



BASSADONE
AUTOMOTIVE GROUP

DRIVING A SUSTAINABLE FUTURE

AN EXECUTIVE SUMMARY OF
THE BASSADONE AUTOMOTIVE GROUP'S SUSTAINABILITY STRATEGY

2025-2030

THE PURSUIT OF SUSTAINABILITY

The Bassadone Automotive Group is an independent, multinational automotive company with a strong presence in numerous European countries. The Group recognises its role in accelerating the transition towards sustainable transport and mobility solutions. Every action in our business - whether in supply chains, sales, or logistics - contributes to a future that's greener, fairer and filled with possibility.

The Group has made an unwavering commitment to sustainability and embedding Environmental, Social and Governance (ESG) standards across its governance, operations, logistics, supply chains, sales and community engagement. Over the past 18 months, The Group has collaborated closely with its core functions and key business units to identify clear sustainability priorities and implement robust reporting frameworks. This collective effort has helped chart new pathways that align international sustainability standards with The Group's long-term vision and the evolving expectations of customers and stakeholders.

The strategy demonstrates a commitment to innovation, regeneration and responsibility, aiming to achieve long-term business success while delivering positive impacts for the planet and society.

OUR VISION FOR SUSTAINABILITY

The Group's leadership, led by George AC Bassadone O.B.E. G.M.H., his son Max Bassadone and other key executives, have made it clear: sustainability is not a peripheral concern, but a shared responsibility embedded at every level of the organisation. They underscore that long-term business success depends on viewing sustainability not as a separate function, but as the foundation for how The Group operates, grows and creates value. We are driving a sustainable future through three core pillars:



INNOVATION

Embracing digital transformation, next-generation mobility technologies and future-facing business models.



REGENERATION

Drawing on its heritage, exemplified by the revitalisation of the historic Dockyard site in Gibraltar, to shape a more resilient future.



RESPONSIBILITY

Taking ownership of environmental and social impacts through strong governance, strategic partnerships and meaningful employee engagement.

The Group frames sustainability as a transformational journey, one that demands cultural change, investment and a fundamental rethink of traditional business models.

BUILDING ON THE GROUP'S LEGACY

The Group's origins date back to 1904, when the grandfather of George AC Bassadone O.B.E. G.M.H., began supplying groceries to British Forces stationed in Gibraltar. In 1927, the company expanded into vehicle imports, introducing Peugeot to the local market. Over the decades, the business has grown steadily, guided by a commitment to quality, service and community, and expanded geographically.

Driven by business growth, The Group relocated its headquarters to the historic Dockyard in Gibraltar in 2021, a site originally built as a naval yard in the early 20th century. The Group undertook a major refurbishment of the site, transforming it into a state-of-the-art automotive facility while preserving its architectural heritage. This regeneration project is symbolic of The Group's approach to sustainability: honouring the past while building for the future.



THE BASSADONE AUTOMOTIVE GROUP TODAY

The Group has evolved into a European multinational automotive company with a rich heritage and a forward-looking vision. Operating across Gibraltar, Finland, Estonia, Latvia, Lithuania, Spain and the UK, The Group has evolved from a family-run business into a global player in vehicle distribution, retail and humanitarian logistics (see Figure 1). The strategy outlines The Group's structure, operational footprint and the deep historical roots that shape its values and strategic direction.

FIGURE 1: THE GROUP IN 2025

The Group operates through two core divisions:

BASSADONE AUTOMOTIVE SOUTH (BAS)

Headquartered in Gibraltar, BAS includes flagship operations such as:

BASSADONE MOTORS (BM)

Representing 14 manufacturers, including Honda, Kia, Jeep, Fiat, Alfa Romeo, Suzuki and Isuzu.

TOYOTA GIBRALTAR STOCKHOLDINGS (TGS)

A global leader in supplying customised Toyota vehicles to humanitarian organisations, Non-Government Organisations (NGOs) and United Nations (UN) agencies. TGS has supported emergency responses in Rwanda, the Balkan War, Haiti and other crisis zones.

AADS

AADS delivers customised automotive solutions for government and defence organisations worldwide. Through strategic partnerships with Stellantis and Iveco Defence Vehicles, we provide tailored vehicles and comprehensive lifetime support for operations in over 30 countries. Our solutions support critical missions, including peacekeeping, border security, counter-narcotics, and anti-terrorism.

