extend to including the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) requirements for the ships under our control via utilizing specific features around carbon emissions within the integrated maritime operations system we are using.

Shipping Pollution Compliance

We are focused on continuously improving our management of pollution-related risks and compliance standards within our shipping operations. Through strategic investments in our fleet and ongoing collaboration with suppliers and partners, we will maintain and promote the highest standards of compliance. Additionally, we will enhance our ship rating and vetting systems to ensure that all vessels we charter are held to the highest environmental performance standards.





Climate Change

United Nations Sustainable Development Goal (UN SDG) 13 calls for everyone to take urgent action to combat climate change and its impacts.

BGN has accepted that climate change is a material topic, both one that the business can have an impact on and one that could financially impact our business lines.

Our business both directly and indirectly contributes to global carbon emissions, primarily from our shipping activities and the products we trade. Impacts from climate change such as increasingly extreme weather events and responses from governments such as increasing regulation will impact BGN.

As a first step, we have laid the foundations by engaging an external advisor to independently calculate our emissions for 1 January 2023 to 31 December 2023 as a baseline year. This enables us to see the largest contributors to our footprint and what decarbonization levers are available to us to take action.

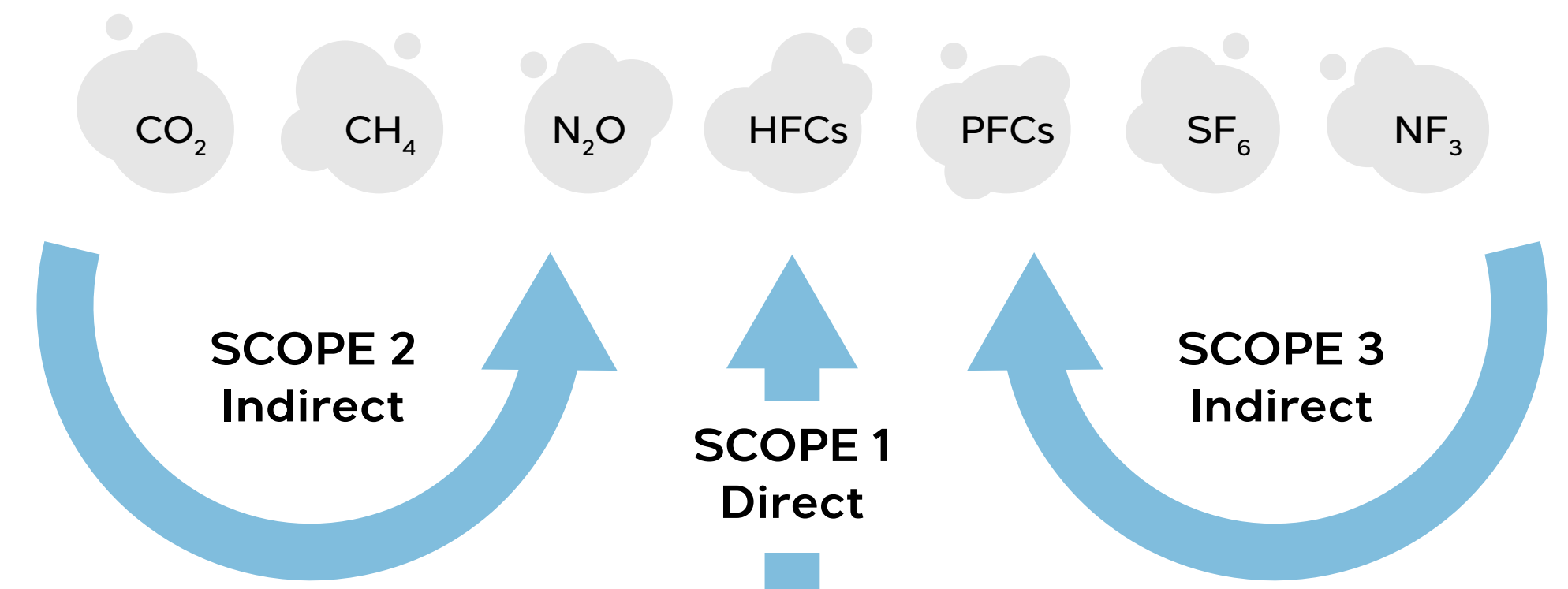
The following section explains the approach and then the subsequent section discloses the numbers.



Emissions Calculations Approach

The approach used is based on methodologies consistent with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, with additional guidance from the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, as required.

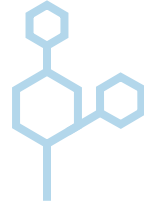
This classifies corporate GHG emissions into three 'Scopes':



Indirect emissions from the generation of **purchased electricity consumed by BGN offices.**

Direct GHG emissions from **operations that are owned or controlled by BGN.** These include emissions from fuel consumed for heating our offices and business vehicles.

All other indirect **emissions that occur in our value chain.** This includes our emissions from purchased goods and services, as well as use of our sold products.



Organizational & Reporting Boundary

BGN's carbon footprint was calculated using an operational control approach. Under this approach, all entities and associated assets over which BGN has operational control are included under Scope 1 and 2 emission categories. All other activities, over which BGN does not have operational control are included in Scope 3 emissions along with all other indirect emissions associated with BGN. All physically traded volumes of all products that we buy and sell are included within the boundary. All scope 3 categories, from cradle to grave, are calculated where sufficient data are available, or suitable assumptions could be made.



Methodology

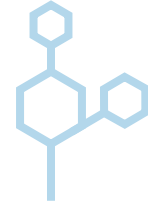
The tables below explain the approach for each emission category in the scope of the assessment. Where emissions have been calculated, the process-based method has been used. Within Scope 1 and 2, where relevant, adjustments were made when data were not available for offices on an emissions per employee basis (including the consideration of BGN's shared services employees²).

Scope 1	Methodology
Stationary Combustion	Based on sites' non-transport fuel consumption data.
Mobile Combustion	Based on invoice data per unit (e.g. liters of petrol of the business vehicles) and the associated carbon conversion factor.
Fugitive Emissions	Applied conversion factors to the refrigerant source that was identified.

Five out of six office locations of BGN INT HOLDING LTD were able to obtain actual data to support location and market-based Scope 2 calculations.

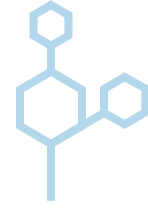
Scope 2	Methodology
Location-Based Scope 2 Emissions	Average emissions intensity of grids: International Energy Agency (IEA) emissions factors applied to adjusted electricity data for each country.
Market-Based Scope 2 Emissions	Emissions from electricity that companies have purposefully chosen: Association of Issuing Bodies (AIB) residual mix factors applied to adjusted electricity contractual data at country-level.

² This category of employee is explained in our [Social](#) section.



The approach to all the categories under Scope 3 is explained below. Where there was insufficient data to make the calculation, we will investigate how to fill the data gaps in future years.

Scope 3	Methodology
Category 1: Purchased goods and services	Calculated using the product mass traded (used traded products only and not corporate spend) and the corresponding emission factor (covered 99.95% of the total traded volume).
Category 2: Capital goods	Not calculated as the relevant complete data could not be obtained. BGN was advised that this is likely to be insignificant to our footprint.
Category 3: Fuel- and energy-related activities	Applied appropriate well-to-tank (WTT) of fuels and transmission and distribution (T&D) factors to consumption data from natural gas (M3), electricity (kWh) and purchased heat and steam within Scopes 1 and 2.
Category 4: Upstream transportation and distribution	Estimated shipping distances multiplied by the corresponding weight for a tonne.km figure and applied DEFRA emission and WTT average factors. Storage emissions were included based on converted spend amounts.
Category 5: Waste generated in operations	Not calculated as the relevant complete data could not be obtained. BGN was advised that this is likely to be insignificant to our footprint.
Category 6: Business travel	Estimated distances of flight routes using the "Haversine Method" and applied emission factors (of the international average passenger in the absence of flight class information). Results adjusted for shared employees. WTT emissions related to business flights are also included. No other travel category was included.
Category 7: Employee commuting	Applied emissions factors based on assumptions on the mode of transport (car, bus, train, shuttle or hybrid) and average distance for the employee list. WTT emissions related to commuting are also included.
Category 8: Upstream leased assets	Not relevant. BGN does not have upstream leased assets.
Category 9: Downstream transportation and distribution	Relevant, but not yet calculated. BGN has limited visibility on this category; therefore, no reasonable assumptions can be made currently.
Category 10: Processing of sold products	Average refinery intensity factor applied on the assumption that crude oil and condensate were processed via fractional distillation. Assumed no further processing for sold refined fuels, and no downstream processing for all other sold products. BGN will improve the calculations for this category in the coming years with more detailed data regarding the processing of the products traded.
Category 11: Use of sold products	For sold combustible products, assumed 100% combustible. For crude oil (an intermediate product) it was assumed that it is subsequently split into a variety of refined products, of which 78% are combustible and therefore assumed to have emissions emitted during the end-user stage which are included in our calculations.
Category 12: End-of-life treatment of sold products	Relevant, but not yet calculated. BGN has limited visibility on end of life of sold products, therefore no reasonable assumptions can be made currently.
Category 13: Downstream leased assets	Not relevant. BGN does not have assets that are leased to other entities.
Category 14: Franchises	Not relevant. BGN does not have any franchised operations.
Category 15: Investments	Not relevant. BGN has no relevant investments.



