Task Force on Climate Related Financial Disclosures (TCFD) Index 2025

Task Force on Climate Related Financial Disclosures (TCFD) Executive Summary

BB Energy USA, LLC ("the Company") is a U.S.-formed business entity that meets the applicability criteria of a covered entity under SB 261 and is therefore subject to the biennial reporting requirement. As the reporting entity, BB Energy USA's disclosures are distinct from, but informed by, the broader governance and risk management practices of its parent company, BB Energy Group Holding Ltd. ("the Parent"). This Climate Related Financial Risk Report (the "Report") has been prepared by BB Energy USA, LLC ("BB Energy USA") pursuant to the requirements of California Senate Bill 261, the Climate Related Financial Risk Act. This Report represents the Company's first submission under the law. The disclosures reflect the fiscal year ended December 31, 2025 (FY 2025), and have been prepared on an entity level basis, encompassing all operations over which the Company exercises operational control. References to Parent-level systems or practices appear only where helpful to contextualize enterprise-wide governance, data management, or ESG frameworks.

Unless otherwise noted, the data and analysis presented relate to owned and leased assets, facilities, and operations under direct management. The disclosures are prepared under the Task Force on Climate related Financial Disclosures (TCFD) standards, addressing Governance, Strategy, Risk Management, and Metrics and Targets. This approach is aligned, where applicable, with the International Sustainability Standards Board (ISSB S2) Climate-related Disclosures framework, which builds upon TCFD recommendations. The analysis also draws on the scientific guidance of the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) for transition risk evaluation and scenario development.

Climate-related financial risks are defined as potential impacts to BB Energy's business model, trading operations, supply and logistics, financial performance, and strategic positioning arising from both physical and transition risks. Physical risks may affect BB Energy USA's Houston-based operations and supporting logistics corridors, including extreme heat, storms, flooding, and wildfires. Current resilience measures, such as BB Energy USA's Business Continuity Plan, evacuation protocols, emergency communications, and remote-work readiness, support operational continuity for U.S. personnel.

Transition risks relate to evolving climate regulations, changes in global energy markets, shifts in supply-chain expectations, and increasing scrutiny from financial institutions. Recent ESG Committee discussions highlight the need for consolidated carbon-emissions data across the Group and ongoing enhancements to data systems, including CSRD-aligned materiality software, expanded emissions data requests, and adoption of CarbonChain for GHG accounting. These developments inform BB Energy USA's long-term transition planning. BB Energy Group's ESG governance and disclosure maturity is further supported by its participation in EcoVadis, where the Group received a score of 57 out of 100 and was awarded a Commitment Badge, reflecting early progress and ongoing enhancement of ESG policies, controls, and reporting practices.

Scenario analysis supporting this Report references the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) and compares both a below-2 °C ("Low-Carbon Transition") and 4–5 °C ("Business-as-Usual") pathway. The sector context is informed by IEA transition pathways relevant to oil, gas, LPG, LNG, and renewable power markets. BB Energy is a global energy trader with operations concentrated in the midstream and downstream segments including diversified activities across crude, refined products, LPG/LNG distribution, environmental credit development, and merchant solar generation, BB Energy faces material exposure to transition dynamics, including carbon-policy changes, technology costs, customer expectations, and lender scrutiny. These risks are balanced by significant opportunities embedded within its transition strategy, including its growing renewables portfolio, environmental credit programs recognized in Rwanda's national climate reporting, and long-term strategy to allocate at least 25% of capital expenditures to transitional and renewable projects, consistently exceeded over the last three fiscal years.

This initial disclosure focuses on the climate-related financial risks most relevant to BB Energy USA's operations, while also reflecting Parent-level governance structures and transition initiatives that influence U.S. risk exposure. Strengthened governance, continued digitization, operational efficiency upgrades, and enhanced data management will support BB Energy USA's climate-risk readiness. As data systems mature, the Company will further align its processes with its Parent-level ESG practices, complete its CSRD-aligned assessment, and advance its internal ESG program. This Report also provides a transparent overview of how climate risks are governed, integrated into broader risk-management processes, and assessed against future transition scenarios, outlining ongoing efforts to enhance resilience and prepare for a global shift toward lower-carbon energy systems and will be made publicly available in accordance with SB 261.