KGM MOTORS UK

The official importer and distributor of KGM (formerly SsangYong) vehicles, parts and accessories in the UK. It is working towards achieving a network of 75 retail partners, offering customers affordable SUVs and pick-up vehicles.

BASSADONE AUTOMOTIVE NORDIC (BAN)

Based in Finland, BAN is a leader in EV distribution and digital retail. It includes:

AUTO BASSADONE

Formerly Autoverkkokauppa, this was Finland's first fully digital car-buying platform. It now operates across Finland and the Baltic regions.

VEHICLE IMPORTATION

Distributes brands such as Alfa Romeo, Alpine, Citroën, Dacia, DS Automobiles, Fiat, Hyundai, Isuzu, Jeep, KGM, Nissan, Opel, Peugeot, Renault, and Suzuki.

The Group employs circa 1,000 people and achieved over 36,900 vehicle sales in 2024, with a turnover of €1.4 billion.

Beyond the automotive industry, The Group owns and manages rental properties in Gibraltar, which provide long-term commercial leasing solutions to external customers.

A CHANGING INDUSTRY

The automotive industry is undergoing a profound transformation, shaped by climate imperatives, technological disruption and evolving consumer expectations. In the strategy, The Group outlines its strategic foresight and proactive response to these shifts, positioning itself as a leader in sustainable mobility.

The Group recognises that the traditional automotive model, centred on Internal Combustion Engines (ICEs), ownership-based sales and linear supply chains is being replaced. The catalysts for this change include:

CLIMATE COMMITMENTS

The Paris Agreement and national Net-Zero targets have accelerated the need for decarbonisation across the automotive value chain.

REGULATORY PRESSURE

Governments are mandating stricter emissions standards, zero-emission vehicle quotas and End-of-Life Vehicle treatment protocols.

TECHNOLOGICAL INNOVATION

Battery Electric Vehicles (BEVs), Fuel Cell Electric Vehicles (FCEVs) and digital platforms are reshaping product offerings and customer experiences.

CUSTOMER NEEDS

Customers increasingly demand transparency, sustainability and digital convenience in their mobility choices.

These forces are not future risks; they are present realities. The Group acknowledges that its long-term viability depends on its ability to adapt, innovate and lead in this new environment.

NAVIGATING THE FUTURE

The Group's strategic planning is informed by three distinct timeframes:



SHORT-TERM (1-2 YEARS)

The Group is preparing for immediate regulatory changes, including CO₂ reporting obligations and zero-emission mandates. It is also responding to shifts in customer preferences, including the rise of online vehicle purchases and demand for digitised dealership experiences.



MID-TERM (3-5 YEARS)

The Group anticipates continued advancements in EV technology, including battery efficiency, charging infrastructure, and lifecycle management. Hydrogen fuel cell technology is also expected to become more viable as extraction methods improve.



LONG-TERM (5+ YEARS)

The industry will move toward service-based models, such as Mobility-as-a-Service (MaaS), where customers pay for access rather than ownership. The Group envisions a future where vehicles are bundled with smart services - charging, insurance, route planning, and maintenance - delivered through integrated digital platforms.

CHANGING HORIZONS

The Group is not waiting for change; it is driving it. The Group has already implemented several initiatives to align with the future of mobility. It has diversified its product offerings to include Hybrid Electric Vehicles (HEVs), Plug-in Hybrid Vehicles (PHEVs), Battery Electric Vehicles (BEVs) and Fuel Cell Electric Vehicles (FCEVs).

The Group has invested in dealership infrastructure to support EV maintenance and charging, with over 100 charging stations available in Finland. It has developed digital platforms, offering automated credit decisions for eco-friendly vehicles, trade-in systems for vehicle upcycling and tailored purchasing processes that prioritise more sustainable options. Resilient logistics and supply chain practices are also in place, utilising digitised systems, optimised routes and energy-efficient warehousing to minimise environmental footprint.