Emissions Footprint

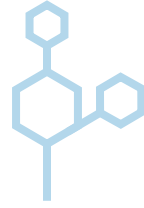
The tables below are the results of the assessment.

Scope 1	Emissions (tCO ₂ e)
Stationary Combustion	30.90
Mobile Combustion	255.06
Fugitive Emissions	11.47
Total Scope 1 Emissions	297.43

Scope 2	Emissions (tCO ₂ e)
Total Location-Based Scope 2 Emissions	268.38
Total Market-Based Scope 2 Emissions	269.76

Total GHG Emissions FY23	Emissions (tCO ₂ e)
Total Scope 1 and 2 Emissions (Location-Based)	565.81
Total Scope 1 and 2 Emissions (Market-Based)	567.19
Total Scope 1, 2 and 3 Emissions (Location-Based)	148,723,889.72

Scope 3 Cat.	Description	Scope 3 Emissions (tCO ₂ e)	% of Scope 3 Emissions
UPSTREAM EMISSIONS			
1	Purchased goods and services	43,215,282.39	29.0%
2	Capital goods	Insufficient data	0.0%
3	Fuel- and energy-related activities	141.21	0.0%
4	Upstream transportation and distribution	3,382,300.27	2.3%
5	Waste generated in operations	Insufficient data	0.0%
6	Business travel	511.26	0.0%
7	Employee commuting	241.80	0.0%
8	Upstream leased assets	Not Applicable	0.0%
DOWNSTREAM EMISSIONS			
9	Downstream transportation and distribution	Insufficient data	0.0%
10	Processing of sold products	5,477,430.91	3.7%
11	Use of sold products	96,647,416.07	65.0%
12	End-of-life treatment of sold products	Insufficient data	0.0%
13	Downstream leased assets	Not Applicable	0.0%
14	Franchises	Not Applicable	0.0%
15	Investments	Not Applicable	0.0%
Total Scope 3 Footprint (tCO₂e)		148,723,323.91	



Our Approach to Environmental Management in Our Offices

BGN operates across multiple rental offices in various locations. We adhere to the management policies set by the building owners, which limits our direct control over specific sustainability initiatives

We have a higher degree of control over the Istanbul location that provides services to BGN (and which is owned by BAYEGAN) compared with our BGN offices.

The following details the main approach to energy and waste management at the Istanbul site currently, however we are going to be addressing sustainability practices at all our offices where possible and have indicated the specific actions that we are going to be taking during 2025 and beyond in our [Environmental Actions](#) section.

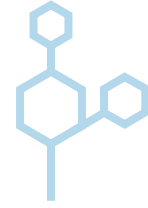


Energy-efficient lighting and AC to help reduce electricity use, **lowering our carbon footprint**

Energy Usage

Energy use in the Istanbul location is closely monitored and optimized through Schneider Electric automation management systems that control lighting, heating, and air conditioning. These systems ensure energy efficiency by setting temperatures within set standards to avoid excessive heating or cooling. Energy-efficient lighting and optimized air conditioning reduce overall electricity consumption, contributing to our carbon footprint reduction efforts.

Sites	Diesel (MWh)	Fuel Oil (MWh)	LPG (MWh)	Natural Gas (MWh)	Petrol (MWh)	Electricity (Scope 2) (MWh)	Grand Total (MWh)
BGN INT BV	-	-	-	-	-	9	9
BGN Int DMCC	-	-	-	-	161	36	197
BGN Malta	-	-	-	-	-	0	0
BGN SA	-	30	-	-	-	16	46
BGN Singapore	-	-	-	-	-	13	13
Istanbul	248	-	0	125	722	577	1,672
Grand total	248	30	0	125	883	652	1,938



Waste

In addition to monitoring the energy use on-site, BGN has implemented waste management policies. This is in alignment with UN SDG 12 “Ensure Sustainable Consumption and Production Patterns” as one of the sub-targets aims to reduce waste generation through prevention, reduction, recycling and reuse. These principles are reflected in our approach to paper management as described below.

PREVENTION

To prevent unnecessary paper use, printer access is restricted through a personalized card system, and print usage is monitored to discourage excessive printing.

REDUCTION

Double-sided printing is encouraged and used as much as possible to reduce paper consumption.

RECYCLING

Each floor is equipped with waste sorting stations for paper, plastic and glass. Although the local municipality currently does not offer recycling services, we are in active discussions to establish separate collection points specific to the office location by year-end.

RE-USE

Paper printed on one side is saved and reused for notetaking, ensuring we maximize resource efficiency and minimize waste.

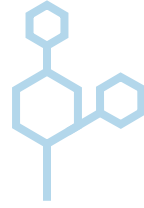
To encourage the reduction of single-use plastic, water dispensers with cardboard cups are available on each floor, alongside reusable mugs provided to employees. Our goal is to significantly reduce plastic consumption in the coming year by actively promoting the use of these sustainable alternatives.

Reduce waste
through paper management, recycling and cutting use of plastic



SDG 12
Ensure sustainable consumption and production patterns





Shipping Optimization

BGN recognizes the critical role our shipping operations play in achieving our ESG ambitions.

As we continue to develop our decarbonization strategy, BGN and our related-party B-Shipping are committed to taking concrete steps to reduce our Scope 3 carbon footprint as outlined in our [Environmental Ambition](#) section. This section summarizes our current shipping operations, initial sustainability efforts, and the strategic actions we are undertaking to advance our shipping-related ESG commitments.



Our Shipping Activities

BGN's strategic partnership with B-Shipping is fundamental to our global energy and commodities trading operations. Under the leadership of the BGN Shipping Director, B-Shipping effectively manages our maritime assets and chartering activities. As the main charterer, BGN plays an important role in B-Shipping's operations and collaborating to ensure it meets both operational and environmental standards.

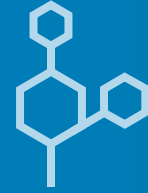
In 2023, BGN successfully performed approximately 330 spot voyages across all product lines, and 130 LPG shipments using our time-chartered vessels. In 2024, this increased to around 500 spot voyages and over 160 time-charter shipments, demonstrating our continued growth. Our time-chartered fleet has expanded from 35 ships in 2023 to 40 ships in 2024 on average, encompassing Very Large Gas Carriers (VLGCs), Medium Gas Carriers (MGCs), and several Handy-size gas carriers. This expansion directly supports our strategic focus on scaling our LPG business, which is integral to our broader decarbonization strategy.

Both B-Shipping and BGN are actively investing in new-build projects and forming strategic partnerships through established joint ventures. BGN, through BGN INT DMCC and B Shipping, has commissioned a total of 11 new-build VLGCs, of which 4 have already been delivered in 2023 and 2024, while the remaining vessels are scheduled for delivery from 2025 onwards. Our new vessels are equipped with the latest technologies to improve fuel efficiency and reduce emissions. These strategic investments not only support our immediate operational needs but also position us to meet the rising global demand for LPG as a transition fuel.

