

# Customs and Global Trade control framework

The Customs and Global Trade Control Framework is designed to ensure that all cross-border movements of goods, particularly energy products stored and processed at our terminals, are conducted in full compliance with applicable customs laws, excise duties, international trade regulations, and sanctions regimes.

- [Introduction](#)
- [Scope](#)
- [Terminal-Level Compliance Control Framework](#)
- [Controls](#)
  - [Operational Internal Controls](#)
  - [General Compliance Controls](#)
  - [License Compliance Controls](#)
  - [Learning \(Placeholder\)](#)

# Introduction

## **Purpose of the Customs and Global Trade Control Framework**

The Customs and Global Trade Control Framework is designed to ensure that all cross-border movements of goods, particularly energy products stored and processed at our terminals, are conducted in full compliance with applicable customs laws, excise duties, international trade regulations, and sanctions regimes. Given the highly regulated nature of the energy sector and the strategic importance of customs and trade compliance, the framework serves as a governance structure that enables:

- **Regulatory Compliance:** Ensuring the organisation meets all legal obligations related to customs, excise, VAT, and international trade, including accurate tariff classification, valuation, and origin management.
- **Risk Management and Internal Controls:** Providing a robust internal control environment with clear governance, roles, responsibilities, and oversight mechanisms to identify, assess, and mitigate customs and trade risks across the business, including audit preparedness and compliance monitoring.
- **Operational Efficiency:** Facilitating smooth and timely customs processes to prevent delays at borders, minimize costs, and avoid supply chain disruptions.
- **Governance and Accountability:** Providing clear roles, responsibilities, and oversight mechanisms to ensure consistency, accountability, and continuous improvement across all business units involved in international trade.
- **Operational Excellence and Strategic Trade Enablement:** Supporting commercial objectives through the optimal use of customs regimes (e.g., customs warehousing, transit, inward processing, excise warehouse), trade agreements, and efficient structure of supply chains. Ensuring the efficient and compliant movement of goods, reducing delays, lowering trade-related costs, and enabling uninterrupted flows through terminals and supply chains worldwide.

This framework integrates customs and trade compliance into the broader internal control environment of the group and contributes to its license to operate, especially important in a sector where reputational and regulatory risks are high.

## **Adaptability of the Control Framework**

The Customs and Excise Control Framework is designed as a **dynamic and evolving structure**, intended to adapt to both internal and external developments. While the framework sets out a structured approach to compliance with controls grouped into operational, general compliance, and license-level categories, it is understood that **no control environment remains static**.

The **nature, design, and frequency** of controls are subject to **ongoing evaluation and adjustment** based on several factors, including:

- **Changes in the legislative and regulatory landscape**, such as amendments to customs or excise laws, procedural updates from authorities, or evolving EU and international trade requirements.
- **Business developments**, including new or discontinued product flows, service offerings, projects, legal entity changes, system upgrades, and shifts in roles or responsibilities within the organisation.
- **Outcomes of internal audits, reviews, or control monitoring**, where findings, non-conformities, or improvement opportunities may result in the strengthening, refinement, or replacement of existing controls.
- **Lessons learned** from incidents, errors, or stakeholder feedback, which are incorporated into the framework as part of a continuous improvement cycle.

To support this adaptability, the control framework is subject to **regular reassessment** as part of the compliance governance process. This ensures that controls remain **fit for purpose**, proportionate to the associated risks, and aligned with the terminal's licensing obligations and operational reality.

This dynamic approach enables the organisation to stay responsive, compliant, and forward-looking in a complex and evolving trade environment.

# Scope

## Scope of Application Across the Group

From a group-level perspective, the Customs and Global Trade Control Framework applies broadly across various components of the organisation to ensure integrated, consistent, and compliant customs and trade management. The scope includes, but is not limited to, the following key areas:

### 1. Terminal Operations and Services

This includes the day-to-day operations at terminals where energy products are stored, handled, processed, or transshipped. Activities in scope cover:

- Operational customs and excise procedures (e.g., import/export declarations, EMCS movements, warehousing).
- Compliance with licenses, permits, and authorisations related to customs and excise.
- Accurate and timely reporting to authorities, including inventory reconciliation, duty management, and bonded stock oversight.
- Contractual arrangements with customers and third parties, particularly those that may impact customs responsibilities or liability (e.g., Incoterms, tax representatives, agents).