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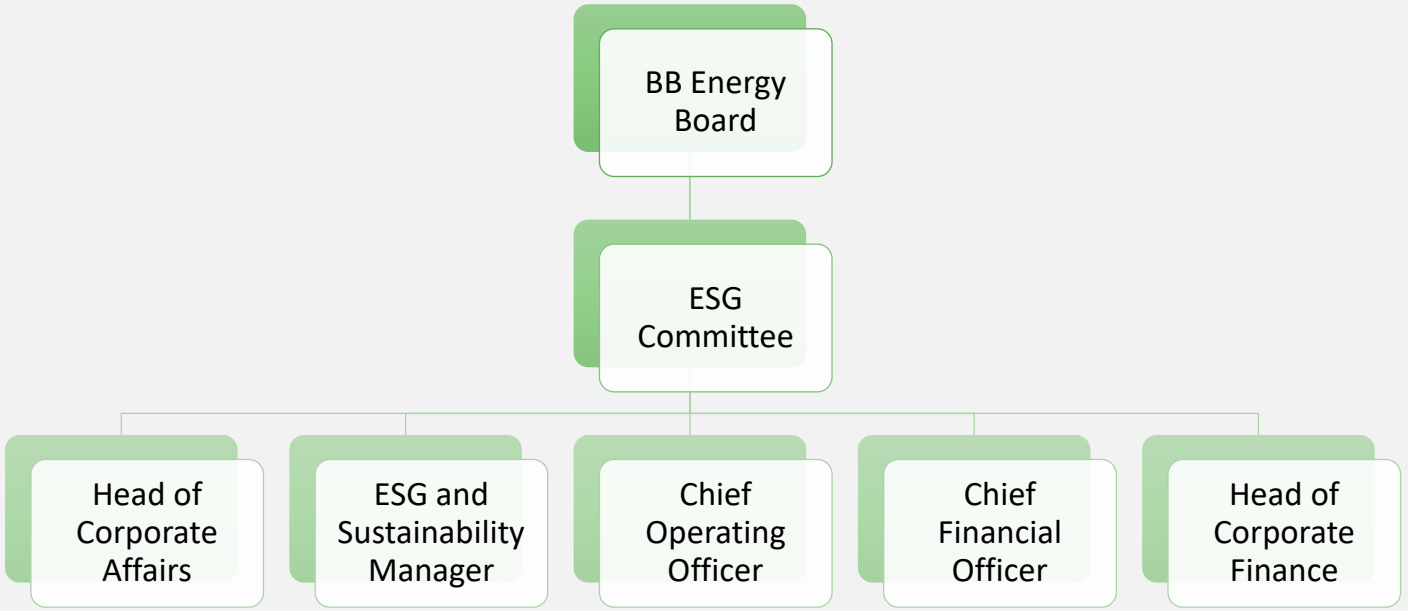
Governance

DISCLOSURE	FY 2025 RESPONSE
a) Board's oversight of climate-related risks and opportunities	BB Energy Group's Board of Directors provides enterprise-wide oversight of governance matters, including climate-related risks, transition planning, operational resilience, and long-term strategic positioning across the Group's global trading and downstream businesses. Oversight responsibilities are exercised through established Board-level committees. A dedicated ESG Committee, chaired by the Group Head of Corporate Affairs, reinforces this oversight by coordinating climate-related governance, monitoring evolving disclosure requirements, and evaluating emerging sustainability risks across business units. Committee membership spans finance, risk, compliance, downstream operations, corporate affairs, sustainability, and health and safety, reflecting the Group's recognition that climate-related risks intersect operational, financial, regulatory, and reputational dimensions. The Committee's Terms of Reference authorize it to request information from internal stakeholders, seek regulatory/legal guidance, and escalate ESG-related recommendations to the Board for approval. The governance structure of the Board and Committee are as follows: 