Furthermore, BGN is dedicated to aligning our shipping operations with the IMO 2023 Strategy for Reducing GHG Emissions from Ships. BGN intends to follow a similar trajectory, and our case study highlights how we support global shipping decarbonization targets through our fleet modernization.

Our new vessels feature the latest technologies for **better fuel efficiency and lower emissions**





How Our Time-Chartered Fleet Supports Our Environmental Ambition

CASE STUDY

BGN's and B-Shipping's strategic investments in newer, more fuel-efficient LPG vessels are supporting our ambition in environmental stewardship.

By leveraging the newest technologies, we enhance operational efficiency and mitigate the risks of water and air pollution, therefore reducing our environmental impact.

Our time-chartered fleet age is on average 4.4 years for VLGCs and 7.5 years for MGCs, which supports our commitment to maintaining a modern and energy efficient fleet.

Outlined below are the key characteristics of the newbuilding dual-fuel ships in our fleet and its environmental impact:

Commitment to maintaining a **modern and energy efficient fleet**

IMPACT ON AIR POLLUTION

REDUCED CARBON EMISSIONS

Our fleet is equipped with advanced fuel-efficient smart systems and digital solutions such as shore power usage when docked, advanced hull designs, and optimized weight distribution.

Enhanced real-time monitoring and optimization of our maritime operations contribute to an improvement in fuel efficiency of the vessels complying with new IMO requirements.

REDUCED NITROGEN OXIDE EMISSIONS

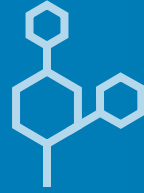
LPG combustion of our time-chartered fleet produces up to 30% less nitrogen oxide emissions, compared with conventional marine fuels, according to industry data.

Nitrogen Oxide emissions are a major contributor to smog and acid rain, posing significant environmental and health risks. By utilizing LPG, BGN effectively reduces the release of these harmful pollutants, promoting better air quality.

REDUCED SULPHUR EMISSIONS

Our time-chartered ships mostly run on LPG with only occasional shifts to Low Sulphur Fuel Oil bunker. LPG is bunker fuel that contains less than 0.1% sulphur, compared with Marine Gas Oil (MGO) which can contain up to 0.5% sulphur.

Lower sulphur emissions contribute to cleaner air, mitigating acid rain formation and protecting marine ecosystems.



Advanced engine technology with **minimal environmental impact**

IMPACT ON WATER POLLUTION

COMPLIANCE WITH IMO'S BALLAST WATER MANAGEMENT CONVENTION

All vessels in BGN's time-chartered fleet comply with the IMO's Ballast Water Management Convention, which aims to prevent the transfer of invasive aquatic species across marine ecosystems.

Effective ballast water management reduces the risk of ecological disruptions, safeguarding biodiversity and maintaining the integrity of marine environments.

LOWER RISK OF ENVIRONMENTAL POLLUTION INCIDENTS

Using LPG as a bunker fuel is less toxic in the event of a spill compared with traditional fossil fuels.

This inherent safety characteristic minimizes the potential for long-term environmental damage, ensuring that our shipping operations do not contribute to water pollution.

ENVIRONMENTAL IMPACT OF OPERATIONAL EFFICIENCY

HIGH ENERGY EFFICIENCY

LPG has a high energy content per unit mass (46.0 MJ/kg) and a superior energy density (23.5 MJ/L) compared with Marine Gas Oil (MGO) at 42.7 MJ/kg and 35.9 MJ/L.

High energy efficiency enables our vessels to achieve greater propulsion with up to 10% less fuel, optimizing energy usage and minimizing the environmental impact of fuel production and consumption.

DUAL-FUEL ENGINES

All of our new marine engines are designed to operate on dual fuels, allowing flexibility to switch between LPG and conventional fuels as needed.

This adaptability enhances the versatility and resilience of our fleet, enabling us to respond effectively to varying fuel availability and regulatory requirements.

ADVANCED ENGINE TECHNOLOGIES

Our vessels are equipped with Hyundai MAN B&W 6G60ME-C-LGIP-2022 main engines, which exemplify our commitment to cutting-edge technology and environmental compliance. These engines operate comfortably within the IMO's Nitrogen Oxide emission limit of 14.4 g/kWh.

This advanced engine technology ensures that our fleet operates with minimal environmental impact, reinforcing our dedication to sustainable shipping practices and regulatory adherence.

By expanding our fleet with advanced, fuel-efficient ships, we aim to enhance operational efficiency and reduce the carbon intensity of each voyage. This reflects our strategic focus on scaling our LPG business while supporting our decarbonization ambition.

Looking Forward: Environmental Actions

In 2024, we took a significant step forward by establishing a clear foundation for our ESG commitments and setting a baseline to measure our decarbonization efforts.

This marks the start of our journey towards a more sustainable business model, with a focus on diversifying our portfolio towards lower-carbon products and adopting more sustainable operational practices. Below, we outline our key commitments and the specific actions we are taking to achieve them.

Now that we have our baseline year, we are committed to reducing our Scope 1 and 2 emissions by 40% by 2030 through the following actions:

Office Energy Demands

During 2025 we will be conducting a feasibility study to reduce our scope 1 and 2 emissions related to our offices in accordance with the mitigation hierarchy. First, we will be looking at solutions to reduce demand in our offices, such as LED lighting, and then whether we can substitute our electricity with on-site generation through solar panels or heat pumps. Wherever we are unable to make such changes, we will explore possible options to switch to renewable energy in each office location.

Business Travel & Commuting

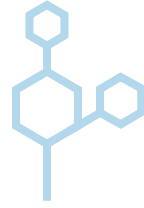
We will be looking into transition to EVs for leased company vehicles and shuttles, whilst also encouraging employees to adopt sustainable commuting options such as carpooling and public transportation.



Looking at solutions to **reduce electricity demand** in our offices



Encourage **sustainable commuting options**



We recognize the importance of reducing Scope 3 emissions, particularly those related to our shipping operations and the carbon intensity of our trading portfolio. Therefore, we are committed to taking the following actions to set specific targets in these areas:

Continued Measurement

For Scope 3, our priority is to close the data gaps focusing on accuracy and completeness.

Shipping Optimization

We are establishing a robust framework to minimize our environmental impact. We will continue to improve the energy efficiency of the BGN fleet through investments in new ships, and actively collaborate with other industry players in the shipping decarbonization sphere.

Carbon Intensity

Once we have the carbon intensity information we will evaluate and work to reduce the number. We will tackle this by diversifying our trading portfolio towards lower-carbon intensity commodities, such as LNG and biofuels, including sustainable aviation fuel (SAF), as well as continuing with products like LPG.

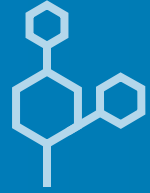
Shipping Vetting Process

We are committed to implementing a robust vetting process to ensure that all chartered vessels, whether on spot or long-term charters, meet the highest regulatory standards. This process will include a thorough review of vessel certificates, inspection records, and full compliance with international maritime regulations such as MARPOL, the Ballast Water Management Convention, and Emission Control Area (ECA) requirements. Additionally, we will adopt a ship rating system to assess and maintain our fleet's performance in terms of safety, environmental protection, and compliance with global sustainability standards.

In addition to our efforts to reduce emissions and carbon intensity of our business, we understand that responsible consumption is a critical component of our sustainability strategy. In 2025 we will be establishing waste and water consumption measurement and reduction policies in all offices, focusing on reducing and recycling single-use plastics. To complement this, we will implement robust recycling programs for paper, electronics, and other office materials to reduce waste and the carbon footprint associated with the production and disposal of these materials across all our offices.

**Aiming to
reduce waste,
water usage
and single-
use plastics
in all our offices**





Helping Others with Their Net Zero Ambitions

CASE STUDY

Mundo Verde Climate SA (MVC) was founded by BGN in 2022 as a dedicated subsidiary to manage its carbon-related activities, including carbon trading, the development of carbon offset projects, and sustainability consultancy services.

Under the strategic business partnership with Gaia Climate, a consultancy specialized in climate finance and climate change management, MVC has been engaged in carbon offsetting projects, ensuring the quality and certification of carbon credits in the voluntary carbon markets.

