

# 2023 ESG Report

Environmental · Social · Governance

GRI Standards · SASB Retail · TCFD

*Assessment Date: March 4, 2024*



90/100

Environment Score



50/100

Social Score



100/100

Governance Score



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# About Bodraum — 2023 Snapshot

**Series B**

Growth Stage (2023)

**Retail Service**

Industry

**<10**

Employees (FY2023)

**United States**

Primary Market

**March 2024**

Assessment Date

**2021**

ESG Baseline Year

Bodraum is a Series B retail service company that integrates ESG principles into its founding mission — from eco-product design and LCA implementation to community investment and transparent governance. The 2023 assessment reflects strong environmental and governance performance, with clear opportunities for growth in social disclosure and workforce development.

# 2023 Overall ESG Assessment Results

OVERALL ESG SCORE

72.5 / 100 pts

Above benchmark average (44.5 pts)

Strongest: Governance (100/100) · Weakest: General & Social (50/100 each)

Benchmark max: 80 pts · Benchmark min: 0 pts

## General

50

/ 100 pts

Benchmark

Avg: 27.5 pts  
Max: 100 pts  
Min: 0 pts

## Environment

90

/ 100 pts

Benchmark

Avg: 25.5 pts  
Max: 90 pts  
Min: 0 pts

BELOW AVG

## Social

50

/ 100 pts

Benchmark

Avg: 57 pts  
Max: 100 pts  
Min: 0 pts

## Governance

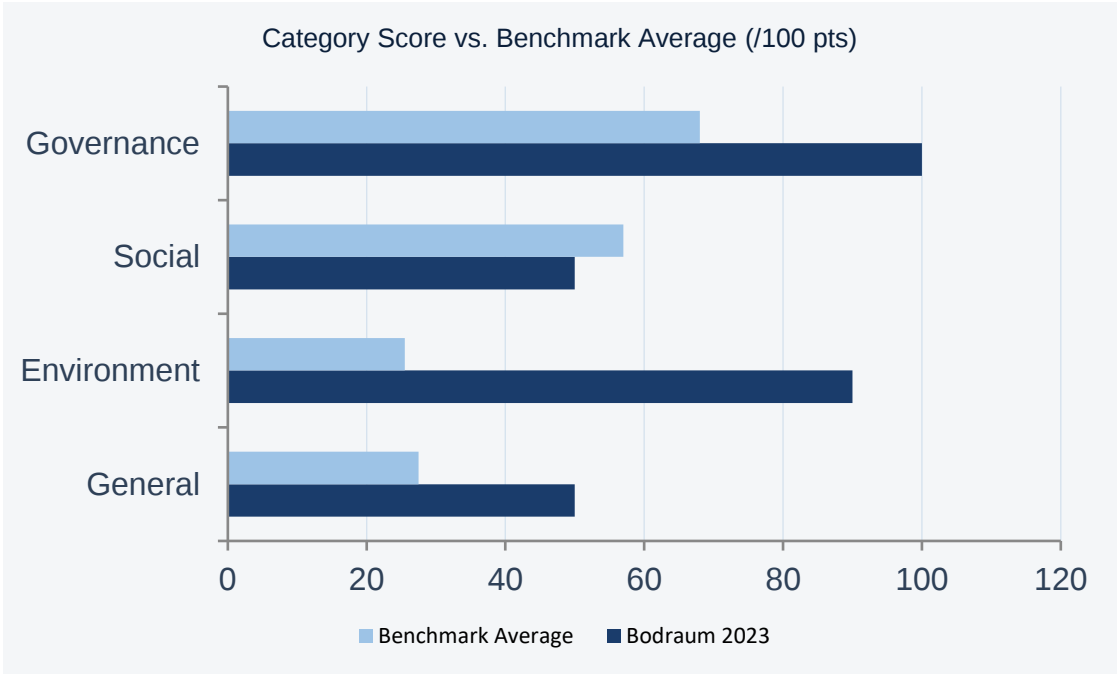
100

/ 100 pts

Benchmark

Avg: 68 pts  
Max: 100 pts  
Min: 0 pts

# Benchmark Comparison • Bodraum vs. Peer Average



## Key Takeaways



Environment: 90 pts — significantly ABOVE benchmark (25.5 avg)



Governance: 100 pts — ABOVE benchmark (68.0 avg)



General: 50 pts — ABOVE benchmark (27.5 avg)



Social: 50 pts — BELOW benchmark (57.0 avg). Key improvement area.



ESG public disclosure: 0 pts. Priority action for 2024.