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Governance

DISCLOSURE	FY 2025 RESPONSE
b) Management's role in assessing and managing climate-related risks and opportunities	The Board and ESG Committee regularly receive updates on global regulatory developments, including but not limited to CSRD readiness, mandatory emissions data submission deadlines, and ESG due diligence expectations from financial institutions. Recent Committee discussions emphasized the need for strengthened ESG data systems following lender inquiries (e.g., ING's extensive ESG questionnaire, where only limited responses met their expectations), underscoring growing scrutiny from counterparties and broader transition-driven transparency demands. Climate-related oversight also extends into BB Energy's broader risk governance framework. The Board delegates day-to-day risk monitoring to established committees, Market Risk, Credit, and Compliance, which incorporate climate-related variables into trading exposure assessments, counterparty reviews, sanctions and regulatory monitoring, and downstream operational risk evaluations. Group leadership maintains accountability for ensuring that risks from extreme weather events, supply-chain disruptions, energy-transition policies, carbon markets, and technology shifts are regularly assessed and integrated into decision-making. For U.S. operations specifically, climate oversight flows through corporate governance processes and is supported by BB Energy USA's Business Continuity Plan, which outlines emergency response roles, evacuation procedures, shelter-in-place protocols, and remote-work contingencies related to hurricanes, floods, storms, or other high-risk physical hazards in the Houston region. Operational leadership coordinates closely with building management and external emergency officials to ensure preparedness and continuity. Together, these structures create a governance framework in which senior leadership maintains active oversight of climate-related risks and opportunities across the Group. This includes evaluating strategic priorities for renewable and transitional energy investments, monitoring exposure to global climate regulation, evaluating emissions data and internal controls, and guiding the ongoing development of BB Energy USA's alignment on sustainability initiatives.

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Strategy

DISCLOSURE

a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term

FY 2025 RESPONSE

ACUTE PHYSICAL RISKS

BB Energy evaluated the location of its Houston office to assess exposure to acute and chronic climate-related impacts across the short (0–2 years), medium (3–5 years), and long (6–10 years) terms. The assessment focused on key natural hazards, such as, hurricanes, heatwaves, floods, wildfires, and earthquakes, drawing on the Federal Emergency Management Agency's (FEMA) National Risk Index to quantify exposure. BB Energy USA's primary U.S. office is located in Houston, Texas, a region with elevated exposure to hurricanes, flooding, heatwaves, and severe storms. Of FEMA's 18 natural hazard types, only 15 were included in the analysis. Avalanches, tsunamis, and volcanic activity were excluded as they are not applicable to BB Energy USA's Houston-based operations.

The analysis determined that BB Energy's Houston office is located in a region with multiple hazards rated "High" to "Very High" by FEMA, reflecting short- and medium-term climate-related risks relevant to the Company's U.S. operations. The following results reflect the exposure trends and corresponding risk scores for short- to medium-term natural hazard risks for the Houston office:

Tornado	100.00	Strong Wind	95.61
Hurricane	100.00	Hail	94.05
Riverine Flooding	100.00	Earthquake	90.74
Lightning	99.97	Drought	88.45
Heatwave	99.36	Wildfire	87.94
Cold Wave	99.20	Landslide	83.23
Winter Weather	97.77	Coastal Flooding	73.84
Ice Storm	58.23	Average Risk	95.10

The assessment confirmed that the Houston office faces an incredibly high to very high combined exposure to 14 of the 15 identified total hazard types applicable to the region with it's overall average risk score identified at 95.10 (Very-High Risk). Overall, acute physical hazards are most relevant to short- and medium-term risk horizons, particularly in relation to business continuity, insurance coverage, workforce safety, and operational reliability across global trading and downstream activities.