### 2. Projects and Business Development

Customs and trade compliance considerations are also integrated into projects and strategic initiatives, including:

- Business development activities involving new flows, new products, or the expansion of services across borders.
- Contract negotiation and structuring for new ventures, ensuring customs roles and obligations are clearly defined.
- Project execution and management, including the establishment of new facilities, terminals, or cross-border infrastructure that may require new customs authorisations or impact trade compliance.

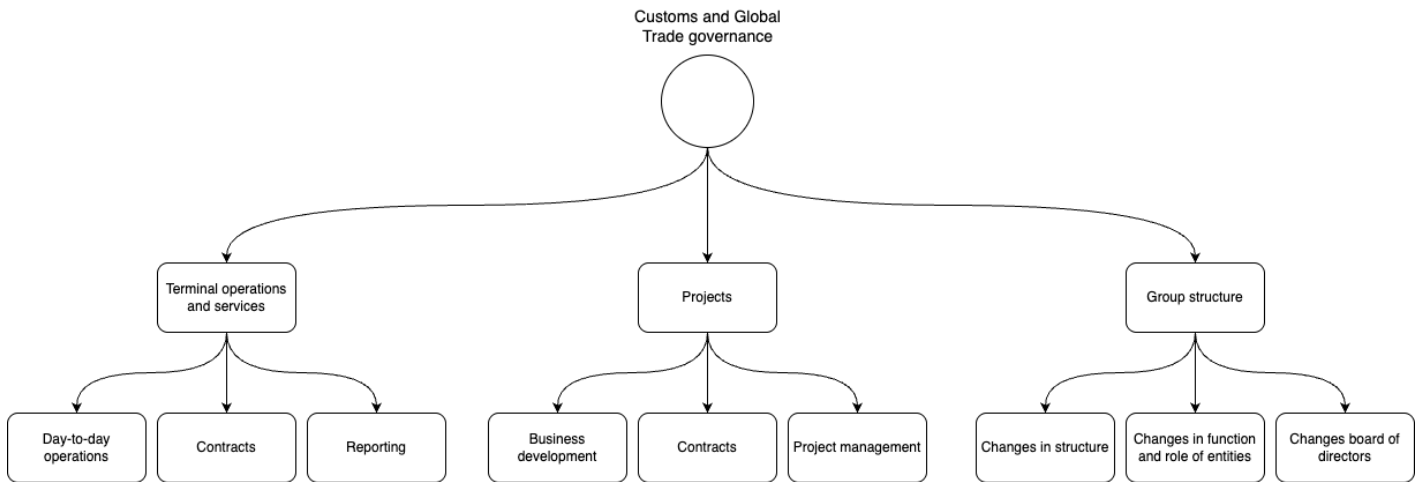
### 3. Group Structure and Legal Entity Governance

Changes in group structure or governance can have direct implications for customs registrations, licensing, and responsibility allocation. In scope are:

- Establishment, relocation, or dissolution of legal entities with customs or excise functions.
- Functional changes in legal entities that affect their role in the supply chain.
- Changes in board composition or senior management roles that trigger notifications or require updates to customs authorisations (e.g., AEO, excise licences).
- Intragroup restructurings, mergers, acquisitions, or divestments that may alter supply chains or require customs reauthorisations.

## Integrated Approach

To manage these diverse areas effectively, the framework promotes early involvement of the Customs and Global Trade function in operational decisions, contract negotiations, and structural changes. This ensures that customs and trade compliance is embedded in the business, risk is proactively managed, and regulatory obligations are met across all levels of the Group.



# Terminal-Level Compliance Control Framework

At terminal level, the Customs and Global Trade compliance control framework is structured around a clearly defined **Administrative Organisation and Internal Control (AO/IC)**. This umbrella document outlines how the terminal is organised from a governance, staffing, and internal control perspective, ensuring that the necessary competencies, roles, and responsibilities are in place to meet all customs and excise compliance obligations.