One of MVC's flagship initiatives since its inception has been a consultancy engagement with Biotrend, a project owner of landfill gas and biogas power plants. MVC has supported Biotrend in validating its methane capture and electricity generation projects across 10 landfill sites in Türkiye, adhering to Verra and International Carbon Registry standards. Through these projects, MVC has facilitated the trading of 2.4 million tons of carbon credits from VCS2645, effectively preventing the release of equivalent CO₂ emissions into the atmosphere between 2019 and 2022. Notably, this agreement with Biotrend extends beyond the traded credits, with the projects themselves programmed to avoid millions of tons of CO₂ each year, with ongoing carbon avoidance anticipated through at least 2034. This broader impact underscores MVC's role in supporting high-impact emissions reduction efforts.

As part of BGN's broader transition strategy, MVC plays a critical role in supporting internal regulatory compliance, particularly within the EU Emissions Trading System (EU ETS), while also driving external efforts to achieve net-zero emissions. MVC facilitates carbon offsetting and develops high-quality carbon

credits, helping clients and partners mitigate emissions from harder-to-abate activities within their operations and supply chains. In 2023, MVC demonstrated this capability by providing consultancy services and facilitating BGN's first carbon-neutral naphtha cargo, integrating sustainability into BGN's core trading activities, which was followed by butane and MTBE cargoes. This accomplishment underscores MVC's role in expanding BGN's offerings in carbon markets, while providing clients with the tools to meet their own net-zero ambitions. By focusing on carbon markets and offsetting solutions, MVC ensures that BGN remains aligned with evolving regulations and continues to support external partners in reducing their carbon footprints.

While MVC continues to selectively pursue projects that align with BGN's investment policies, its operations are increasingly focused on initiatives that leverage BGN's existing expertise and relationships in the energy sector. This strategic alignment ensures that MVC's activities not only contribute to global emissions reduction but also support BGN's long-term sustainability goals.

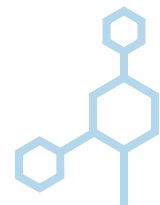
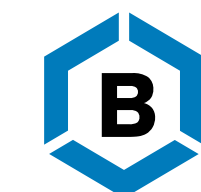
The projects prevented the emission of approximately **2.4 M tons carbon dioxide**





Social





BGN's company culture is dynamic and continuously evolving as we expand our business globally. We are embracing an international outlook that reflects the diverse perspectives and experiences of our global workforce. Furthermore, respecting the human rights of every individual affected by our business operations is a core element of our values and culture.

Our Social Ambition

At BGN, we recognize the importance of our people in driving our success.

We are committed to creating a workplace that values diversity, promotes inclusion and we will amplify our external reach through focused efforts in three key areas:

Employee Experience & Working Conditions

We are dedicated to implementing comprehensive systems and processes to actively track and analyze employee experiences, with a focus on key diversity metrics. Our goal is to gain deep insights into opportunities, rewards and career progression across all demographics. By addressing disparities and taking action to close gaps, we will ensure equity and inclusion at every level, improve retention rates and create a workplace where every employee can thrive. We are committed to measuring progress and making meaningful improvements each year.

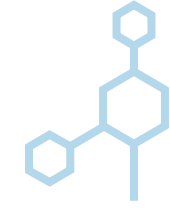
Equal Opportunities

We strive to cultivate a diverse and inclusive workplace where every individual, regardless of social, ethnic, religious or gender background, has equal access to opportunities for growth and success. We are dedicated to creating an environment that values diverse perspectives, promotes fairness and empowers people to thrive, ensuring that our workforce reflects the diverse communities we serve.

External Community Engagement & Social Impact

Longer-term, we aim to increase our engagement with local communities where our business is present. Our efforts will focus on providing training and educational programs that help develop a diverse pipeline of talent, ensuring a positive, long-term impact on both our company and the communities we support.





Our People

As BGN has grown internationally, we have recognized the importance of evolving our HR approach to meet the needs of our diverse and growing workforce.

In 2024, we strengthened our Human Resources (HR) capabilities through a strategic senior hire for the HR function, which enables us to develop a comprehensive HR framework to support our growth ambition.

This marks a transition from relying on the BAYEGAN central Human Resources (HR) department and allows us to focus on the unique needs of our employees while addressing the complexities of operating in diverse markets. This strategic appointment supports our goals to enhance HR practices in the following key areas:

SPECIALIZED TALENT MANAGEMENT

Develop strategies to attract and retain talent with specialized skills in international trade, sustainability and finance.

STRATEGIC HR DEVELOPMENT

Create HR policies and programs tailored to BGN's global business goals and ESG priorities, including international mobility frameworks and targeted employee training.

COMPLIANCE AND GLOBAL STANDARDS

Ensure adherence to international labour laws, evolving employment standards and diversity and inclusion targets across multiple jurisdictions. In addition, manage and report on human capital initiatives in line with ESG reporting requirements.

By establishing a dedicated HR function, BGN aims to build a workforce that aligns with our growth ambition, to foster a stronger organizational culture and to meet the specific demands of the global trading industry.



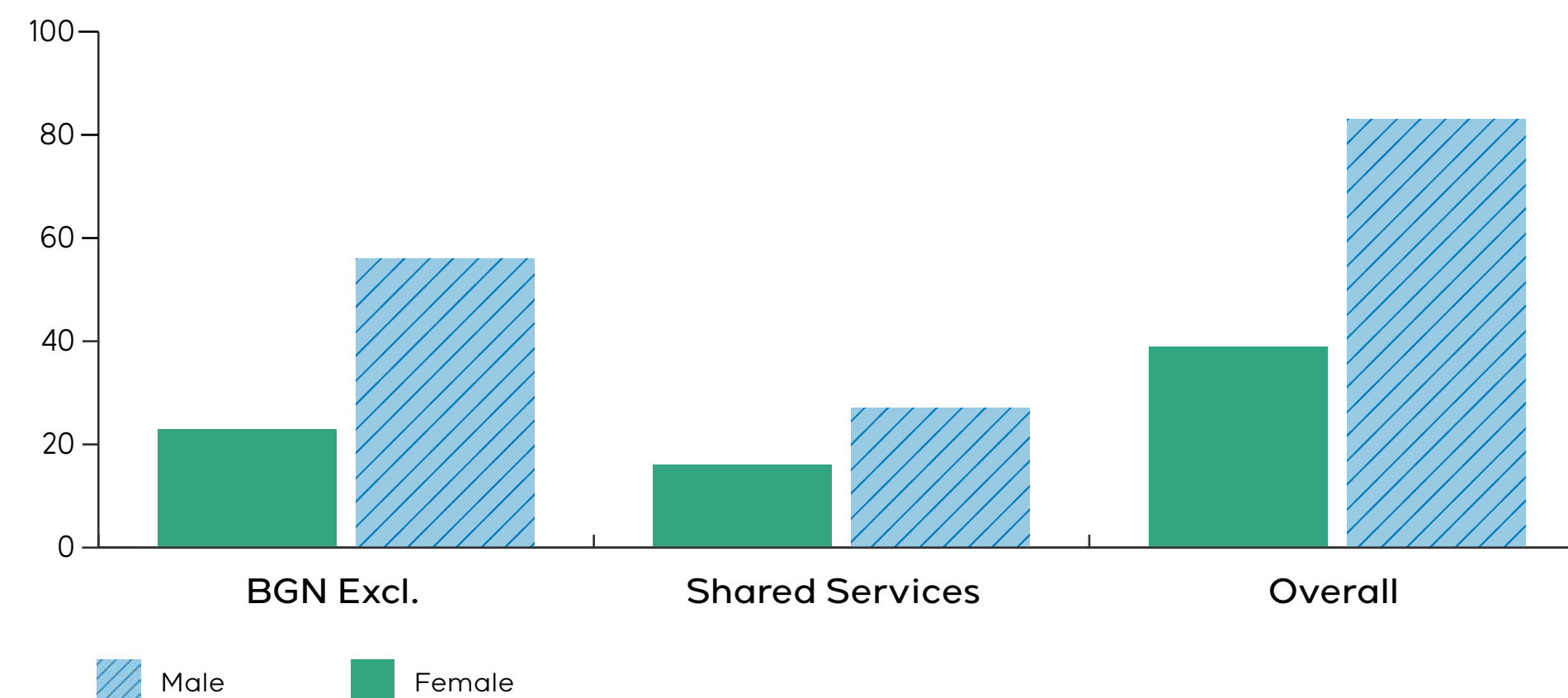


Our People Overview

Worldwide BGN and associated entities employ over 750 people. In addition to individuals employed directly by BGN, some employees in the Istanbul location are shared with other entities.