In Finland, BEVs now account for 30% of new vehicle registrations, with The Group contributing over 15% of those sales. The Group also prioritises BEVs for its internal fleet, setting an example for customers and partners. In the Nordics, The Group manages over 600,000 spare parts references with a 95% first-fill rate, supported by low-emission transport and smart inventory systems.

MAKING SUSTAINABILITY WORK: GOVERNANCE

Effective governance is the backbone of The Group's sustainability strategy. The Group's governance framework is designed to support the successful execution of its sustainability strategy across all business functions and geographies. It acknowledges that different business units may have varying priorities but offers a unified direction and shared purpose. Key components of the governance structure include:

BOARD OF DIRECTORS



Provides strategic oversight, confirms business aspirations, evaluates risks and monitors progress. The Board of Directors ensures that sustainability is considered in long-term planning and is reflected in The Group's financial and compliance frameworks.

CORPORATE SUSTAINABILITY TEAM (CST)



Acts as the central leadership body for sustainability. It translates The Group's vision into actionable pathways, coordinates cross-functional efforts and ensures alignment with standards and internal priorities.

SENIOR LEADERSHIP TEAMS (SLTs)



Comprising heads of all primary functions, the SLTs meet regularly to drive strategic aims, including sustainability, within their respective areas. This cross-functional collaboration is crucial to integrating sustainability into operational decision-making.

CORPORATE SUSTAINABILITY DEPARTMENTS (CSDs)



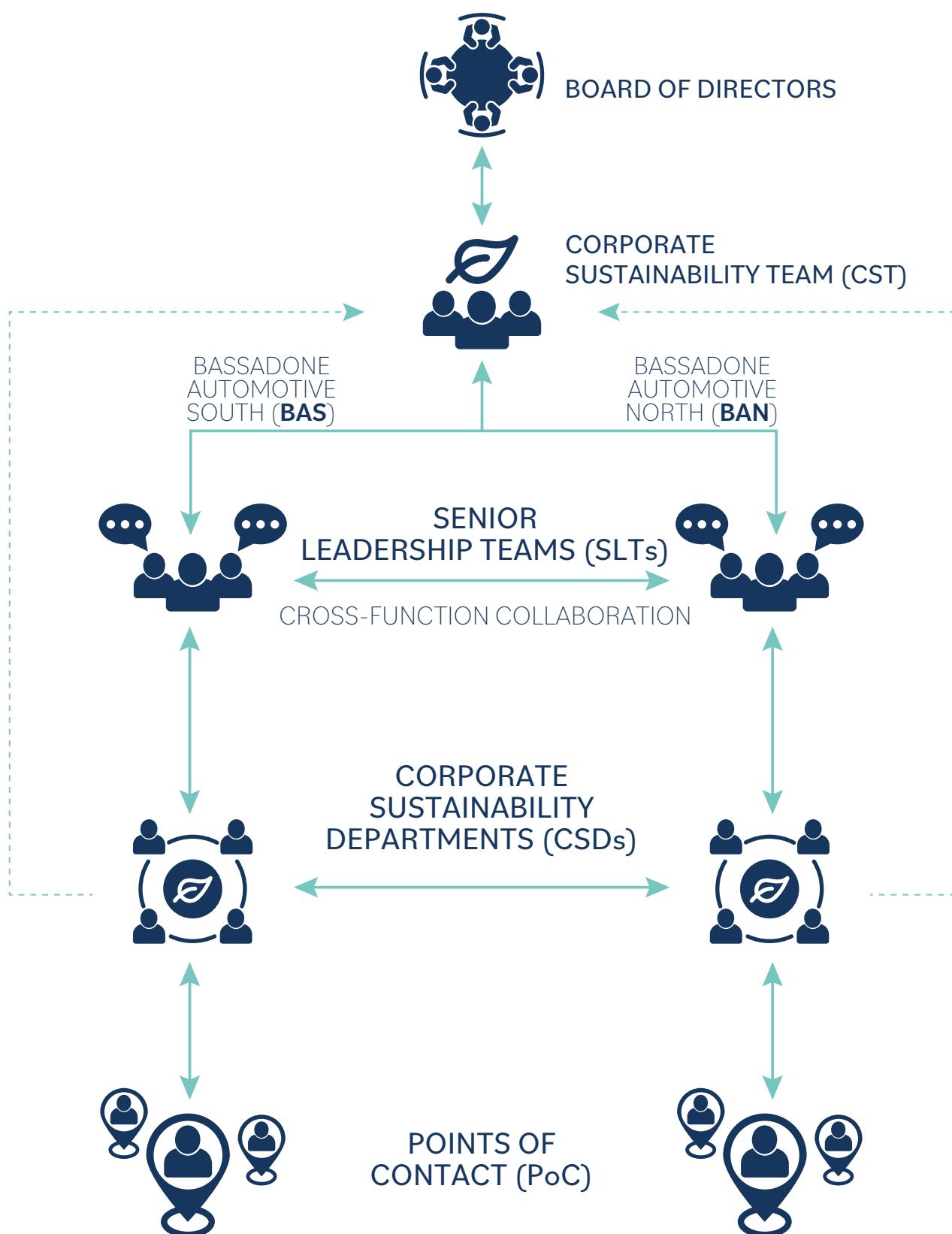
These regional teams build capacity, foster a culture of sustainability and track impact. They connect departments and functions, ensuring that sustainability is not siloed but integrated.