An essential foundation of the compliance approach is the **identification and definition of the terminal's business activities and the products handled**. This includes mapping all operational processes **receipt, storage, processing/manufacturing, and dispatch** and understanding whether these activities involve goods under **customs bond** or **excise duty suspension**. This detailed scoping ensures that all applicable **customs and excise licenses** are in place and correctly aligned with the terminal's actual operations. It also supports accurate product classification and licensing compliance.

The **AO/IC** document serves as a foundational requirement for obtaining and maintaining customs and excise licenses. It describes the organisational setup and control measures across key functions, including:

- The **Customer Services and Customs team**, responsible for day-to-day customs declarations, EMCS processing, and direct liaison with customs and excise authorities.
- **Operations**, which ensures the correct handling, storage, and administration of goods under customs or excise control.
- The **Management Team**, accountable for ensuring the overall integrity of the terminal's control environment, adequate resourcing, and escalation of compliance issues when needed.
- The **Compliance Officer**, who plays a central role in maintaining the effectiveness of the compliance framework. This role involves overseeing adherence to customs and excise obligations, coordinating the AO/IC review and update process, monitoring internal controls, conducting compliance reviews, and acting as a key point of contact for both internal stakeholders and external regulatory authorities.

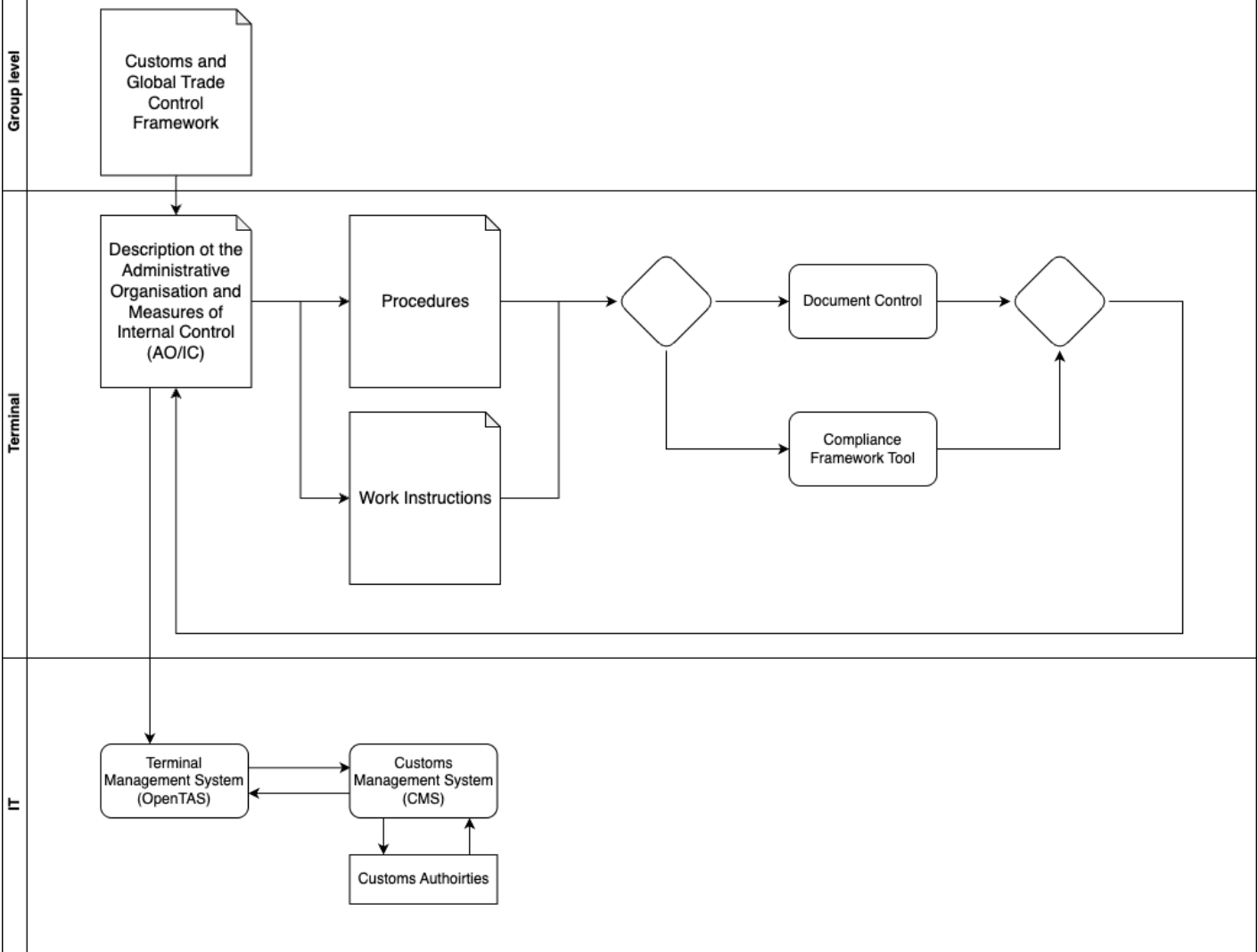
To operationalise the AO/IC, the terminal maintains a comprehensive set of **detailed procedures and work instructions**, governing all relevant customs and excise processes. These documents are managed through a **document control system** that ensures they are current, version-controlled, and accessible to authorised personnel. This ensures consistency, clarity, and traceability in how procedures are executed and maintained.