### Assessment Context

This assessment (dated March 4, 2024) covers Bodraum's 2023 ESG performance. Benchmark peer group is selected based on growth stage (Series B), industry (retail service), and company size (<10 employees). Benchmark max = 80 pts; Benchmark min = 0 pts.

# CEO Message



From Bodraum's founding, we have embedded a clear mission: to operate a business that creates meaningful value for people, the planet, and society. In 2023, that commitment continued to produce measurable outcomes — particularly in our environmental and governance performance.

Our Environment score of 90/100 significantly exceeds our peer benchmark average of 25.5 points. This reflects our sustained investment in eco-friendly product design, Life Cycle Assessment integration, energy reduction initiatives, and supply chain sustainability partnerships.

Our Governance score of 100/100 reflects the foundation we have built: a founding vision that centers ESG, a code of ethics formalized as internal regulation, an active whistleblowing system, and a sustainability oversight structure. Zero legal sanctions and zero data breaches further demonstrate our commitment to responsible management.

We recognize that our Social score of 50/100 — which falls below the peer benchmark average — represents our primary opportunity for growth. In 2024, we are committed to formalizing our human rights policy, building structured training and development programs, and establishing measurable diversity and inclusion targets.

Grace K. | Chief Executive Officer, Bodraum

72.5/100

Overall Score

90/100

Environment

100/100

Governance

50/100

Social

<10

Employees

0

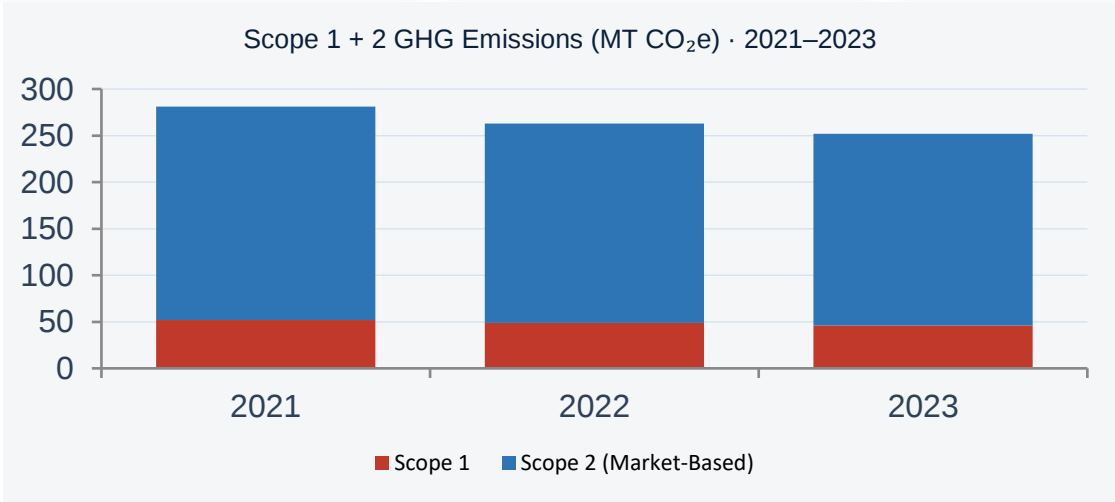
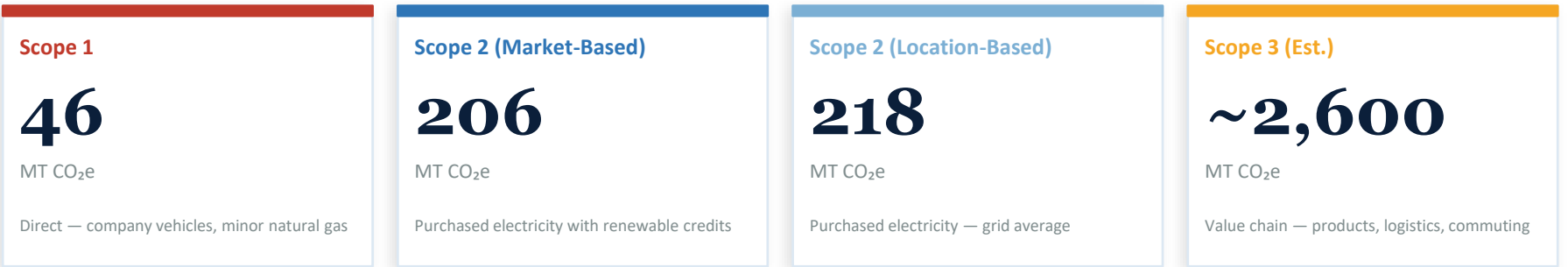
Data Breaches