POINTS OF CONTACT (PoC)



Designated individuals within departments who are responsible for implementing the strategy at the operational level. PoC serve as sustainability champions, bridging the gap between strategic intent and day-to-day practice.

RISK INTEGRATION AND STRATEGIC ALIGNMENT



A key strength of The Group's governance model is its integration of sustainability risks into core business processes. The framework enables The Group to identify, assess and manage risks related to climate change, Artificial Intelligence (AI), regulatory compliance, operational resilience and stakeholder expectations. Risk responsibilities are distributed as follows:



BOARD OF DIRECTORS

Oversees strategic, financial, legal and compliance risks, ensuring that sustainability is embedded in The Group's risk register and financial planning.



CORPORATE SUSTAINABILITY TEAM (CST)

Identifies medium- and long-term sustainability risks, including those related to climate disclosures, operational planning and reporting.



SENIOR LEADERSHIP TEAMS (SLTs)

Assesses risks within their functional domains, ensuring that sustainability considerations are factored into departmental strategies.



CORPORATE SUSTAINABILITY DEPARTMENTS (CSDs)

Monitor and manage risks at the operational level, ensuring that mitigation measures are implemented and tracked effectively.

This integrated approach ensures that sustainability is not treated as a separate risk category but as a core dimension of risk management. It also supports compliance with emerging regulatory frameworks such as the Corporate Sustainability Reporting Directive (CSRD) and aligns with global best practices in ESG.

EMBEDDING SUSTAINABILITY INTO ORGANISATIONAL DNA

Beyond structure and risk, The Group's governance model is designed to embed sustainability into the very fabric of the organisation. This includes:



STRATEGIC PLANNING

Sustainability goals are incorporated into business plans and performance metrics.



FINANCIAL REPORTING

Sustainability is reflected in budgeting, investment decisions and financial disclosures.



CULTURAL INTEGRATION

Through training, communication and leadership engagement, sustainability becomes an integral part of The Group's identity and values.

The governance framework is dynamic and adaptive, capable of evolving in response to new challenges, stakeholder feedback and regulatory developments. It ensures that The Group remains resilient, accountable and forward-looking in its pursuit of a sustainable future.

BUILDING A COMMON FUTURE – PEOPLE ENGAGEMENT

The Group recognises that sustainability is not solely a technical or operational challenge; it is a human one. It is building a culture of sustainability through deep and inclusive engagement with both internal and external stakeholders.

The Group's strategy is shaped through open dialogue, ensuring that infrastructure, customer confidence and business priorities are collectively addressed.

Global frameworks such as the United Nations Global Compact (UNGCG), the CSRD and the Voluntary Small and Medium-sized Enterprise Standard (VSME) reinforce the importance of stakeholder engagement. The Group has embedded these principles into its strategy to ensure it remains forward-thinking, inclusive and responsive to the needs of the communities it serves.

INTERNAL ENGAGEMENT

Over the past 18 months, The Group has developed a robust internal engagement framework. This includes: regular briefing sessions and collaborative meetings; guidance documents to support sustainability integration; and, cross-functional working groups and departmental Points of Contact (PoC).