To ensure consistency, oversight, and evidence-based compliance, the terminal makes use of a dedicated **compliance control software platform, BzCtrl**. This tool supports the full compliance lifecycle, including documentation, workflow visualisation, automated control execution, exception handling, learning capture, and interdepartmental collaboration. It plays a key role in governance and audit readiness. BzCtrl provides a full suite of governance functionalities, including:

- Centralised documentation and process flow mapping
- Execution and monitoring of automated internal controls
- Logging of findings, learnings, and follow-up actions
- Collaboration tools for effective coordination among teams
- Dashboards and reporting features to support compliance oversight

Through the integration of a robust AO/IC framework, formalised procedures, strong compliance leadership, and a digital governance platform, the terminal ensures that customs and excise requirements are continuously met, risks are effectively managed, and regulatory licenses are maintained.

The **order entry and execution process** at the terminal is governed through a **Terminal Management System (TMS), OpenTAS**, which serves as the central operational platform for planning, executing, and recording all product movements and related activities. This system is **interfaced with the Customs Management System (CMS)**, ensuring that all relevant data flows such as product types, quantities, movements, and timing are automatically and accurately transferred to support customs and excise compliance. This integration enables the **correct, timely, and complete registration** of products and related operations in the TMS to be **seamlessly translated into accurate customs declarations and excise records** in the CMS. This digital interface minimises the risk of manual error, enhances data integrity, and ensures that all movements subject to customs or excise control are fully traceable and compliant with applicable regulations.



# Controls

This chapter outlines the internal control environment that supports customs and excise compliance at terminal level. It distinguishes between three interrelated layers of control: **operational internal controls**, **general compliance controls**, and **license compliance controls**. Together, these ensure that all relevant activities are performed in accordance with legal requirements, license conditions, and internal standards.

# Operational Internal Controls

Operational controls govern the accurate and consistent execution of customs- and excise-related activities in the terminal's day-to-day operations. These include:

- **Accurate registration of product movements** in the Terminal Management System (TMS), capturing relevant data such as product classification, quantity, and regulatory status (e.g. customs warehoused, excise suspended).
- **Automated interfacing between TMS and the Customs Management System (CMS)**, enabling timely and correct generation of customs declarations, EMCS messages, and related compliance records.
- **Segregation of duties** between planning, execution, and reporting roles to minimise operational and compliance risks.
- **Routine checks and reconciliations**, exception reporting, and automated monitoring supported by the BzCtrl compliance platform to identify and address deviations.

These controls help ensure the operational integrity and traceability of customs- and excise-relevant processes.