In terms of gender diversity, BGN currently has a 71% male to 29% female gender split, aligning with the average for the market and reflecting the nature of the trading industry.³ However, we recognize the importance of fostering a more inclusive environment and are actively working to improve gender diversity within the company. BGN is making significant efforts to continuously improve the gender balance through changed hiring practices and by providing career support for female employees. Further details on our diversity initiatives can be found in the upcoming [Diversity, Equity & Inclusion](#) section.

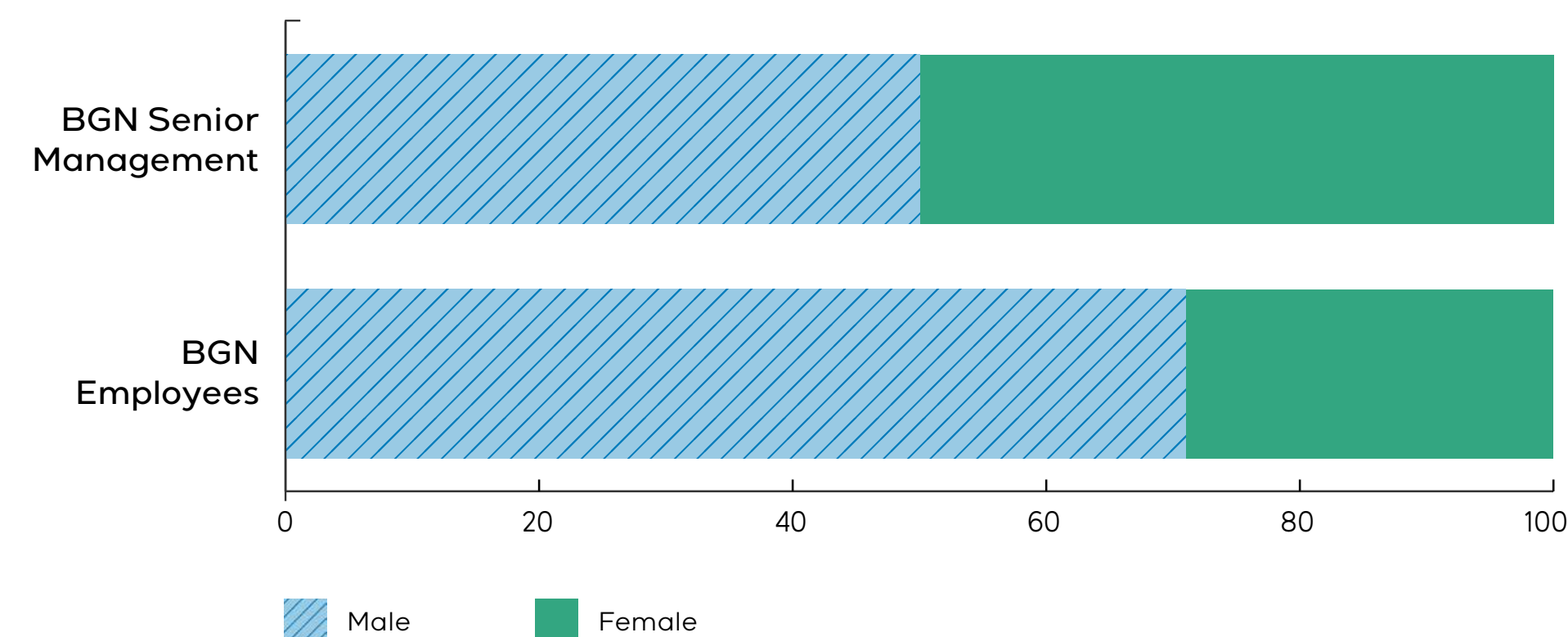
BGN Employees Gender Split %



³Source: wista-swiss.com

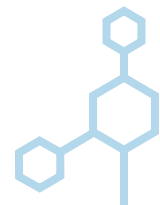
Notably, our senior management is evenly split between male and female representation, surpassing the typical gender split in the trading industry. This balance at the leadership level underscores our dedication to advancing gender equity and ensuring that diverse perspectives are represented in our decision-making processes at a management level.

Senior Management Gender Split %



Fair Remuneration

At BGN, we are committed to providing fair remuneration for our employees. We are proud to highlight that our employees are compensated above the average wage level of their respective markets where they are located. We pay competitive wages that reflect the qualifications, skills and contribution of each employee, ensuring our workforce is fairly compensated.



Good Health & Well-Being

BGN aims to provide a safe workspace for its employees, recognizing that it safeguards well-being, boosts productivity, and reinforces our commitment to social responsibility.

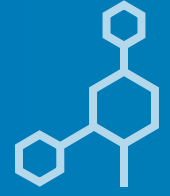
In 2024, we have recorded only one accident. An employee was reported injured during an industry event not organized by BGN. The employee was covered by BGN accident insurance and received treatment for a minor injury that resulted in no working days missed. We have not had any other reported incidents, work-related ill health or fatalities.

In our shared services Istanbul location, employees benefit from free lunches in the canteen provided by Sofra Group. Although it's a local market standard to provide lunch as a part of the compensation package, Sofra Group was selected as a leading catering service provider that uses the on-site kitchen and manages regular audits, risk analysis, necessary controls and health checks.

The provision of free, healthy food in offices contributes to employee health and well-being; that's why ensuring the highest quality of lunch for our employees is our priority. Beyond just meal services, Sofra Group is committed to sustainability, actively working to reduce food waste, minimize single-use plastics, and offer plant-based alternatives to improve nutrition and reduce carbon emissions. Through these efforts, we are enhancing both employee health and our environmental impact.



**Fostering a
healthy and
sustainable
workplace
with nutritious meals
and eco-friendly
practices**



Developing Talent in Geneva

CASE STUDY

BGN is proud to be closely connected with SUISSÉNÉGOCE and the University of Geneva through its Master of Science (MSc) program in Commodity Trading.

Now in its 16th edition, this program has become a hub for developing the next generation of talent in the trading industry. BGN's Director of Risk Management, who has been a faculty member since 2012, continues to teach key courses on Hedging Tools and Options. After joining BGN in February 2024, he remains committed to educating and mentoring students, further strengthening the link between BGN and this highly ranked academic program. BGN fully supports this commitment from its leadership, recognizing the value of nurturing talent as part of our broader strategy of BGN involvement in local talent development.

Furthermore, to bridge the education and practical experience gap, there is a complementary internship program to the MSc. In 2024, BGN recruited two interns as a way for the students to gain skills and experience with the perspective of becoming future BGN employees. During the nine-month internship, the interns work with BGN four days a week while continuing their studies on Fridays. Participation within this program aligns with BGN's support of UN SDG Goal 4: "Ensure inclusive and equitable

quality education and promote lifelong learning opportunities for all". It also contributes to the 4.4 target: "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship." Through this partnership with the University, BGN is helping cultivate a future workforce and providing students with the skills they need to succeed in the industry.



BGN invests in developing **the next generation of talent** in the trading industry



SDG 4
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all





Diversity, Equity & Inclusion

UN SDG Goal 5: Achieve gender equality and empower all women and girls—a goal which BGN is very passionate about.

Our hiring commitment is driven by the leadership of our female Group CEO and seeks to align with SDG Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.⁴

In 2023, we set a goal to aim to recruit 50% women for new hires as part of our commitment to gender equality. However, we recognize the challenges in achieving this goal due to the trading industry’s limited pool of female candidates, especially for management and front-office roles. Still, BGN remains committed to ensuring that both genders are equally represented throughout the hiring process.

As at Q3 2024, the goal remains a work-in-progress and we recognize that it will take time to achieve it. We are fully dedicated to reaching this target through the following initiatives:

- Under the leadership of our female HR Director and our female Head of BGN Switzerland we will partner with organizations that specialize in sourcing talented women.
- We will utilize targeted recruitment marketing tools and resources to attract women to our company.
- As we expand in different countries and hire more international people, we expect there will be further opportunities to hire women. While it is a challenge to find experienced women in the trading industry, we will use cross-functional recruitment, welcoming women with different backgrounds who have potential in trading.
- We will also invest in the development of young women through internships and graduate programs to help build a strong pipeline of future leaders.