This process marked a milestone for The Group: for the first time, all entities came together to agree on common goals and targets. This alignment has fostered stronger connections among colleagues across geographies and functions, creating a more coherent and collaborative organisation.

To sustain this momentum, The Group's governance framework incorporates sustainability into decision-making processes at all levels. Senior leadership, core function groups and PoC all play a role in implementing the strategy and driving cultural change.

EXTERNAL ENGAGEMENT

The Group's commitment to engagement extends beyond its internal network. The Group has a long-standing tradition of collaborating with communities, regional partners and industry leaders. Its goal is to ensure that sustainability efforts deliver tangible benefits for society, not just for the business. Key initiatives include: annual charity days for employees, financial donations, fundraising campaigns and volunteering programmes supporting social welfare, healthcare, conservation, and youth development.

The Group also invests in education through its Emerging Talent Scheme, which provides financial support and work experience to students from Gibraltar. The George AC Bassadone Scholarship enables students from developing countries to study Public Health at the London School of Hygiene and Tropical Medicine, empowering them to drive change in their communities.

Whilst developing the strategy, The Group established External Engagement Groups to deepen collaboration with key stakeholders. Stakeholders convened in May 2025 to assess The Group's sustainability strategy and identify opportunities for improvement. Their insights have shaped new project areas that align with The Group's long-term vision and community impact goals.

HIGHLIGHTS FROM THESE INITIATIVES INCLUDE:

ELECTRIC FUTURES



Driving EV adoption through public education and policy advocacy.

STRIVE FOR GREEN



Enhancing biodiversity and cross-border environmental stewardship.

MINDFUL MOBILITY



Cultivating a resilient and inclusive workplace culture.

BUILT ENVIRONMENT AND HERITAGE PRESERVATION



Ensuring sustainable construction while protecting cultural assets.

AMBITIONS AND ACTIONS FOR A SUSTAINABLE FUTURE

The Group's sustainability ambitions and actions are shaped by a deep understanding of its dual role in the transition to a low-carbon, inclusive and resilient future. Through a comprehensive Double Materiality Assessment (DMA), The Group examined both **outside-in impacts** (how sustainability trends affect the business) and **inside-out impacts** (how its

activities shape society and the environment). This analysis guided the identification of priority opportunities, risks and areas of material impact, ensuring that sustainability is embedded into strategic planning, governance and operational decision-making.

The Double Materiality Assessment (DMA) highlighted five significant opportunities with the greatest potential to generate value and long-term resilience:

- 1. Unlocking intercompany synergies and workforce resilience** to build an agile, skilled organisation.
- 2. Entering new markets and products**, notably in sustainable mobility and transport solutions.
- 3. Integrating AI into business DNA** to drive efficiency and customer engagement.
- 4. Advancing EV technologies** to align with climate goals and market demand.
- 5. Diversifying into adjacent business sectors** that reinforce sustainability ambitions.

At the same time, it identified strategic risks requiring proactive mitigation, including supplier dependency, geopolitical and economic volatility, shifts in public sentiment on ICEs and financial impacts from market disruptions.

OUR BUSINESS PRIORITY ACTIONS (BPAS) 2025-2030

Building on these insights, The Group has defined four interlinked Business Priority Actions (BPAs), each led by key business units and aligned with global sustainability targets.

BPA 1: LEAD THE TRANSITION TO LOW-EMISSION FLEETS

Accelerate the move to hybrid and EVs through product portfolio transformation, collaboration with public institutions and suppliers and phasing out petrol-only models. Internally, promote EV adoption for company fleets to demonstrate leadership.

Expected outcomes: Enhanced brand leadership, reduced lifecycle emissions, strengthened market positioning and resilience to regulatory changes.

BPA 2: DIGITALLY ENABLE LOW-CARBON, CIRCULAR OPERATIONS

Deploy AI-powered tools to optimise processes, reduce waste and cut carbon footprints. Initiatives include digital inventory systems, customer booking tools and hybrid collaboration technologies. A focus on digital upskilling ensures teams are ready to leverage innovation.

Expected outcomes: Reduced emissions and resource consumption, greater operational efficiency and a corporate culture that supports data-driven sustainability.