The following section provides an overview of the key controls that form part of the Customs and Excise Compliance Framework. These controls are designed to manage legal obligations, mitigate compliance risks, and ensure the integrity of customs- and excise-related processes across operational, general compliance, and license-specific areas.

It is important to note that the **design, scope, and frequency** of these controls are not static. They are subject to change based on **regulatory developments, business needs, operational changes**, and **findings from audits or monitoring activities**. As such, the control framework is **adaptive by nature** and reviewed on a regular basis to ensure that it remains effective, proportionate to risk, and aligned with the evolving requirements of the business and the applicable legal landscape.

Recurring To Do				
Title ↑	Assignee	Recurrence	Start Date	Next Creat
Clearance outgoing customs documents	CS	Weekly (interval)	01-01-2026	13-01-2026
Incident review	C	Monthly (interval)	03-07-2025	02-09-2025

## Control: Monitoring and Clearance of Outgoing Customs Documents

In accordance with applicable customs and excise regulations, the **consignor** bears fiscal responsibility for ensuring the **timely and accurate clearance** of outgoing customs documents, including but not limited to **transit (e.g. T1), electronic Administrative Documents (e-ADs), and export declarations**.

The purpose of this control is to **monitor the clearance status of such documents**, identify any delays or irregularities, and take timely corrective action where needed. This helps to ensure that all obligations related to the closure of the customs procedure are met and that the organisation remains protected against **potential financial liabilities**, such as duties, penalties, or guarantees being called upon due to unclosed movements.

By safeguarding the proper clearance of outgoing customs flows, this control contributes to the organisation's overall customs compliance, risk mitigation, and audit readiness.

## Control: Incident Review and Trend Analysis

The objective of this control is to **periodically review recorded incidents** within the customs and excise compliance domain in order to identify **recurring patterns, root causes, or structural weaknesses**. This review is conducted both at a **macro level** to detect trends or systemic issues that may require corrective or preventive measures and at a **micro level**, where individual incidents may warrant more detailed investigation.

By systematically analysing incident data, this control supports **continuous improvement, risk mitigation**, and the **strengthening of internal controls**, ensuring that appropriate follow-up actions are taken and that lessons learned are embedded in the organisation's compliance practices.

## Control: Monthly Stock Reconciliation

This control ensures that a **monthly reconciliation of stock records** is performed to verify that all goods held in the terminal are properly accounted for in the administrative systems. The objective is to confirm the **accuracy, completeness, and consistency** of physical stock levels against system-based inventory records.

From a compliance perspective, customs and excise authorities require businesses operating under suspension or bonded regimes to maintain **adequate and reliable stock records** as part of their record-keeping obligations. Regular reconciliation supports this requirement and helps detect discrepancies, losses, or administrative errors in a timely manner.

This control is fundamental to maintaining the **integrity of inventory data**, safeguarding authorisation conditions, and ensuring ongoing compliance with customs and excise legislation.

# General Compliance Controls

General compliance controls are preventive and governance-focused, ensuring that activities at the terminal are legally permissible and that responsibilities are properly mandated. These include:

- **Product acceptance controls**, designed to confirm that only goods falling within the authorised scope of the terminal's customs and excise licenses are accepted for storage, processing, or movement. This includes verification of product type, regulatory classification, and handling requirements during onboarding or order entry.
- **Validation of mandates and powers of attorney**, ensuring that all parties represented in customs and excise transactions (e.g. importers, exporters, consignors) have issued valid, legally binding authorisations. These documents are reviewed for correctness, signed by authorised representatives, and maintained as part of the compliance documentation set.
- **Review of contractual terms**, including Incoterms and service agreements, to clarify roles and responsibilities in customs declarations and excise obligations.

These controls serve as a first line of compliance assurance, preventing unauthorised or non-compliant activities before execution.

It is important to note that the **design, scope, and frequency** of these controls are not static. They are subject to change based on **regulatory developments, business needs, operational changes**, and **findings from audits or monitoring activities**. As such, the control framework is **adaptive by nature** and reviewed on a regular basis to ensure that it remains effective, proportionate to risk, and aligned with the evolving requirements of the business and the applicable legal landscape.