# 02

## Environmental Performance

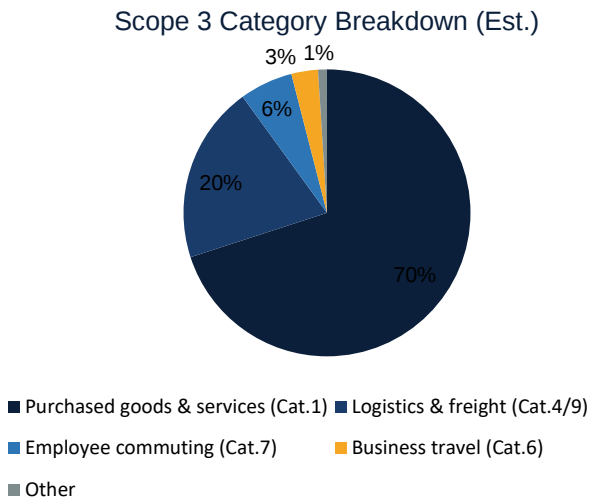
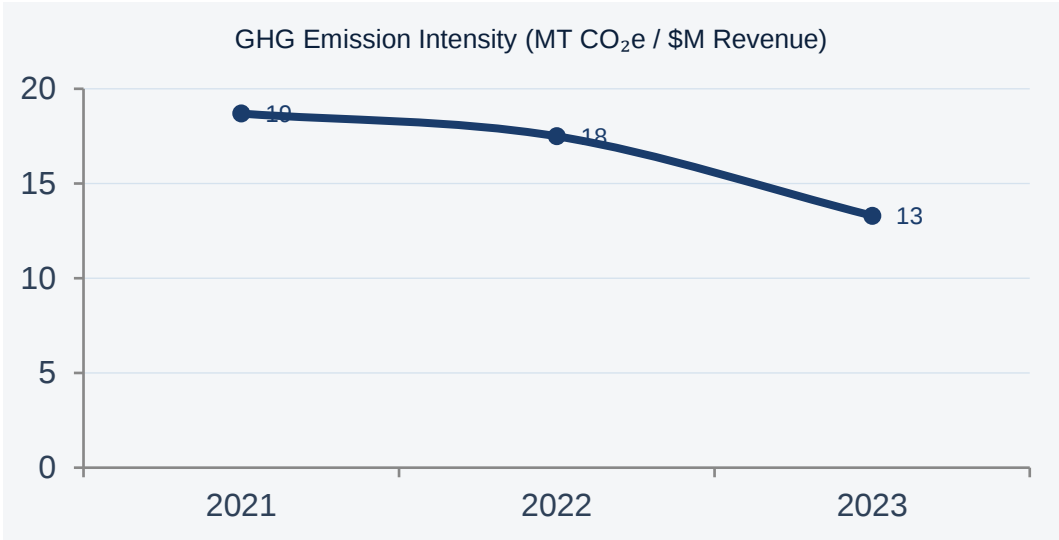
GRI 302 · 305 · 306 | Carbon · Energy · Waste · Eco-Products

# GHG Emissions Overview · GRI 305



| 2023 Highlights                               |                                  |
|-----------------------------------------------|----------------------------------|
| S1+S2 Total (Market-Based)                    | 252 MT CO <sub>2</sub> e         |
| Reduction vs. 2021 baseline                   | −10.3%                           |
| Reduction vs. 2022                            | −4.2% YoY                        |
| 2030 Reduction Target (vs. 2021)              | ≤225 MT CO <sub>2</sub> e (−20%) |
| GHG Intensity (MT CO <sub>2</sub> e/\$M Rev.) | 13.3                             |
| 2021 Baseline (S1+S2)                         | 281 MT CO <sub>2</sub> e         |

# GHG Intensity & Methodology · GRI 305-4



|                  |                                                                                                 |
|------------------|-------------------------------------------------------------------------------------------------|
| Boundary         | Operational control — all facilities and vehicles directly controlled by Bodraum                |
| Scope 1 Sources  | Company vehicles (gasoline/diesel), minor natural gas (office heating)                          |
| Scope 2 Method   | Location-based (eGRID) and market-based (renewable energy credits) per GHG Protocol S2 Guidance |
| Emission Factors | EPA Emission Factors Hub 2022; GWP: IPCC AR5 (CH <sub>4</sub> =28, N <sub>2</sub> O=265)        |
| Scope 3 Approach | Spend-based estimate (Cat.1); GHG Protocol Corporate Value Chain Standard                       |
| Reporting Period | January 1 – December 31, 2023. Baseline year: CY2021.                                           |