BPA 3: ADVANCE CIRCULARITY THROUGH SUSTAINABLE VEHICLE LIFECYCLE MANAGEMENT

Strengthen circular economy practices by sourcing reconditioned parts, expanding responsible End-of-Life Vehicle (ELV) programmes and partnering with sustainable suppliers. Engage customers through recycling and trade-in schemes. Partnerships with suppliers and global fleet stakeholders will embed circular practices, while local training initiatives will build technical capacity.

Expected outcomes: Lower demand for virgin materials and reduced emissions from new part production, higher recycling rates and expanded circular business models, workforce skilled in circular practices, new opportunities in refurbishment and recycling services, reduced carbon footprint across logistics.

BPA 4: DECARBONISE FACILITIES AND LOGISTICS

Invest in clean energy solutions by electrifying warehouse forklifts and selected facility vehicles, deploying solar panels and reducing carbon reliance. Implement energy-efficient LED lighting and smart building systems to optimise resource use and consolidate training travel to lower emissions. Collaborate with logistics partners to reduce Scope 3* emissions and strengthen resilience against global volatility.

Expected outcomes: Reduced direct and indirect emissions, increased renewable energy share, enhanced resource efficiency and water conservation, improved cost resilience, lower environmental footprint through greener logistics, higher product quality and agility through innovation and strengthened supply chain resilience.

*Scope 3 refers to indirect greenhouse gas emissions that occur in a company's value chain, like those from suppliers, product use, or employee travel.

GLOBAL TARGETS: COMMITMENTS ACROSS CORE FUNCTIONS

Complementing these BPAs, The Group has set specific, time-bound global targets across its core operations:

HEALTH AND SAFETY	Zero-accident workplace, enhanced employee well-being, digitalised data tracking and transparent reporting by 2025-2030.
MARKETING	Sustainable materials, ethical communication, annual sustainability campaigns and carbon-neutral marketing by 2030.
PEOPLE	Zero tolerance for discrimination and child labour, mental health support, diversity, sustainability training and talent development by 2025-2030.
FINANCE	Integrate sustainability risk analysis into investments, carbon pricing and senior finance staff training; supported by sustainable finance policies and audits by 2025-2030.
FACILITIES	Cut Scope 1* emissions by 50%, achieve carbon neutrality by 2035, source 60% renewable electricity by 2030 and embed waste reduction and biodiversity measures.
INFORMATION TECHNOLOGY (IT)	Transition power of IT systems to renewable energy, e-waste reduction, ethical AI use, data privacy and sustainable procurement practices by 2025-2030.
CSDs	Embed a Group-wide sustainability culture through onboarding, training and leadership engagement; integrate sustainability into governance, risk management and performance tracking; and benchmark annually against industry peers.

*Scope 1 covers direct greenhouse gas emissions from sources a company owns or controls, such as fuel combustion or company vehicles.

MONITORING AND REPORTING ON OUR PROGRESS

The Group's sustainability strategy is built on the belief that a business can and must, be both profitable and principled. This dual mandate is reflected in The Group's approach to:

CLIMATE ACTION



Reducing emissions, investing in clean technologies and supporting the transition to low-carbon mobility.

SOCIAL RESPONSIBILITY



Supporting education, mental health and community development.

ETHICAL LEADERSHIP



Upholding human rights and fostering a culture of integrity.

CONTINUOUS IMPROVEMENT MINDSET

The Group views sustainability as a dynamic journey rather than a fixed destination, embedding a culture of learning and accountability into its strategy. This includes structured feedback loops between operational teams, sustainability leads, and senior management, the integration of sustainability indicators into performance dashboards and quarterly reviews for real-time tracking and course correction. The Group aligns its reporting with both mandatory and voluntary frameworks including the CSRD, the European Sustainability Reporting Standards (ESRS), the VSME, the UNGC principles and insights from the Carbon Disclosure Project while also maintaining active oversight of multi-jurisdictional compliance requirements.

ANNUAL REPORTING AGAINST THE STRATEGY

The Group's sustainability strategy is underpinned by measurable, time-bound objectives. Annual internal reports will include progress against strategic targets; quantitative and qualitative data insights; case studies of impact and improvement; areas requiring renewed focus or investment. These reports are submitted to the Corporate Sustainability Team (CST) and shared with key internal stakeholders. Over time, they will be subject to both internal audit and external review to ensure credibility and alignment with leading frameworks.

