



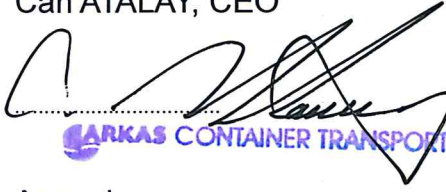
ARKAS CONTAINER TRANSPORT S.A.. ENVIRONMENTAL POLICY

Date : May 2024

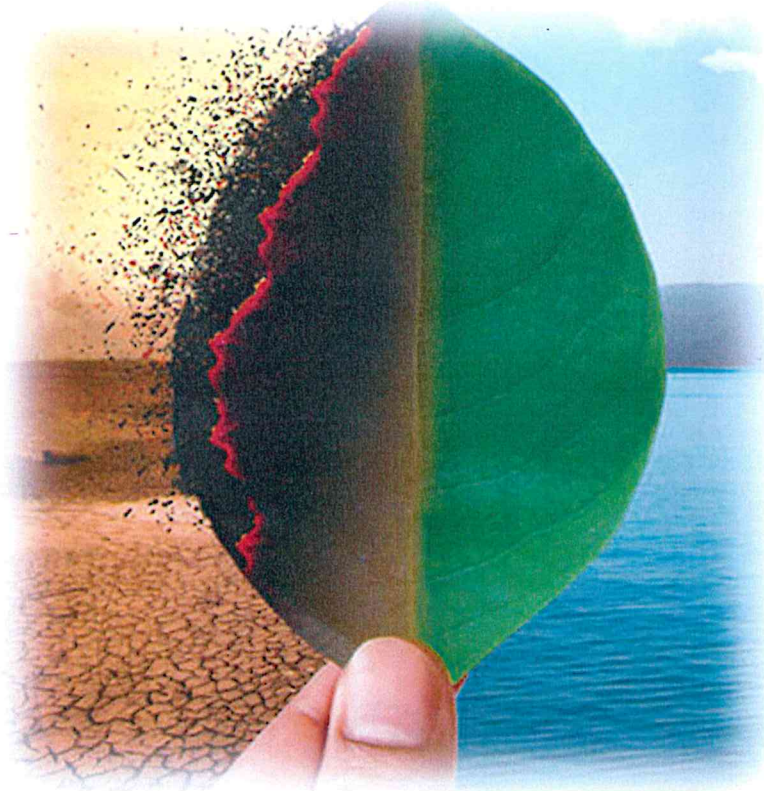
Responsible Department : Sustainability Directorate

Approval by : Can ATALAY, CEO

Signature :


ARKAS CONTAINER TRANSPORT S.A.

Review frequency : Annual



1. Overview

This Environmental Policy applies to all employees of **Arkas Container Transport S.A. (Arkas Line)** unless stated otherwise.

With the Integrated Management System, Arkas Line aims to maintain our industry's pioneering identity by monitoring and continuously improving our processes through creative activities while providing International 'Multimodal' Container Transportation and Services. Our Environmental Policy is an essential component of our Integrated Management System and encompasses our processes and daily practices in accomplishing our company's goals and aims.

Our Environmental Policy serves as the framework for the environmental changes we continue to make and is critical to our company's long-term success. Our Environmental Policy, which includes more than just certificates and measures, is particularly critical because it is the primary indicator of our sustainability goals for our customers and other stakeholders.

Our organization is dedicated to appropriately managing its environmental impact. We recognize that our obligation to our stakeholders and the environment extends beyond legal and regulatory requirements. The fundamental principles of our Environmental Policy are to continuously improve the performance of our processes, reduce our environmental impact, and encourage our employees, customers, suppliers, and other stakeholders to act in the same way as an integral part of our business strategy and working methods.

We commit to regularly publishing our policy and determinant performance information, informing all of our employees on a regular basis to raise environmental awareness, implementing the requirements of **our Environmental Policy** with the participation of all of our employees by increasing awareness in our activities, and reviewing our policy, which is formed in accordance with our goals and objectives, on an annual basis.