# Energy Consumption & Management • GRI 302

420



Total Energy (MWh)

FY2023

29%



Renewable Share

122 MWh renewable

-2.3%



YoY Change

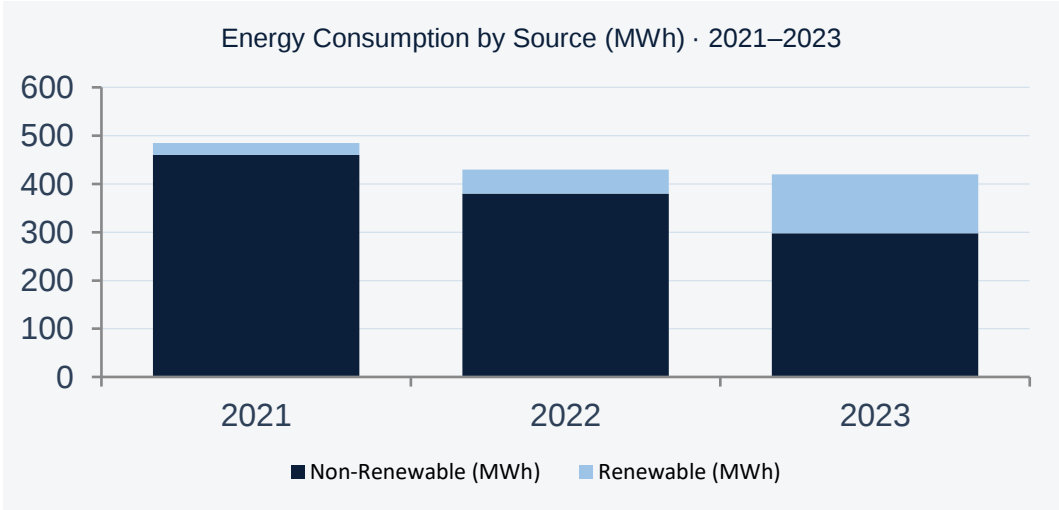
vs. 430 MWh in 2022

52.5 MWh



Energy Intensity

per employee (2023)



Energy Initiatives (2023)

✓ GHG emissions monitoring system active

✓ Measuring energy consumption at all sites

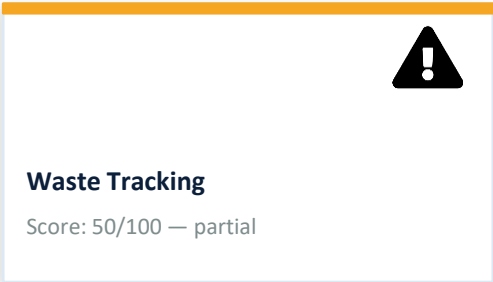
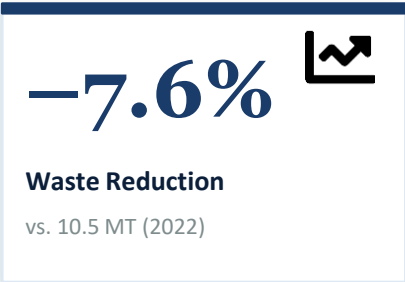
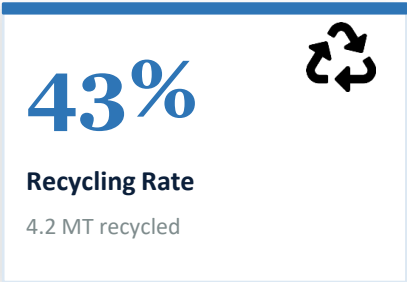
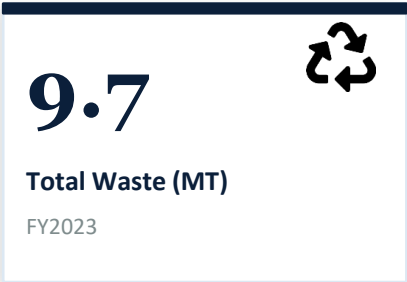
✓ Active efforts underway to reduce usage

✓ Renewable energy credits: 122 MWh (29%)

○ Target: 50% renewable energy by 2027

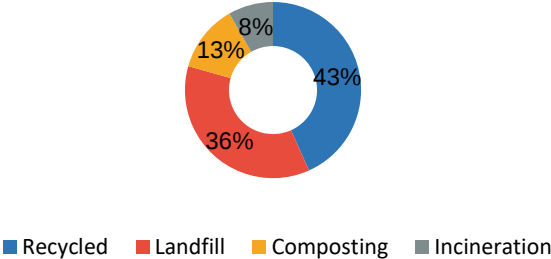
○ Automated data management: 2024 rollout