Our commitment to achieving gender parity is unwavering and we will continue driving these initiatives forward.



⁴Source: Goal 5 | Department of Economic and Social Affairs (un.org)



Our Approach to Community Involvement and Charitable Contributions

At BGN, our community involvement and charitable efforts have been carried out in collaboration with the wider BAYEGAN entities.

Recent initiatives include coordinated aid and donation efforts in response to the 2023 earthquake in south-eastern Türkiye, meaningful contributions on International Women's Day to organizations supporting women's empowerment, and the formation of a running team for the 46th Istanbul Marathon to raise funds for the Turkish Education Foundation (TEV).

To better consolidate and structure our Corporate Social Responsibility (CSR) activities, the Bayegan family established the Bayegan Foundation in February 2024. The foundation's mission is to enhance the educational and social conditions of disadvantaged individuals, with a focus on children, youth, and women. Moving forward, all charitable contributions and community involvement initiatives from BGN and its employees will be facilitated through the Bayegan Foundation, ensuring a structured and impactful approach to our social contributions.

Key areas that the Bayegan Foundation will focus on include:

ECONOMIC AND SOCIAL EMPOWERMENT

- Addressing the needs of women, children and youths, particularly those from disadvantaged groups, to enhance their economic and social conditions.
- Increasing welfare levels, providing psychological support and backing efforts to improve overall quality of life.

EDUCATIONAL SUPPORT

Ensuring access to education and learning development opportunities.

ENVIRONMENTAL AWARENESS AND SUSTAINABILITY

- Raising environmental awareness among target groups.
- Supporting projects related to responsible production and consumption of resources, promoting the circular economy and combating the climate crisis.
- Engaging in activities that protect and preserve nature.

HEALTHCARE AND REHABILITATION

- Providing access to health services and rehabilitating individuals who have experienced traumatic events.
- Facilitating the reintegration of these individuals into society.

GENDER EQUALITY AND WOMEN'S RIGHTS

- Promoting gender equality and protecting women's rights.
- Enhancing women's social, economic and political opportunities.
- Supporting women's employment, economic initiatives and ensuring their basic needs such as housing and nutrition are met.

ENRICH COMMUNITY LIFE

SUPPORT CULTURAL, SCIENTIFIC AND SPORTS ACTIVITIES



Looking Forward: Social Actions

As we look ahead, BGN is focused on advancing our social commitments through targeted actions that foster employee engagement and well-being, promote diversity and inclusion and strengthen our community involvement.

Below are the key initiatives we are implementing to drive meaningful social impact across our operations.

Foster Employee Engagement & Well-Being

- We will continue improving our career development program and performance management system to align employee activities with overall business goals, enhance employee engagement, and foster continuous improvement and professional growth. This will ensure that all employees have the opportunity to grow their skills and contribute meaningfully to the company's success.
- We are committed to developing a comprehensive compensation framework that aligns pay decisions with clear factors such as experience, education, job performance, and market conditions. This framework will ensure fair and equitable compensation for all employees, with regular reviews to identify and address any disparities, promoting a consistent, KPI-driven approach across the organization.
- We will conduct regular employee surveys to assess morale and gather valuable feedback on potential workplace improvements. In addition, we will continue organizing team-building activities, social events, and forums to strengthen relationships among employees and foster a positive and inclusive work environment.

Promote Diversity, Equity & Inclusion

We are committed to developing an equal opportunity employment policy that explicitly prohibits discrimination and promotes a culture of inclusion. As part of this commitment, we will conduct regular training sessions on key topics such as Diversity, Equity & Inclusion as well as workplace harassment and discrimination to ensure a respectful and equitable workplace.

Strengthen Our Community Involvement

We will develop a formal Corporate Social Responsibility (CSR) policy, outlining our commitment to social responsibility in a complementary way to the Bayegan Foundation. This policy will include specific goals and focus areas, such as education, health, and community development, to ensure we actively contribute to the well-being of the communities in which we operate.

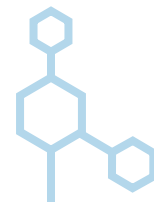
As BGN expands internationally, it is committed to **decisive actions to achieve its social ambitions** and will transparently report on its progress toward achieving its goals





Governance





At BGN, we recognize that strong corporate governance is essential to our long-term success. In response to our global expansion and the increasing importance of ESG, we have invested considerable effort in refining our governance practices since 2023. Our enhanced governance framework ensures transparency, accountability, and oversight over crucial operations.

Our Governance Ambition

At BGN, robust governance is not only about complying with laws and regulations but also about creating a culture of transparency, ethical conduct, and accountability of our company and our people.

Our commitment to these principles has enabled us to build a solid foundation of trust with external stakeholders. Integral to this foundation is our dedication to human rights, aligned with international standards such as the United Nations Universal Declaration of Human Rights and the Convention on the Rights of the Child. We prioritize fair treatment, oppose forced and child labor, and are implementing policies that uphold these principles across our operations and business relationships.

As part of our commitment to ethical standards, we are proud to report that BGN has consistently operated without any fines for non-compliance or legal action related to money laundering, corruption, market abuse, antitrust issues, or monopoly practices. Our governance ambitions are centered on maintaining this strong record and continually strengthening our standards in the following key areas:

High Standards on Anti-Bribery & Corruption

We will continue to ensure we have comprehensive policies around anti-bribery and corruption, and compliance processes to maintain our standards. This will be also reinforced by our code of conduct and strengthened through annual training programs to promote the culture of high accountability and integrity.

Increased Transparency

We are committed to report openly and consistently on our environmental and social impact and progress towards sustainability goals. We will continue openly sharing our policies and governance approach with our employees and external stakeholders.

To support our ambitions we recognize the need for further improvement of our governance. We aim to maintain consolidated, standardized policies and procedures, reinforced by a comprehensive training program, as described further in this chapter



Governance Structure & Composition

The governance structure of the company has undergone substantial transformation over the recent years, as part of our strategy to modernize corporate oversight, comply with international standards, and align with best practices.

This was part of a cultural shift towards more formalization as BGN grows and expands its international presence.

Collectively, the Board of Directors, the Senior Management Team and the committees form the highest governance bodies in BGN. There is a hierarchy for decision-making, with escalation flowing from the committees to the Senior Management Team and then finally to the Board of Directors being the highest authority.

The Board of Directors is responsible for the strategic direction of BGN, ensuring alignment with BGN's mission and long-term goals, and managing operational and economic impacts. The Group CEO, who serves on the Board of Directors and leads the Senior Management team, ensures that the company's strategic direction, set by the Board of Directors, is aligned with operational execution.

BGN has the following corporate governance and committee structure:

Switzerland MD (Chair)