2. Strategy, Mission and Principles

The mission of Arkas is: "*Moving forward for generations by valuing people, respecting nature and life*". It upholds the sustainability viewpoint by prioritizing people and the preservation of nature for the benefit of future generations.

This mission aligns with the notions of sustainability and corporate social responsibility (CSR), highlighting an all-encompassing business approach that considers the effects on society and the environment in addition to economic sustainability. This mission statement demonstrates the principles of Arkas Line, highlights the company's dedication to goals beyond financial gain, and can function as a guide for its decisions.

The core values of Arkas are:

- Valuing People: We put people first as part of our company's core value.
- Continuous improvement: We generate new ideas by keeping the spirit of the past alive.



- Collaboration: We work as a team and in harmony. Mutual respect and trust serve as the foundation for our listening and information sharing. Our approach is interwoven. We are open to any idea that can benefit everyone.
- Nature and life: In everything we do, we respect nature and life. We are passionate about raising awareness and creating a positive change, and we believe we can make a difference.
- Agility: We constantly adapt ourselves to keep up with the changing conditions in the world. We quickly respond to changes with creative solutions.
- Responsibility: We care about the common good. We take responsibility. We adhere to consistent working principles and prioritize sensible solutions.

These ideals are in line with the concepts and practices of sustainability. As fundamental components of sustainability; they emphasize social responsibility, environmental management and ethical behavior. Arkas Line aspires to contribute positively to sustainable development, minimize negative consequences and create long-term value for all stakeholders by implementing these values into its culture and operations.

3. Legal Compliance

The core premise of our Corporate Governance practice is compliance with all laws, including environmental regulations, in all countries where we operate.

| PARAMETER | DEPARTMENT IN CHARGE OF FOLLOW-UP | OBJECTIVE | CHECK PERIOD |
|-------------------------------------|-----------------------------------|-----------------|--------------|
| Environmental Legal Compliance Rate | Quality and OHS Department | 100% compliance | December |

4. Material Topics, Emission Reduction Targets and Natural Resource Consumption

Materiality Analysis

In 2023, the first Materiality Analysis was conducted through interaction and dialogue with internal and external stakeholders to determine sustainability priorities and key issues. Sustainability priorities were defined bilaterally as topics that significantly impact Arkas Line's activities or fall within Arkas Line's sphere of influence. Direct and indirect impacts, as well as positive and negative effects, were considered in this study. The sustainability Materiality Analysis was carried out through Stakeholder Mapping, Prioritization Analysis List, Stakeholder Survey, One-on-One Interviews with Selected Stakeholders and a Senior Management Sustainability Materiality Workshop.

Stakeholder mapping was initiated to engage 2435 stakeholders, including customers, employees, shareholders, suppliers, service providers, financial providers, regulators, civil society, competitors and the media. Arkas Line stakeholder matrix is to be checked and updated annually.