# Waste Management • GRI 306

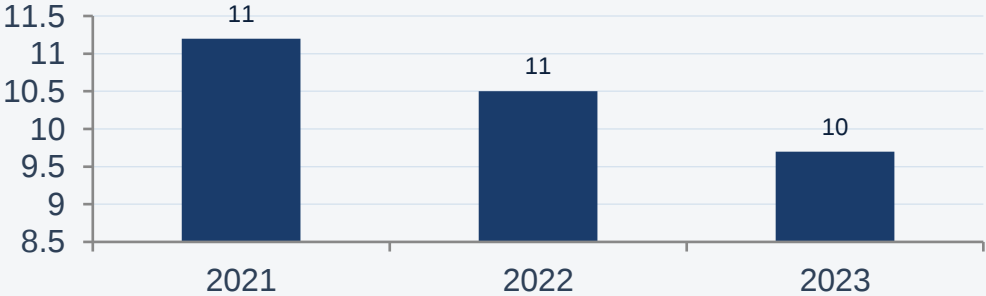


Assessment Gap: Waste emissions are being measured (50/100 pts). Next step: implement formal waste reduction targets and expand recycling programs to achieve 100 pts.

Waste Disposal Mix 2023 (MT)



Total Waste Generated (MT) • 2021–2023



# Eco-Friendly Products & LCA · GRI 301 / SASB

Bodraum has integrated Life Cycle Assessment (LCA) into product design, evaluating environmental impact from raw material extraction through end-of-life. Eco-friendly products are available in the US market. Assessment score: 100/100 — already providing eco-friendly products/services.



| SASB Retail: Environmental Metrics (2023) |                               |                                      |
|-------------------------------------------|-------------------------------|--------------------------------------|
| Products with sustainability claims:      | Packaging — recycled content: | Supplier env. assessments completed: |
| 30% of SKUs                               | 38%                           | 16% (7/45)                           |

# 03

## Social Performance

GRI 401 · 404 · 405 · 407 · 413 | Workforce · Human Rights · Community

# Workforce Overview · GRI 401 / 405

<10

**Total Employees**  
As of Dec 31, 2023  
Permanent: 3 (100%) ·  
Temporary: 0

100%

**Above Min. Wage**  
All employees

0

**Data Breaches**  
Customer data secure

50/100

**Social ESG Score**  
Below benchmark avg: 57 pts



Social Score Alert: 50/100 — Below peer benchmark average (57 pts). Three critical gaps identified: (1) No human rights policy, (2) No employee training programs, (3) No diversity initiatives. These are priority actions for 2024.

| Social Assessment Item-by-Item Results |                             |         |
|----------------------------------------|-----------------------------|---------|
| Internal Human Rights Policy           | No formal policy            | 0/100   |
| Employee Compensation (vs. Min. Wage)  | Above minimum wage          | 50/100  |
| Employee Training & Development        | No programs in place        | 50/100  |
| Diversity & Inclusion                  | No related items            | 0/100   |
| Customer Data Security                 | System in place; 0 breaches | 100/100 |
| Social Contribution Programs           | Active — schools program    | 100/100 |

# Human Rights & Workforce Development • GRI 407 / 404



**Priority Gap Areas** — requires immediate action in 2024 to improve Social score from 50/100 toward benchmark average (57 pts) and beyond.



## Human Rights Policy (GRI 407)

**Score: 0/100**

Current: No formal internal human rights policy exists.

**Action**

Draft and formalize internal human rights policy covering all stakeholders. Align with UN Guiding Principles. Target: Q2 2024.



## Employee Training & Dev. (GRI 404)

**Score: 50/100**

Current: Pays above minimum wage. No structured education or training programs in place.

**Action**

Design and launch formal training program. Begin with ESG and human rights education for all staff. Target: Q3 2024.



## Diversity & Inclusion (GRI 405)

**Score: 0/100**

Current: No diversity-related items or policies established.

**Action**

Establish DEI policy. Set initial diversity targets. Partner with external DEI organizations. Target: Q4 2024.

# Community Investment & Data Security · GRI 413 / 418

100/100 ✓

Community Programs · GRI 413



School Building Initiative

- CEO's founding vision centers social impact
- Percentage of annual sales allocated to education
- MOU signed with Global Vision (INGO)
- School construction projects: 2 funded
- Focus: underserved communities in developing nations

100/100 ✓

Data Security · GRI 418 / SASB



Zero Data Breach Record

- Information security management system in place
- Customer personal data protection policies formalized
- Access controls and authentication implemented
- Zero customer sensitive data breaches since founding
- Regular vulnerability assessments conducted



ESG Disclosure Gap (0/100 pts): Bodraum has not yet published formal ESG goals and performance data to external stakeholders. Initiating SASB/TCFD-aligned disclosure is the #1 priority action for 2024.