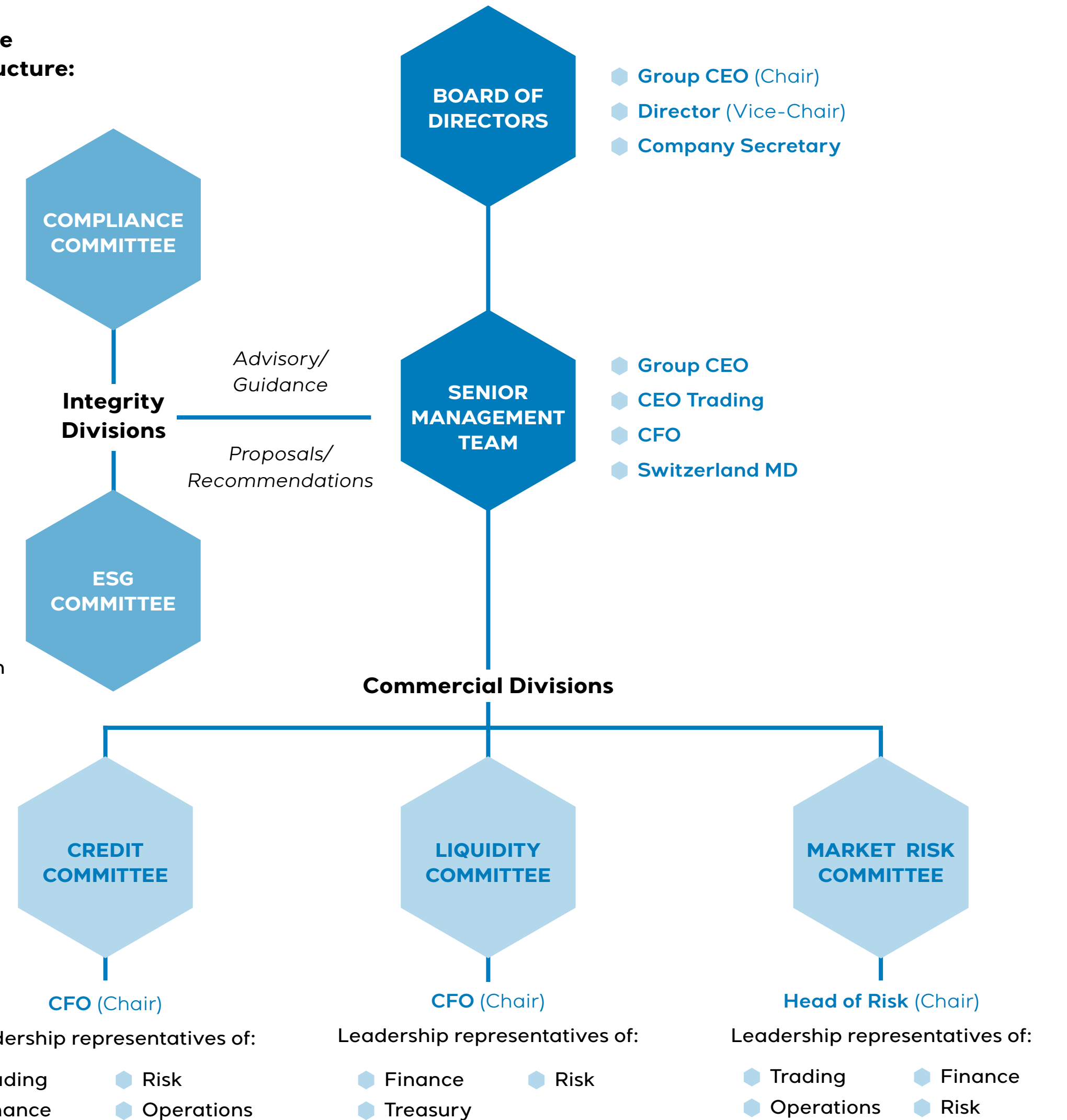
Leadership representatives of:

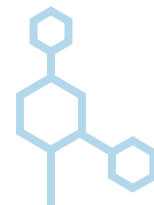
- Compliance
- Finance
- Risk
- Shipping
- Operations
- HR

Switzerland MD (Chair)

Leadership representatives of:

- Finance
- Shipping
- HR
- Trading
- Operations
- Compliance
- ESG Implementation





To manage operational performance, the Board of Directors has delegated specific responsibilities to key members of the Senior Management Team. In addition to this, five management committees have been formed to manage crucial operational decisions within the company. These committees were created to maintain a closer oversight of the most important activities of BGN.

Each committee has clearly defined responsibilities to ensure accountability, avoid unnecessary duplication, and maintain clarity in decision-making as described below:

COMPLIANCE COMMITTEE

Responsible for ensuring that we comply with applicable laws, regulations, and internal policies. It monitors the organization's adherence to regulatory frameworks across various jurisdictions. Its scope includes overseeing anti-money laundering (AML) processes, sanctions compliance, and data-protection regulations.

ESG COMMITTEE

Responsible for the development and implementation of sustainability initiatives. This includes monitoring BGN's environmental impact (such as emissions), ensuring compliance with ESG regulations and developing related policies and processes.

CREDIT COMMITTEE

Responsible for evaluating and approving credit exposures and limits for counterparties. It ensures that all credit decisions align with the company's risk appetite and financial policies. The committee reviews credit assessments, monitors the creditworthiness of counterparties, and manages the credit risks associated with various financial transactions.

LIQUIDITY COMMITTEE

Oversees the company's liquidity position and ensures sufficient cash flow to meet financial obligations. It is tasked with managing liquidity risks by reviewing funding strategies, cash flow forecasts, and ensuring compliance with regulatory liquidity requirements. The committee also evaluates potential risks to the company's liquidity and implements mitigation strategies to maintain financial stability.

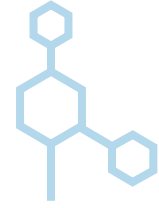
MARKET RISK COMMITTEE

Focuses on operational and risk management aspects of market trading activities. Its role includes overseeing the processes, systems, and controls related to trading operations. The committee ensures operational efficiency, compliance with market regulations, and mitigates risks associated with market trade execution, settlement, and reporting.

The governance bodies include people from different areas of the business, with the intention that decisions are informed by a diverse set of interests. The committees have standing members but can invite experts as required, whether from the wider business or externally.

Outside these governance bodies, as a global business there is delegation to our country managers to manage day-to-day operations and location specific regulations, standards and risk.





Spotlight on the ESG Committee

Given that ESG considerations have become integral to corporate governance, the ESG Committee was formed in 2023, and strengthened in 2024, to oversee BGN's sustainability practices.

Our ESG Committee is chaired by our Managing Director of Switzerland and consists of 7 other members representing key business functions. In 2024, we hired an experienced ESG Manager to lead BGN's decarbonization efforts and enhance the effectiveness of the ESG Committee.

The ESG Committee has been given responsibility to monitor the industry/market and escalate ESG risks to the Board of Directors via the Senior Management Team with accompanying guidance, proposals and preferred recommendations. This may include legal obligations, stakeholder requirements or expectations, or ESG-related trends from competitors that would affect BGN's strategy.

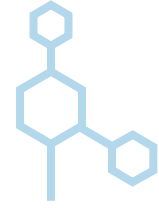
The ESG Committee is responsible for reporting to both the Senior Management Team and external stakeholders. Its publications, such as this document, provide transparency in its sustainability efforts, covering BGN's performance in key ESG areas, including carbon emissions, employee demographics and corporate governance actions.

BGN is committed to transparency, and our ESG Committee is preparing to deliver our first CSRD- (Corporate Sustainability Reporting Directive) compliant report. The committee is tasked with overseeing the working groups and building the necessary capabilities to ensure full compliance with CSRD regulations and reporting readiness. To strengthen our understanding of these requirements, in Q3 2024, we provided comprehensive training to committee members from an external advisor, developed a detailed roadmap, and plan to establish a dedicated working group to manage and oversee the CSRD compliance program effectively.

Strengthened ESG Committee oversees sustainability efforts and ensures alignment with evolving risks and regulations

Preparing to deliver our first CSRD-compliant report to enhance transparency





Communication of Critical Concerns

Our process of communicating critical concerns is evolving into a more structured and formalized procedure.

Historically, we relied on a culture of transparency and strong relationships, with an open-door policy across departments—particularly within the Senior Management Team—allowing concerns to be communicated and resolved informally. As we grow, it is important to have clear and documented processes for raising and handling critical concerns to complement our established culture.

BGN has implemented clear escalation protocols that require department leads to report any material concerns to the Senior Management Team and either the Risk Management or Compliance Committee. Several concerns were formally communicated by BGN employees, primarily concerning regulatory compliance risk related to sanctions and operational risk of potential supply chain disruptions due geopolitical tensions. However, neither of these had a material impact and were effectively addressed by the appropriate committees.

In support of a transparent escalation process, we launched a dedicated intranet portal in Q1 2024. This platform provides employees with easy access to updates on policies and practices, including FAQs, policy documentation, and case studies illustrating how BGN addresses specific business conduct concerns. This resource strengthens transparency and supports our ongoing commitment to ethical business conduct.

**Formalized
process for
escalating
critical concerns
to ensure transparency
and support ethical
business conduct**



Policy & Policy Commitments

As part of our commitment to responsible business conduct, we adhere to policies and principles designed to uphold international standards and promote ethical behavior across our operations and business relationships.