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Strategy

DISCLOSURE	FY 2025 RESPONSE
a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term	**CHRONIC PHYSICAL RISKS** BB Energy USA also assessed chronic physical risks: such as sea-level rise, long-term heat stress, drought, and chronic flooding across BB Energy USA's key U.S. location and operational corridor. Because chronic-risk exposure varies significantly by geography, this assessment focused on the Company's primary U.S. office in Houston. Houston is not projected to experience significant sea-level rise impacts; however, increasing inland flooding frequency, rising temperatures, and strain on local infrastructure elevate long-term climate-related risk. These trends contribute to considerations for long-term planning, insurance coverage, and operational continuity. Based on chronic-risk mapping and publicly available exposure data, BB Energy USA's Houston location exhibits a heightened long-term risk profile relative to inland offices in other regions. This underscores the importance of remote-work capabilities, flexible emergency-response planning, and building-level readiness measures. However, the Houston office has a low exposure by employee count relative to the Parent-level leased office portfolio. **PHYSICAL OPPORTUNITIES** Despite elevated chronic physical risks in the Houston region, BB Energy USA benefits from several location-specific characteristics that support long-term operational resilience. Houston continues to invest in fortification of the grid, flood-control improvements, and storm-mitigation infrastructure, which helps reduce the frequency and duration of service disruptions in the city's commercial corridors. The Company's proximity to major U.S. energy markets also provides access to diversified and reliable power and fuel supplies during extreme-weather events. BB Energy USA is actively advancing its own business continuity and risk management capabilities, informed by ISO-aligned practices adopted across other entities within the company. BB Energy USA is working toward formal certification targets beginning in 2026, alongside continued enhancements to its digital and cybersecurity infrastructure to support remote work readiness. These efforts are intended to strengthen operational flexibility during periods when physical access to the Houston office is disrupted and to support continuity across essential trading, compliance, and corporate support functions as these capabilities mature. BB Energy USA is also strengthening its resilience planning and scenario-analysis capabilities, using FEMA-based hazard scoring to evaluate potential disruptions and refine business-continuity planning under varying climate conditions. The Company is enhancing its utility data collection processes and preparing for potential Scope 1, Scope 2, and relevant Scope 3 reporting requirements, establishing a foundation for future emissions disclosures and alignment to science-based decarbonization expectations. Together, these initiatives support BB Energy USA's operational continuity and improve readiness for evolving climate-related risks.

Task Force on Climate Related Financial Disclosures (TCFD) Index

Strategy

DISCLOSURE	FY 2025 RESPONSE
a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term	**TRANSITION RISKS** Transition risks represent some of the most material long-term risks to BB Energy due to its position as a global energy trader, with downstream operations at the Parent-level. These risks include policy and regulatory developments, market shifts, technology availability, and changing stakeholder expectations. BB Energy has identified the following long-term transition risks: **Policy and Legal** - The regulatory landscape for climate disclosure is evolving and requires awareness, examples include California's SB 253 and SB 261, future federal rules, the EU's Corporate Sustainability Reporting Directive (CSRD), and global initiatives. For the Parent-level trading business, additional transition risks arise from expanding carbon-pricing systems, international carbon markets, and decarbonization rules issued by the International Maritime Organization (IMO), which increase shipping and compliance costs across crude and product cargoes. Counterparties, such as ING, are also requiring more detailed ESG information as part of due diligence. For BB Energy USA, the primary risks relate to compliance with SB 261 and increased expectations for transparent, entity-level climate disclosures. **Market** - Global energy markets are undergoing structural transformation as demand gradually shifts from fossil products toward transitional fuels and renewables. Trading activities face exposure to price volatility, freight-cost impacts from IMO shipping emissions rules, carbon-policy–driven pricing pressures and changing trade flows. Market expectations for transition-aligned strategies, renewable investment, and transparent emissions reporting continue to intensify and influence BB Energy's business model over the long term particularly in the transitional fuels market. **Reputation** – Stakeholders including financial institutions, counterparties, insurers, and regulators are placing increasing emphasis on ESG performance and transparency. As a major participant in energy markets, BB Energy must maintain credibility through robust governance, measurable emissions data, and clear transition planning. The organization has already taken steps to strengthen this posture by establishing a Board-level ESG Committee, launching the BB Energy Foundation, and improving transparency in downstream and environmental project reporting. **Technology** - The shift to low-carbon technologies affects trading strategies, asset development, and operational processes. Technology availability and cost influence renewable generation economics, battery storage systems, and digital emissions tracking. BB Energy has begun mitigating these risks through its renewable investments, carbon accounting via CarbonChain, and reliance on Parent-level cloud-based systems, cybersecurity infrastructure, and digital transformation programs.