# 04

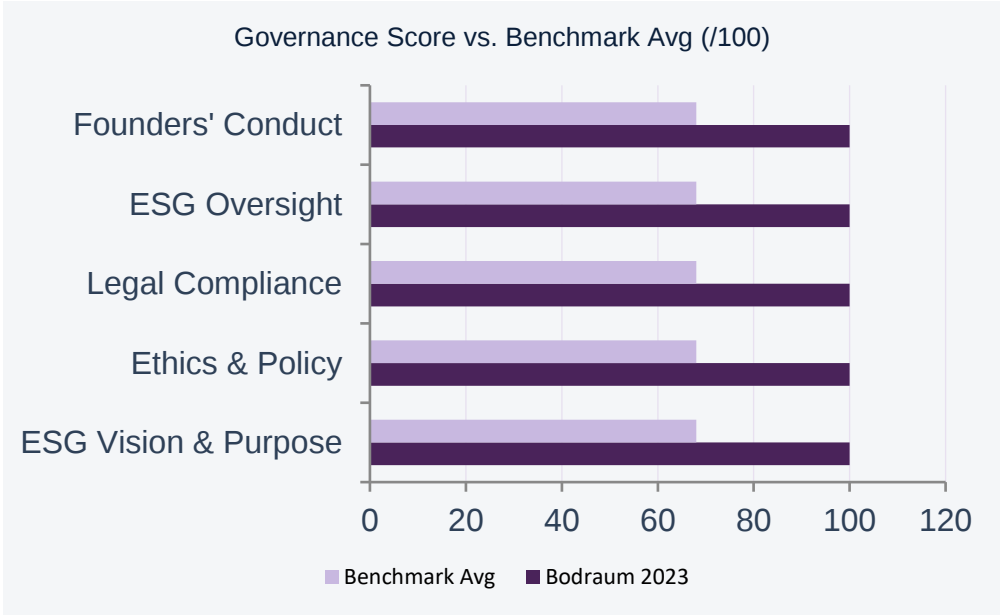
## Governance

GRI 2 · 205 · SASB | Board · Ethics · Compliance · Risk

# Governance Structure · GRI 2-9 / 2-12 · Score: 100/100



**Governance Score: 100/100** — All five governance items achieved maximum score. Bodraum's governance framework exceeds the benchmark average of 68.0 pts by 32 points.



| Governance Item Results       |          |
|-------------------------------|----------|
| ESG in Founding Vision        | 100/100  |
| Founders' Ethics Record       | 100/100  |
| Code of Ethics (Internal Reg) | 100/100  |
| Whistleblowing System         | 100/100  |
| Legal Sanctions               | None     |
| Sustainability Oversight      | In Place |
| Anti-Corruption Policy        | Active   |
| Governance Score vs. Avg      | +32 pts  |

# Ethics & Anti-Corruption · GRI 205 / 206



## Code of Ethics

- Formally adopted as internal regulation
- Covers all employees and board members
- Annual review and acknowledgment required
- Available in English and Korean



## Whistleblowing System

- Internal reporting channel established
- Anonymous reporting option available
- Non-retaliation policy in place
- Zero escalation reports in 2023



## Anti-Corruption Policy

- Zero-tolerance on bribery & corruption
- Conflict of interest declaration required
- Third-party due diligence for key suppliers
- No violations recorded since inception



## Legal Compliance (2023)

Zero legal sanctions. Zero regulatory actions. Zero significant fines. Zero confirmed incidents of corruption. Full legal compliance maintained since founding.

# 05

## TCFD Climate Disclosure

Task Force on Climate-related Financial Disclosures | Four Pillars

# TCFD: Governance & Strategy · Pillars 1–2

TCFD disclosures cover four pillars: Governance, Strategy, Risk Management, and Metrics & Targets. Bodraum is building foundational TCFD alignment in 2023.