## Recurring To Do

Title ↑	Assignee	Recurrence	Start Date	Next Creac
Verification of valid mandates	CS	Yearly	03-07-2025	10-09-2025

### Control: Annual Verification of Valid Mandates

This control ensures that all customer mandates, such as powers of attorney and authorisations for customs representation, are **reviewed annually** to confirm their **validity, scope, and legal**

**effectiveness.** The aim is to ensure that, wherever possible, **the customer remains the party directly liable** towards the customs authorities, thereby reducing the organisation's financial and operational risk.

Given that such mandates are often **time-limited** and critical to determining responsibility in customs matters, this control supports a **consistent and documented approach** to managing representation. It ensures that declarations are made on a proper legal basis and that any exceptions are **justified, assessed, and approved** within an established risk framework.

# License Compliance Controls

License compliance controls ensure that the terminal continues to meet the conditions of its customs and excise authorisations. Key elements include:

- **Monitoring of license conditions**, such as permitted activities, approved goods, bonded storage limits, and site layout specifications.
- **Change management procedures** to assess the impact of legal, operational, or structural changes on license scope or validity (e.g. changes in legal entity role, board composition, or site infrastructure).
- **Maintenance and periodic review of the AO/IC** (Administrative Organisation and Internal Control), which forms the basis for demonstrating compliance with license requirements.
- **Filing of required notifications and reports** with authorities, including periodic customs declarations, EMCS movements, and inventory statements.
- **Internal audits and control testing**, supported by the BzCtrl platform, to identify compliance gaps, monitor corrective actions, and document continuous improvement.

By integrating these three layers of control, the terminal ensures a comprehensive and proactive approach to customs and excise compliance supporting operational accuracy, legal accountability, and regulatory assurance.

It is important to note that the **design, scope, and frequency** of these controls are not static. They are subject to change based on **regulatory developments, business needs, operational changes**, and **findings from audits or monitoring activities**. As such, the control framework is **adaptive by nature** and reviewed on a regular basis to ensure that it remains effective, proportionate to risk, and aligned with the evolving requirements of the business and the applicable legal landscape.

## Recurring To Do

Title ↑	Assignee	Recurrence	Start Date	Next Create
Audit trail	CS	Yearly	03-07-2025	30-08-2025
Accounting system	CS	Yearly	03-07-2025	30-08-2025
Compliance record	CS	Yearly	03-07-2025	30-08-2025
Customs routines	CS	Yearly	03-07-2025	30-08-2025
Flow of goods	CS	Yearly	03-07-2025	30-08-2025
General information	CS	Yearly	03-07-2025	30-08-2025
Information security	I	Yearly	03-07-2025	30-08-2025
Personnel Security	H	Yearly	03-07-2025	30-08-2025
Practical standards of competence or professional qualifications	C	Yearly	03-07-2025	30-08-2025
Proven financial solvency	F	Yearly	03-07-2025	30-08-2025
Upcoming changes in commodity codes and prohibitions and restrictions	C	Monthly (interval)	03-07-2025	02-11-2025

# Learning (Placeholder)

A key element of maintaining an effective Customs and Excise Compliance Framework is ensuring that all relevant stakeholders possess an up-to-date understanding of applicable legislation, procedures, and industry practices. Within the BzCtrl. platform, a dedicated Learning module supports this objective by offering structured access to various sources of knowledge, including:

- **Industry-provided learnings**, such as regulatory insights, practical case studies, and peer experiences
- **Learnings issued by the European Commission**, including updates to Union Customs Code (UCC) guidance, explanatory notes, and implementation practices

These resources are essential in equipping personnel with the awareness and insight required to make informed decisions, interpret obligations accurately, and anticipate regulatory changes.

By embedding learning into the compliance framework, the organisation fosters a **culture of continuous improvement**, reinforces **individual accountability**, and strengthens its ability to **remain compliant in a dynamic and complex regulatory environment**.

References to content to be included.