Task Force on Climate Related Financial Disclosures (TCFD) Index

Strategy

DISCLOSURE	FY 2025 RESPONSE
a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term	**TRANSITION OPPORTUNITIES** **Policy and Legal** - BB Energy's global footprint and long-standing presence in energy trading position the Group to benefit from regulatory convergence and rising demand for climate-aligned products and reporting. BB Energy has already enhanced internal data systems and established a cross-functional ESG governance structure capable of managing regulatory complexity. Growing compliance expectations for traceability, emissions data, and supply-chain transparency support BB Energy's investment in carbon accounting through CarbonChain (GHG Protocol aligned) and reinforce the value of the Group's environmental credit portfolio (e.g., Rwanda's nationally reported Verified Emission Reductions). Enhanced regulatory literacy and early orientation with TCFD/ISSB frameworks strengthen BB Energy's credibility with regulators, lenders, and counterparties. **Market** - BB Energy's ongoing diversification creates significant market opportunities across transitional and low-carbon energy segments. The Group has exceeded its long-term target of allocating at least 25 percent of capital expenditures to renewable and transitional energy assets - surpassing 75 percent over the past three fiscal years. These investments support strategic growth areas, including merchant solar and battery projects across sub-Saharan Africa (500 MW pipeline), expansion of LPG and LNG supply, which play a critical role in reducing carbon intensity in emerging markets, and scaling environmental credit development programs aligned with national climate reporting needs. As global energy markets shift toward lower-carbon solutions, BB Energy's multi-fuel model and renewables portfolio expand its relevance to both existing customers and new markets seeking transitional energy security. **Reputation** - BB Energy's sustainability posture, transparent Scope 1, 2 and 3 emissions reporting, and creation of the BB Energy Foundation strengthen the Group's license to operate and reinforce stakeholder trust. The Foundation's initiatives, focused on social impact in the countries where BB Energy operates, support stakeholder engagement and improve community resilience. Strengthening climate governance, improving emissions data quality, and maintaining and broadening third-party certifications (including ISO 22301 for business continuity) further enhance BB Energy's reputation for responsible operations and climate readiness.

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Strategy

DISCLOSURE	FY 2025 RESPONSE
a) Climate-related risks and opportunities the organization has identified over the short, medium, and long term	**TRANSITION OPPORTUNITIES, cont.** **Technology** - Technological advancements present meaningful opportunities for BB Energy to strengthen climate resilience, operational efficiency, and transition alignment across its trading, downstream, and renewable portfolios. Key areas of technological advancement include: • **Digitalization & Data Systems:** The Group's efforts to attain ISO/IEC 27001 and 22301 certification, throughout the business, mirroring practices in other entities of the business, strengthens its enterprise-wide information security controls, ensuring confidentiality, integrity, and availability of critical data systems. The Group's adoption of CarbonChain delivers high-quality, third-party-verified emissions data, supporting CSRD readiness, may support lender reporting, and customer transparency. • **Energy Transition Technology:** The merchant solar and battery-storage pipeline under Solarcentury Africa provides exposure to grid modernization, renewable generation, and storage technologies central to low-carbon energy systems. • **Operational Efficiency Upgrades:** Across downstream and terminal operations, ongoing investment in energy-efficient equipment, fuel systems, and environmental controls enhance operational performance while reducing exposure to carbon pricing and energy volatility. • **Business Continuity & Remote Work Infrastructure:** BB Energy USA's Business Continuity Plan outlines procedures for remote operations in the event of hurricanes, storms, or infrastructure disruptions, enabling uninterrupted trading and corporate functions supported through digital platforms and cloud-based systems. Together, these technology-driven capabilities strengthen BB Energy's resilience to transition risks while positioning the Group to capitalize on growth in low-carbon energy markets.

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Strategy

DISCLOSURE	FY 2025 RESPONSE
b) Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	**BUSINESS STRATEGY** BB Energy's business strategy is grounded in three long-standing pillars: geographic expansion, product diversification, and preparation for the future of energy. Together these three pillars shape how climate-related risks and opportunities influence long-term planning. • **Impact on Trading & Market Exposure:** Climate-related policies, fuel-mix shifts, and energy-transition dynamics influence crude and product pricing, spreads, and arbitrage opportunities. BB Energy's diversified trading portfolio, which includes LPG, LNG, biofuels, refined products, environmental credits, and renewables, provides natural hedging against volatility arising from transition-driven market shifts. • **Impact on Capital Allocation:** BB Energy's capital strategy increasingly prioritizes renewable and transitional assets. The Group has exceeded its 25 percent investment target, deploying more than 75 percent of capex toward solar, battery, and transitional energy projects from 2022 to 2024. This strengthens long-term resilience and aligns with stakeholder expectations for transition investment. • **Impact on Downstream & Storage Assets:** Downstream operations in Africa, LATAM, and Turkey integrate climate and HSEC considerations into fuel storage, safety, and logistics. ISO-certified environmental and continuity controls help mitigate transition pressures, insurance risks, and physical disruptions. • **Impact on Corporate Operations:** Physical risk exposure, particularly in Houston, shapes business continuity planning, remote-work procedures, and emergency readiness. Landlord coordination, emergency training, evacuation procedures, and communication protocols reduce disruption from acute climate hazards. • **Impact on ESG Governance & Reporting:** BB Energy's Group-level ESG Committee and CSRD preparation activities support enhanced data systems, stakeholder engagement, and sustainability governance. These improvements improve strategic readiness for future climate reporting mandates and strengthen lender, customer, and counterparty relationships. Collectively, these climate-related considerations influence BB Energy's financial planning, investment priorities, operational processes, and long-term transition posture.