## Governance

P1

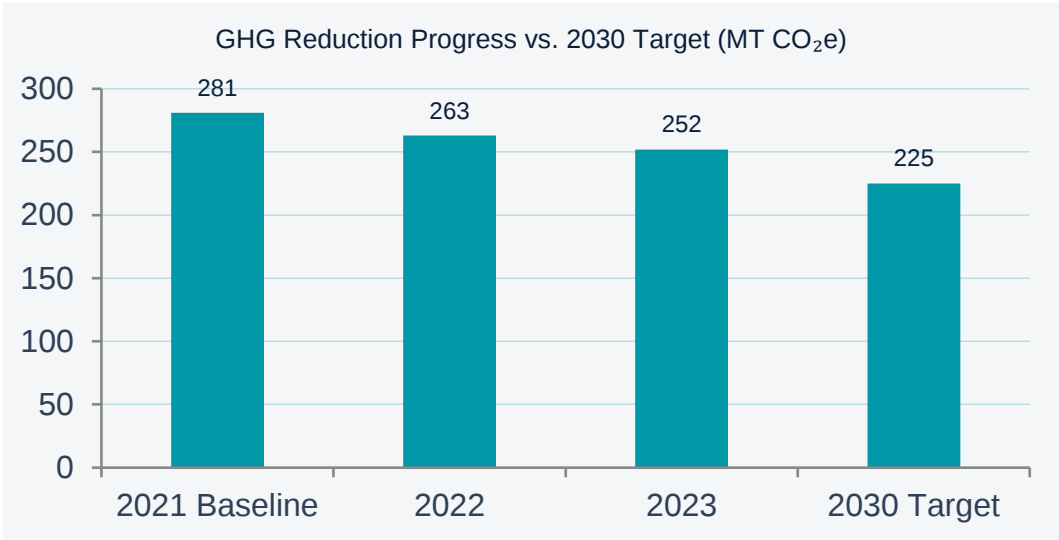
- CEO holds ultimate accountability for ESG and climate-related performance
- Climate targets and GHG performance reviewed at leadership meetings
- Sustainability oversight system established in 2023
- Formal ESG committee planned for 2026 as governance matures

## Strategy

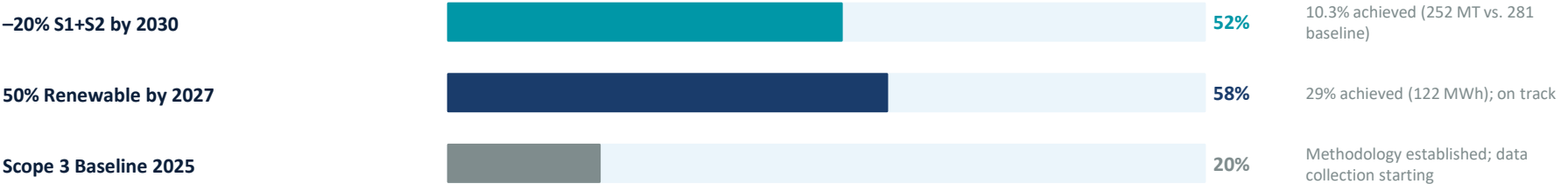
P2

- Transition risk (near-term): regulatory carbon pricing, product sustainability mandates
- Physical risk (long-term): supply chain disruption from extreme weather events
- Opportunity: growing eco-product market and ESG-linked investment access
- LCA integration and GHG targets are core strategic responses to climate risks

# TCFD: Metrics & Targets · Pillars 3–4



| Metric                      | 2023 Value                  | Target / Notes         |
|-----------------------------|-----------------------------|------------------------|
| Scope 1 Emissions           | 46 MT CO <sub>2</sub> e     | Company vehicles & gas |
| Scope 2 (Market-Based)      | 206 MT CO <sub>2</sub> e    | –20% by 2030 vs. 2021  |
| Scope 2 (Location-Based)    | 218 MT CO <sub>2</sub> e    | Grid average method    |
| Scope 3 (Estimated)         | ~2,600 MT CO <sub>2</sub> e | Baseline: 2025 target  |
| Total Energy Consumption    | 420 MWh                     | –8% vs. 2022           |
| Renewable Energy Share      | 29%                         | Target: 50% by 2027    |
| GHG Intensity (\$M Revenue) | 13.3 MT CO <sub>2</sub> e   | Improve 5% annually    |



06

# Improvement Roadmap & Framework Index

Gap Analysis · 2024 Priorities · GRI/SASB Index · UN SDG Alignment

# Gap Analysis & 2024 Priority Actions

Based on the 2023 ESG assessment, three critical gaps have been identified that require priority action in 2024 to reach and exceed peer benchmark averages across all categories.