The following principles provide an overview of our approach:

Authoritative Intergovernmental Instruments

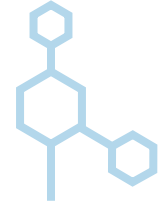
Our policy framework references key intergovernmental instruments such as the United Nations Guiding Principles on Business and Human Rights (recognized as the best practices and referenced in the policy), the OECD Guidelines for Multinational Enterprises, and the Best Practices as per the Corporate Governance Guidance of English Law (CA 2004), and relevant national anti-corruption laws. These instruments provide the foundation for our commitments to due diligence, the precautionary principle, and human rights.

Due Diligence

Our policies explicitly stipulate the need for conducting thorough due diligence across all business activities, particularly during onboarding processes like KYC (Know Your Client), vessels screening, and KYT (Know Your Trade) including sanctions check processes.

Clear Structure

We have a Master Policy to provide a company-wide standardized framework for the development of governance documents (BGN policies, procedures, and guidelines) and to define a structured hierarchy for all governance documents. The standardization aims to ensure that essential regulations are available in an understandable form to all BGN employees and that consistency, compliance, integrity, and transparency are maintained over daily activities.



Specific Policy Commitments

Our policies that address these commitments include:

- 1 Anti-Bribery Policy & Procedures for Gifts & Corporate Hospitality
- 2 Conflict of Interest Disclosure Form
- 3 Credit Risk Policy
- 4 ESG Policy
- 5 Liquidity Policy
- 6 Code of Business Conduct
- 7 Reporting Manual – BGN Ethics Line
- 8 Trading Compliance – KYC Policy for National Oil Companies
- 9 Market Risk Policy
- 10 Corporate Governance Policy

All final versions of policies are approved by the Senior Management Team and Board of Directors. Our “Code of Business Conduct” is publicly available on our website, all other policies are on our intranet for our employees to access and relevant updates are communicated via that channel.

In 2024, with the expansion of the Compliance team, we have been reviewing our policies for consistency and alignment with best global practices in the industry. This exercise is still in progress and future actions are included in the [Looking Forward](#) section.

We recognize that the successful implementation of our policies relies on our commitment to embedding these principles into our company culture, contractual relations with suppliers and our internal processes. To ensure this, we aim to provide dedicated training sessions for all employees on critical topics stated in our [Looking Forward: Governance Actions](#) section.

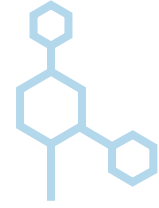
BGN has adopted a number of Compliance- and KYC-related policies, which were ratified and put in place since 2023. This included, for example, the KYC Policy for National Oil Companies (NOCs) and policy on Anti-Bribery, as well as the Conflict of Interest Disclosure Form and the Code of Business Conduct. In addition to this policies, we have been using several widely recognized tools and platforms to conduct our compliance checks and due diligence such as Nexis Diligence, LSEG World Check, Komgo Check & PurpleTrac.

As part of our Trading Compliance Policy, we conduct annual reviews of all counterparties to ensure up-to-date information regarding company structure, directorship, ownership and operational and financial health. We regularly monitor publications made by bodies such as the Office of Foreign Assets Control (OFAC) as well as market news monitoring in case of any changes to the political and sanctions status of private and public companies.

In addition, we keep regular contact with respective traders and business developers to understand their counterparties better and get the latest market news that will help with our checks and monitoring.

Currently, as part of our KYC questionnaire we ask our counterparties to indicate whether they have certain policies in place, ESG included. This currently results in a very high-level view.





Looking Forward: Governance Actions

Moving forward, BGN is committed to maintaining integrity and accountability at the core of our business, while strengthening our governance through the following actions:

We will continue to implement and regularly update Corporate Policies, Procedures and Guidelines, introducing the following:

- Data Privacy and Cybersecurity Policy
- Supplier Code of Conduct
- Sustainable Procurement Policy
- Human Rights Policy
- Anti-Child Labor and Forced Labor Policy
- Occupational Health and Safety Policy
- Grievance Mechanism Policy

Continue to strengthen due diligence procedures for counterparties and suppliers

Including enhanced KYC checks, screening for sanctions, and introducing an ESG questionnaire to gather insights on sustainability practices within our value chain.

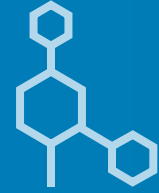
Conduct regular training sessions on following subjects as a start:

- Diversity, Equity & Inclusion
- Workplace Harassment and Discrimination
- Occupational Health and Safety
- Ethics and Compliance
- Anti-Bribery and Corruption
- Code of Business Conduct

BGN aims to achieve EcoVadis accreditation for active BGN subsidiaries within the next 2 years

To demonstrate our commitment to sustainability, enhance transparency, and meet the growing expectations of clients and stakeholders for responsible business practices across our entire operations.

We believe that our ongoing efforts will help us **stay aligned with global best practices**, ensuring that BGN maintains the highest standards of governance, compliance, and ethical conduct



Why EcoVadis Accreditation is Important for Us?

CASE STUDY

In response to a client request, BGN INT DMCC applied for EcoVadis accreditation in 2024 and was awarded a Silver medal.

What is EcoVadis?

EcoVadis is a globally recognized rating platform that evaluates companies' sustainability performance across key areas such as environmental impact, labor and human rights, ethics, and sustainable procurement. Achieving EcoVadis accreditation is important because it provides an objective, independent assessment of a company's commitment to corporate social responsibility (CSR) and sustainable business practices.

What Do EcoVadis Medals and Badges Mean?

EcoVadis Medals and Badges recognize companies that have demonstrated strong management systems addressing sustainability criteria through the EcoVadis assessment process. These medals indicate a company's performance relative to others in the EcoVadis database but do not certify a company or its products as sustainable.

Medals are awarded to the top 35% of companies assessed, with rankings based on percentile performance. The medal levels include⁵:

- ◆ **Platinum:** Top 1% (99+ percentile)
- ◆ **Gold:** Top 5% (95+ percentile)
- ◆ **Silver:** Top 15% (85+ percentile)
- ◆ **Bronze:** Top 35% (65+ percentile)

To qualify for a medal, companies must meet minimum scores of 30 in each of the four themes: environment, ethics, labor and human rights, and sustainable procurement.

⁵ Source: [EcoVadis Medals and Badges: Recognizing our Customers' Achievements](#) | EcoVadis

Why It's Important for Us?

EcoVadis accreditation will provide an annual independent transparent and credible assessment of BGN's sustainability performance for clients, partners, and bankers. Additionally, sustainability rating platforms such as EcoVadis help us identify our strengths and pinpoint areas for improvement by benchmarking our practices against global standards and industry peers. These insights empower BGN to develop targeted action plans and prioritize initiatives that enhance our Environmental, Social, and Governance (ESG) impact, driving continuous improvement in our sustainability performance.

EcoVadis accreditation will provide an annual **independent transparent and credible assessment** of BGN's sustainability performance





Acronyms & Definitions

Term	Definition
AIB	Association of Issuing Bodies
BGN	Refers in this document to BGN INT HOLDING LTD and its subsidiaries
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CII	Carbon Intensity Indicator
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DEFRA	Department for Environment, Food & Rural Affairs (UK government)
EEXI	Energy Efficiency Existing Ship Index
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
FY	Financial Year (for BGN this is aligned with calendar year)
Haversine Method	Calculates the shortest distance between two points on a sphere using their latitudes and longitudes measured along the surface
HR	Human Resources
ICR	International Carbon Registry
IEA	International Energy Agency
IMO	International Maritime Organization
kWh	kilowatt hour
KYC	Know Your Client
KYT	Know Your Trade

Term	Definition
LFG	Landfill Gas
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
MD	Managing Director
MGCs	Medium Gas Carriers
MSc	Master of Sciences
MT	Metric ton
MVC	Mundo Verde Climate SA
N/A	Not applicable
NGOs	Non-governmental Organizations
NOCs	National Oil Companies
OECD	Organisation for Economic Co-operation and Development
OFAC	Office of Foreign Assets Control
SAF	Sustainable Aviation Fuel
SOPs	Standard Operating Procedures
T&D	Transmission and Distribution
tCO₂e	Tonnes Carbon dioxide equivalent
UN SDGs	United Nations Sustainable Development Goals
VLGCs	Very Large Gas Carriers
WTT	Well-to-tank



BGN

bgn-int.com