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Strategy

DISCLOSURE

c) Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

FY 2025 RESPONSE

SCENARIO ANALYSIS

To thoroughly measure the resilience of BB Energy's long-term strategy, we conducted detailed analyses across two distinct climate-related scenarios: a high emissions scenario ("Business-as-Usual") and a low emissions scenario ("Net Zero Emissions"). These scenarios are aligned with the Intergovernmental Panel on Climate Change (IPCC) AR6 including 2.0°C, and 4.4°C-5°C warning pathways (RCP 2.6, and RCP 8.5). Sector-specific assumptions were informed by IEA pathways relevant to global oil and gas, LNG/LPG, renewable power, and energy-transition markets.

Business-as-Usual Scenario > 4.4°C

Under the Business-as-Usual Scenario, characterized by a global temperature increase exceeding 4.4°C by the century's end, BB Energy anticipates significant physical and transition risks. Physical risks in this scenario are notably intensified, including frequent storm events, flash floods, and severe heatwaves. Increased storm severity may disrupt marine routes, delay shipments, elevate demurrage costs, and introduce port-closure risks. Heightened volatility in supply-demand patterns would influence pricing spreads and arbitrage windows.

Acute hazards identified through FEMA modeling, including flood and heat risk in Houston, could lead to temporary disruptions to business continuity or facility access. Business continuity is supported through BB Energy USA's Emergency Action Plan, evacuation procedures, and remote-work capabilities. Transition risks would also intensify under this scenario. Expanding climate regulations (e.g., SB 261, CSRD) would impose additional compliance costs and disclosure expectations, potentially challenging firms without established governance and reporting systems.

BB Energy's downstream operations in Africa, LATAM, and Turkey could experience heat-induced equipment strain, storm-related damage, and operational disruptions. ISO-certified HSEC and business continuity controls strengthen resilience across these assets. Merchant solar projects in Africa could experience performance impacts from prolonged heat or weather variability, though long-term irradiance levels in the region continue to support renewable investment.

In anticipation of these outcomes, BB Energy's existing mitigation measures, CSRD readiness, CarbonChain emissions accounting, and Board-level ESG oversight, provide meaningful preparedness. BB Energy's strategic diversification, digital infrastructure, and crisis-management capabilities underpin resilience in this scenario through: Cloud-based systems support remote trading and global continuity, Renewable investments and environmental credits create long-term hedging against policy risk, further ISO 22301 business continuity certifications across business entities provides assurance for Parent-level IT and data resilience.