| HIGH PRIORITY                                                                                                                                                                                                                                                                                                                                    | MEDIUM PRIORITY                                                                                                                                                                                                                                                                                                                                            | ONGOING MOMENTUM                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li><div></div> Publish formal Human Rights Policy (0 pts → 100 pts)</li><li><div></div> Launch ESG public disclosure (SASB/TCFD aligned) (0 pts → 100 pts)</li><li><div></div> Establish structured employee training program</li><li><div></div> Set measurable DEI targets and hire for diversity</li></ul> | <ul style="list-style-type: none"><li><div></div> Formalize Scope 3 Category 1 data collection process</li><li><div></div> Expand supplier sustainability assessment coverage (7 → 15+ suppliers)</li><li><div></div> Complete ISO 27001 cybersecurity certification assessment</li><li><div></div> Build employee engagement and survey process</li></ul> | <ul style="list-style-type: none"><li><div></div> Maintain Governance: 100/100 — ethics, code, whistleblowing</li><li><div></div> Continue GHG reduction: Scope 1+2 trend toward 2030 –20% target</li><li><div></div> Expand eco-product portfolio and LCA coverage</li><li><div></div> Sustain community impact: school-building program with Global Vision</li></ul> |

# GRI Content Index • GRI 2021 Standards

| Disclosure | Topic                                 | Location      |
|------------|---------------------------------------|---------------|
| GRI 2-1    | Organizational details                | Slides 3–4    |
| GRI 2-6    | Activities, value chain               | Slide 12      |
| GRI 2-9    | Governance structure                  | Slide 18      |
| GRI 2-12   | Board's ESG oversight                 | Slides 18, 21 |
| GRI 2-25   | Process to remediate negative impacts | Slide 24      |
| GRI 205    | Anti-corruption                       | Slide 19      |
| GRI 302    | Energy                                | Slide 10      |
| GRI 305-1  | Scope 1 GHG Emissions                 | Slides 8–9    |
| GRI 305-2  | Scope 2 GHG Emissions                 | Slides 8–9    |
| GRI 305-3  | Scope 3 GHG Emissions                 | Slide 9       |

| Disclosure | Topic                         | Location     |
|------------|-------------------------------|--------------|
| GRI 305-4  | GHG Intensity                 | Slide 9      |
| GRI 306    | Waste                         | Slide 11     |
| GRI 401    | New employee hires & turnover | Slide 14     |
| GRI 404    | Training & Education          | Slide 15     |
| GRI 405    | Diversity & Equal Opportunity | Slides 14–15 |
| GRI 407    | Freedom of Association        | Slide 15     |
| GRI 413    | Local Communities             | Slide 16     |
| GRI 418    | Customer Privacy              | Slide 16     |
| GRI 2-29   | Stakeholder engagement        | Slide 6      |
| GRI 301    | Materials / LCA               | Slide 12     |

# SASB Disclosure • Multiline & Specialty Retailers (RR-MR)

*Bodraum reports in alignment with the SASB Multiline & Specialty Retailers standard (RR-MR), covering Energy Management, Data Security, Workforce, and Product Sustainability.*

| Code         | Category          | Metric                               | 2023 Value | Slide Ref. |
|--------------|-------------------|--------------------------------------|------------|------------|
| RR-MR-130a.1 | Energy Management | Total energy consumed                | 420 MWh    | Slide 10   |
| RR-MR-130a.2 | Energy Management | Renewable energy %                   | 29%        | Slide 10   |
| RR-MR-230a.1 | Data Security     | Customer data breaches               | 0          | Slide 16   |
| RR-MR-230a.2 | Data Security     | Customers affected                   | 0          | Slide 16   |
| RR-MR-310a.1 | Product Sust.     | % products with sustainability claim | 30%        | Slide 12   |
| RR-MR-310a.2 | Product Sust.     | Revenue from eco-certified products  | Expanding  | Slide 12   |
| RR-MR-430a.1 | Labor Practices   | Voluntary/involuntary turnover       | N/A        | Slide 14   |
| RR-MR-430a.2 | Labor Practices   | Number of new hires                  | N/A        | Slide 14   |
| RR-MR-430b.1 | Fair Labor        | Supplier audits (% of suppliers)     | 16% (7/45) | Slide 12   |
| RR-MR-000.A  | Quantitative      | Number of employees                  | <10        | Slide 14   |

# Thank You

Bodraum remains committed to continuous improvement across Environmental, Social, and Governance dimensions. The 2023 assessment has provided a clear roadmap — with environmental and governance leadership as our foundation, and social disclosure, human rights formalization, and workforce development as our 2024 priorities.

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**72.5/100**

Overall Score

**90/100**

Environment

**100/100**

Governance

**50/100**

Social

**-10.3%**

S1+S2 vs. 2021

**0**

Data Breaches