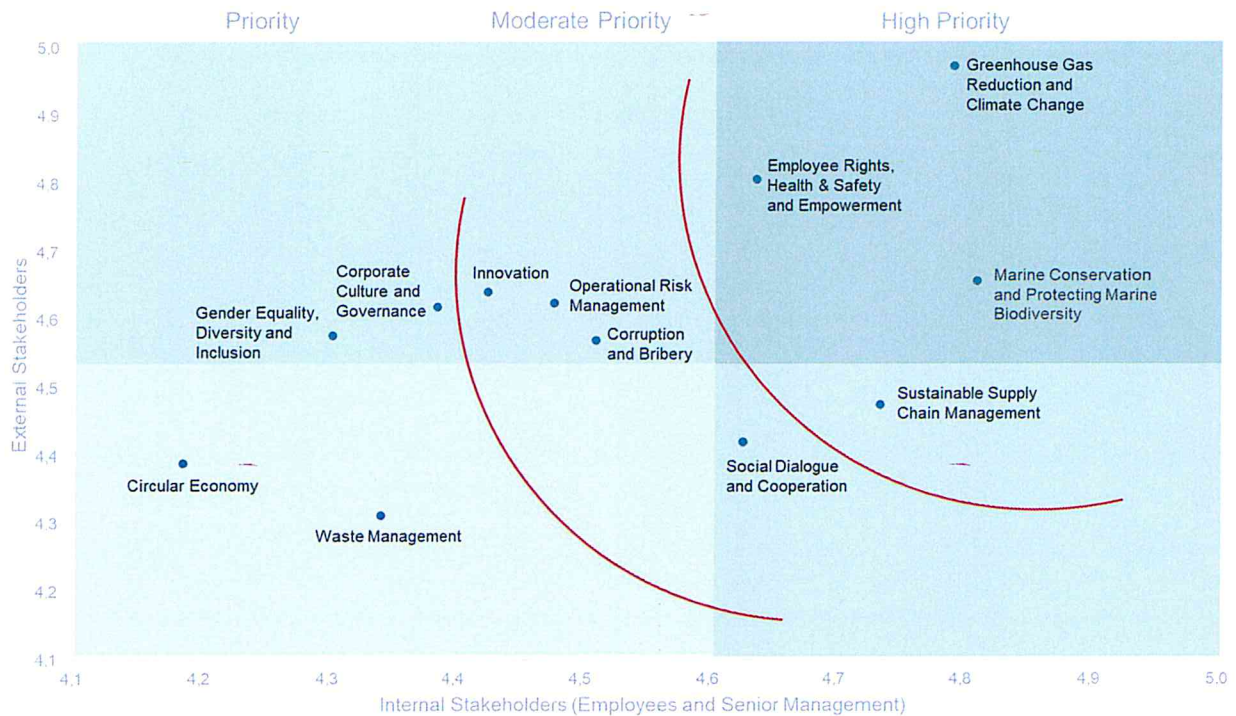
Arkas Line sustainability efforts will focus on defined 12 priority topics ranging from High Priority to Moderate Priority and Priority, and to the 10 Sustainable Development Goals (SDGs) that are linked to these topics.

“Greenhouse Gas Reduction & Climate Action”, as well as “Marine Conservation and Protection of Marine Biodiversity” are ranked at the top of the high priority list of Arkas Line. These two priorities will shape the environmental policy and projects of Arkas Line together with “Employee Rights, Health and Safety” and “Sustainable Supply Chain”.

Priority topics are to be revisited every 2-3 years for evaluation and necessary updates through conducting sustainability survey to stakeholders.

| PARAMETER | DEPARTMENT IN CHARGE OF FOLLOW-UP | OBJECTIVE | CHECK PERIOD |
|-----------------------|--|--|----------------|
| Sustainability Survey | Sustainability Manager & Management Representative | Distributing sustainability survey to all stakeholders and evaluating results. | Every 2-3 Year |



Our Objectives

We strive to reduce carbon emissions, prevent pollution, minimize our use of natural resources and lessen the possible negative impact of our vessel operations and all other business activities on people and the environment to safeguard our world.

In this regard, the goals we have established are to minimize the negative effects of our vessels on the marine environment, to use non-renewable energy resources responsibly, and to cut greenhouse gas emissions in a sustainable manner. These targets are monitored by the relevant Responsible Follow-Up department and periodically reviewed for improvement.

| PARAMETER | DEPARTMENT IN CHARGE OF FOLLOW-UP | OBJECTIVE | CHECK PERIOD |
|--|--|--|------------------|
| CO2 Emission Improvement Rate (vessels) | Sustainability Director, OpEx Manager, Global Accounts and Sustainability Manager. | Reduce emissions <i>by 3%</i> year-on-year | December |
| CII (Carbon Intensity Indicator) rating of vessels | Operational Excellence Manager | Monitoring vessel CII ratings to prevent them from dropping to E class and applying operational measures | Weekly follow-up |
| Water Consumption per Office Employee | Management Representative | Reduce consumption by <i>0.1 liter/person</i> year-on-year | December |
| Electricity Consumption per Office Employee | Management Representative | Reduce consumption by <i>0.1 KWh/person</i> year-on-year | December |

Our goal is to carry out our duties in providing our service, controlling our environmental impact, adhering to all applicable laws and regulations, and managing changes.