INTERNAL AUDIT

Internal auditing is a cornerstone of The Group's governance framework. It serves both as a performance tool and a learning mechanism. It ensures compliance, tracking target implementation, evaluating data accuracy and assessing sustainability integration into decision-making. It will leverage existing ISO certifications and Investors in People assessments and internal KPIs in this process.

EXTERNAL ASSESSMENT, AUDIT AND ASSURANCE

To reinforce stakeholder confidence in our sustainability journey, The Group partners with leading external experts who provide independent assurance across key areas of our performance and disclosures. The below collaborations ensure our sustainability efforts are not only transparent but also aligned with global best practices.

STRATEGIC ASSURANCE

Professor Daniella Tilbury, a renowned sustainability expert, plays a pivotal role in embedding assurance into our strategic planning, governance structures and performance indicators.

TECHNICAL ASSURANCE

A Finland-based ESG software firm supports us with advanced tools for conducting our DMA and ensures ongoing performance tracking and regulatory compliance.

SPECIALIST SUPPORT

Additional industry professionals contribute targeted technical and strategic insights, enhancing the credibility and robustness of our sustainability reporting.

Future external assurance will cover greenhouse gas emissions and energy data, progress against sustainability targets, compliance with CSRD, ISO 9001/14001 and UNGC, and a full audit of the sustainability report, including data systems and disclosure completeness. The Group's goal is to ensure the entire report, not just selected KPIs, demonstrates a commitment to transparency, integrity and continuous improvement.

DISCLOSURES AND REPORTS

Two significant milestones will anchor The Group's external reporting:

2027 Mid-Term Report (published in 2028)

Will assess progress, evaluate implementation effectiveness and recommend strategic adjustments.

2030 Final Report

Will provide a comprehensive review of the five-year strategy, highlighting achievements, lessons learned and future directions.

Annual achievements will be disclosed internally, with highlights shared externally via social media and communications channels. This ensures that The Group's stakeholders remain informed, engaged and empowered to hold The Group accountable.

COMMITMENT TO FUTURE GENERATIONS

At the heart of this strategy lies a profound commitment to future generations; as we lead by example, take ownership and drive meaningful change together. The strategy ends with both a reflection and a call to action, affirming that the decisions made today will shape the world of tomorrow. It includes quotes from colleagues across The Group from various departments, entities and geographical locations.

These voices underscore that sustainability is not confined to boardrooms or strategy documents; it is a lived experience, shaped by the actions and values of individuals across the organisation. External stakeholders have also been asked to consider the strategy and offer their views and commitment to its delivery.

This strategy concludes by recognising that it is not a static document, but a living framework that will evolve in response to new challenges, insights and opportunities. The Group is committed to:



LEADING BY EXAMPLE



TAKING
RESPONSIBILITY FOR
ITS IMPACTS



DRIVING MEANINGFUL AND
MEASURABLE CHANGE ACROSS
ALL AREAS OF THE BUSINESS

The Group will continue to listen, learn and lead, ensuring that its legacy is one of innovation, regeneration and responsibility.

George AC Bassadone

O.B.E. G.M.H.

Group President

“Sustainability has always been personal to me, an enduring principle rooted in responsibility and care. I built this Group to stand for more than profit and seeing those values lived across the business is the legacy I am most proud of.”



To view or download the
FULL REPORT
please scan QR code



BASSADONE
AUTOMOTIVE GROUP

INTERESTED IN OUR SUSTAINABILITY EFFORTS?

We're committed to building a more sustainable future and welcome any questions or feedback you may have.

If you'd like to learn more about our sustainability initiatives, policies, or practices, please don't hesitate to get in touch.

sustainabilityteam@bassadoneautomotivegroup.com

In line with our commitment to environmental responsibility, we have minimised the number of printed copies produced of this strategy. Paper used to print this document is sourced from responsibly managed, FSC-certified forests.

Available as a download at:

<https://bassadoneautomotivegroup.com/sustainability/sustainability-report.pdf>

or scan QR code



We encourage all readers to access and share the electronic version wherever possible.