Task Force on Climate Related Financial Disclosures (TCFD) Index

Strategy

DISCLOSURE	FY 2025 RESPONSE
c) Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	To thoroughly measure the resilience of BB Energy's long-term strategy, we conducted detailed analyses across two distinct climate-related scenarios: a high emissions scenario ("Business-as-Usual") and a low emissions scenario ("Net Zero Emissions"). These scenarios are aligned with the Intergovernmental Panel on Climate Change (IPCC) AR6 including 2.0°C, and 4.4°C-5°C warning pathways (RCP 2.6, and RCP 8.5). **Low Carbon Economy Scenario < 2.0°C** Under the Low Carbon Economy Scenario, aligned with global temperature increases below 2.0°C, BB Energy anticipates significant shifts in demand patterns, regulatory expectations, and investment priorities. This scenario features stronger carbon-pricing mechanisms, reduced long-term demand for high-carbon fuels, and rapid expansion of solar, wind, battery storage, and other low-carbon technologies. Transitional fuels such as LNG and LPG continue to play an essential role, particularly in emerging markets where energy reliability and affordability remain central. Disclosure expectations under CSRD and ISSB S2 also intensify, requiring more robust emissions data and governance transparency. These trends align closely with BB Energy's strategic direction. The Group has already rebalanced capital allocation toward renewable and transitional assets, exceeding its 25 percent target and directing more than 75 percent of capital expenditures to clean-energy initiatives from 2022–2024. This includes a 500-MW merchant solar and battery-storage pipeline across sub-Saharan Africa and a growing portfolio of environmental credit programs recognized in Rwanda's national reporting. Rising demand for LPG and LNG reinforces BB Energy's role in transitional energy markets, while strengthened ESG governance enhances the Group's positioning with financial institutions and counterparties. Operationally, BB Energy remains resilient under a <2°C scenario. Its diversified commodity exposure mitigates demand contraction for any single fuel, while its presence across emerging markets supports continued growth in transitional energy solutions. ESG oversight through the Group's Board-mandated ESG Committee ensures that climate-related risks and opportunities are systematically incorporated into strategic planning. Cloud-based digital infrastructure and remote-work readiness across corporate and trading offices further enhance continuity as global operating conditions evolve. Across both modeled pathways, BB Energy's multi-fuel business model, renewable investments, international footprint, and strengthened governance enable resilience across both modeled climate pathways. Whether global conditions trend toward heightened physical disruption or rapid market transition, the Group is positioned to adapt its strategy, maintain operational continuity, and advance its role in the evolving low-carbon energy landscape.

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Risk Management

DISCLOSURE	FY 2025 RESPONSE
a & b) Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	BB Energy Group Holding Ltd. integrates climate-related risks into its broader enterprise risk management structure rather than treating them as a standalone category. The Group's established governance framework covers market, credit, compliance, operational, and HSEC risks providing the foundation for identifying, assessing, and managing the financial and operational impacts of climate change. Oversight is reinforced by the Board-mandated ESG Committee, which convenes cross-functional leaders from finance, risk, operations, sustainability, compliance, and corporate affairs to evaluate regulatory developments, emissions data requirements, and emerging ESG risks across the business.
c) How processes for identifying assessing, and managing climate related risks are integrated into the organization's overall risk management	Climate-related risk identification occurs through multiple channels, including the Group's materiality assessment processes, CarbonChain-based emissions accounting, and HSEC frameworks that govern downstream and terminal operations. CarbonChain provides consolidated Scope 1, 2, and 3 emissions data in alignment with the GHG Protocol, enabling BB Energy to monitor transition risk exposure across traded products and operational activities. For U.S. operations, the Business Continuity Plan is a critical component of physical risk management, outlining emergency procedures, evacuation steps, shelter-in-place guidance, and remote-work arrangements for severe weather events in the Houston region. BB Energy USA is aiming to achieve ISO/IEC 27001 certification for its information security management system in 2026, mirroring other entities within the Company, reinforcing the confidentiality, integrity, and availability of Group-wide data assets and digital infrastructure. Management of climate related risks is increasingly being incorporated across trading desks, operational units, and corporate functions. Trading and logistics teams are beginning to factor weather related disruptions, carbon price movements, route volatility, and regulatory developments into routine risk considerations. Downstream operations are supported by structured environmental and safety controls, including ISO certified systems in certain jurisdictions such as Rwanda and Turkey, which help inform the management of physical hazards, equipment exposure, and continuity risks. Credit and compliance teams are enhancing counterparty review processes through strengthened KYC and ESG related due diligence, reflecting heightened expectations from lenders and financial institutions. At the Group level, investments in renewable assets, transitional fuels, energy efficiency measures, and digital infrastructure are intended to reduce longer term exposure to transition dynamics. Integration of climate related considerations into enterprise risk management is progressing through routine reporting to senior leadership and Board committees, with climate related insights increasingly informing strategic planning, capital allocation, and operational decision making. ESG Committee updates and structured follow up actions are being used to support continuous improvement over time. Through this evolving approach, BB Energy is working to further embed climate related risks into its broader risk management framework, supporting resilience across both physical and transition driven scenarios.