Arkas Line Corporate Carbon Footprint

In 2023, we measured our **Scope 1 and Scope 2** emissions in **18 countries, 60 locations** where Arkas Line has owned offices and operations. Accordingly, **98.1% of total come from Shipping**, and **99.2% is linked to Scope 1**. Therefore, emission reductions in vessel Operations is at the top of our priority list. Some energy efficiency methods we use are; *ballast and trim optimization, Anti-friction paint usage, periodic hull and propeller cleaning, route optimization through software usage, slow steaming, energy reduction on reefers via software and the fuel flow sensors.*

Through these methods we succeed to reduce our emissions by %25.38 in 2023 with baseline 2011 (Glec Methodology, Clean Cargo official results). We further target to reduce emissions by 30% until 2025, and we plan to set our long-term 2050 decarbonization targets in the last quarter of 2024 after our first Sustainability report is published.

| PARAMETER | DEPARTMENT IN CHARGE OF FOLLOW-UP | OBJECTIVE | CHECK PERIOD |
|---------------------------------------|--|--|-------------------|
| Scope 1 & Scope 2 Emissions (offices) | Sustainability Manager & Sustainability Assistant Specialist | Collecting monthly carbon emissions data from all Arkas Line offices | Monthly follow-up |
| Vessels' Emissions | Global Accounts & Sustainability Manager & Opex Manager | Collecting emissions data related to vessel operations | December |

Paper Reduction in Offices

We set out to reduce the amount of paper we utilized in the first phase by concentrating on digitizing our activities. We aim to decrease recyclable trash (paper, cardboard, plastic, etc.) per person by 0.01 kg every year by optimizing the efficiency of our procedures.

| PARAMETER | DEPARTMENT IN CHARGE OF FOLLOW-UP | OBJECTIVE | CHECK PERIOD |
|--|-----------------------------------|--|--------------|
| Solid Waste Amount per Office Employee | Management Representative | Reducing the amount of waste by <i>0.01 kg/person</i> year-on-year | December |

We seek to reduce the need for non-essential travel by encouraging the use of alternative engagement channels such as email or video/phone conferencing. In cases where we need to rent a vehicle, we prefer low emission vehicles.

5. Responsibility

All employees are responsible for ensuring that the goals and objectives of our Environmental Policy are achieved in their own fields and compliance with the policy is ensured by senior management. The Quality and OHS Department monitors legal compliance and continuous improvement and reports monthly to the Sustainability Management Committee, which was established at the end of 2022.

6. Environmental Advocacy and Communication

Arkas Line is a member of UN Global Compact and Clean Cargo Working Group within the Smart Freight Center. Arkas Line also holds an Ecovadis Bronze certificate and a signatory of UN Women Empowerment Principles (WEP's). Aside from these affiliations, Arkas Line is a community leader in conferences and online meetings on environmental issues in its industry and the nations where it does business.

Simultaneously, Arkas Line will lead the way in promoting sustainable consumption of its products and services among its customer base by publishing its Sustainability Report in 2024, publicly and internally reporting data on greenhouse gases and waste reduction, as well as water and energy consumption in a transparent and comparable manner year after year.

7. ISO 14001 Certificate

Our ISO 14001 Environmental Management System contributes to this policy by;

- Minimizing the potential impact of our vessel operations and all of our business activities on people and the environment, with an emphasis on environmental protection,
- Preventing pollution and minimizing our use of natural resources,
- Sustainably reducing greenhouse gas emissions,
- Using energy resources responsibly and reducing the impact of our vessels on the marine environment,
- Regularly publishing our policy and indicative performance information,
- Raising awareness in our activities,
- Implementing the requirements of this standard with the participation of all our employees,
- Committing to regularly reviewing our policy in line with our goals and objectives.