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Metrics and Targets

DISCLOSURE

FY 2025 RESPONSE

a) Metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process

BB Energy Group Holding Ltd. evaluates climate-related risks and opportunities through a focused set of metrics that reflect the scale and nature of its global trading, downstream, and renewable operations. Emissions data remains the most material indicator due to the Group's participation across crude, refined products, LPG/LNG, and renewable energy markets. BB Energy reports its greenhouse gas footprint publicly and uses CarbonChain to calculate emissions in accordance with GHG Protocol. This data supports compliance readiness for CSRD, inform lender and counterparty due diligence, and provide a foundation for scenario analysis and transition planning.

b) Disclose Scope 1, Scope 2, and is appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks

BB Energy Greenhouse Gas Emissions
(All values in tCO2e)

Category	2024 Emissions	2023 Emissions	Notes
Scope 1	72,700	341,200	Primarily from the owned Bitumen vessel and limited term-chartered ships; reduction driven by decreased term-charter usage.
Scope 2	944	827	Electricity consumption across BB Energy's offices globally.
Scope 3	129,610,000	98,690,000	Dominated by use of sold products; increases tied to higher trading volumes. Highly dependent on energy sources the world's energy market needs.
Total:	**129,680,000**	**99,030,000**	Overall footprint reflects market activity and product mix.

These emissions represent the most material climate metric for the company and inform its transition-risk exposure, particularly in relation to evolving carbon-pricing mechanisms, disclosure regulations, and lender expectations. 2025 Emissions Data is not available at the time of publishing.

Metrics and Targets

DISCLOSURE

b) Disclose Scope 1, Scope 2, and is appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks

FY 2025 RESPONSE

For purposes of this disclosure, emissions reporting has been refined to present a breakout of Scope 1, Scope 2, and Scope 3 greenhouse gas emissions attributable to BB Energy USA's operations, rather than consolidated Parent-level emissions. Emissions data are calculated using location-based methodologies consistent with the GHG Protocol and supported by CarbonChain for emissions accounting. This entity level presentation supports SB 261 reporting expectations, informs lender and counterparty due diligence, and provides a foundation for scenario analysis and transition planning.

BB Energy USA's
Greenhouse Gas Emissions 2025
(All values in tCO2e)

Category	2025 Emissions*	2024 Emissions	Notes
Scope 1	-	29	Primarily for natural gas use in the office location.
Scope 2	-	2	Primarily location based and the lease material.
Scope 3	-	30,251,474	Primarily due to use of sold products, purchased goods, upstream transport, processing of sold products, downstream transport, business travel, and upstream energy activities.
Total:	**-**	**30,251,505**	Overall footprint reflects BB Energy USA's Scope 1, Scope 2, and Scope 3 emissions.

*2025 Emissions Data is not available at the time of publishing.

Metrics and Targets

DISCLOSURE	FY 2025 RESPONSE
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	In addition to emissions, BB Energy Group Holding Ltd. tracks indicators linked to resilience and transition alignment. One of the most important is the Group's capital allocation to renewable and transitional projects. BB Energy sets an internal target to invest at least 25 percent of annual capital expenditure into these areas; from 2022 to 2024, more than 75 percent of capex was deployed into solar, battery storage, environmental credit development, and other transition-focused initiatives. This investment trajectory reflects the Group's long-term strategic commitment to the global energy transition.

Capital Allocation to Renewable & Transitional Energy (2022–2024)	
Metric	**Percentage**
Target Allocation	≥ 25% of annual capex
Actual Allocation (2022-2024)	> 75%

Operational performance indicators also contribute to BB Energy's risk assessment, particularly across downstream networks and renewable assets. ISO-certified processes in Rwanda and Turkey provide structured tracking of environmental and safety performance, equipment efficiency, and incident management, ensuring that physical-risk considerations are incorporated into facility and logistics operations.

BB Energy, on the Parent-level, has not yet established time-bound emissions-reduction targets due to the nature of its trading-focused business model and the dominance of Scope 3 emissions tied to global market demand. Instead, near-term priorities center on improving data completeness, enhancing supplier and transport emissions visibility, expanding utility tracking, and establishing the internal systems required to support future target-setting under CSRD and ISSB frameworks. As these data systems mature, BB Energy expects to refine its forward-looking metrics and further integrate them into strategic planning and risk management.