

Charting a Sustainable Course Towards New Horizons

ARKAS Line

Sustainability Report 2023





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Since our launch in 1996, Arkas Line has been a partner whom our customers have consistently sought out and relied on in international container transport, backed by our strong fleet of vessels and a customer-oriented service approach. Our commitment to continuous development has been at the core of our operations.

We place a strong focus on advancing our environmental, social, and governance goals, while setting our strategic priorities in collaboration with stakeholders.

Through our “Blue for Green” initiative, we transform our sustainability philosophy into tangible actions, guiding our investments responsibly to protect our seas and our planet.



For a Sustainable Future Advancing with Purpose

As one of the top 30 companies in global container shipping, Arkas Line is fully committed to fulfilling our responsibilities not just to our business, but to the planet as well. As a proud member of the UN Global Compact, we are advancing steadily on the path towards a sustainable future. Our new sustainability structure, combined with a materiality analysis in corporate sustainability, our sustainability surveys, senior management workshops, and the integration of sustainability into our annual budget meetings, underscores our strong commitment to this mission.



Important Commitments

Carried forward with Success

As the first and only member from Türkiye of Clean Cargo Working Group (CCWG), which represents 88% of the world's container transport and includes 22 shipowner companies, Arkas Line continues to develop projects focused on energy efficiency, optimization, and environmentally friendly fuels. These efforts aim to reduce fuel consumption and associated greenhouse gas emissions. We calculate our carbon footprint and closely monitor emissions not only in Türkiye but also across the 18 countries where we operate.

25%
Reduction in CO₂
emissions Since 2011*



** CCWG data where only emissions from ships are included.
* High priority: Reducing our greenhouse gas emissions*

Clean Seas and Preserving Marine Biodiversity

For many years, we have partnered with DenizTemiz Association / TURMEPA to keep our seas clean and protect biodiversity which serves as both our companion and source of inspiration as we progress towards a sustainable future. Our waste collection boat, now in its 17th season, has collected 2 million litres of wastewater since 2006, helping to keep 18 million litres of sea water clean.

Additionally, we proudly sponsored the publication of Last Refuge Marmara by the Marine Life Conservation Society, a book highlighting Türkiye's marine biodiversity. We remain committed to safeguarding the future of our seas and preserving marine biodiversity.



[Click here](#) to read a short testimonial from Semiha Öztürk, General Manager of DenizTemiz Association / TURMEPA.

18
Million Litres
Of clean sea water
preserved



**High priority: Conservation of Seas and Marine Biodiversity*

Advancing Gender Equality Leading the Way

At Arkas Line, we place a strong emphasis on gender equality. We take pride in having one of the first female captains in the Arkas Merchant Fleet. Since our initiative began with two interns in 2002, we have offered internship opportunities to 250 female students through our female officer policy. Today, women make up 10% of the officers in our fleet, nearly 8 times the global average of 1.2%. We continue to lead the industry with this significant achievement.



[Click here](#) to read the testimonial from Dilek Altay, Long-Distance Captain of the Arkas Merchant Fleet.

35%
Women in our offices

10%
Women on our vessels



* High priority: Employee Rights, Occupational Health & Safety (OHS), and Training

Sustainable Progress Across the Supply Chain

To build a sustainable supply chain, we prioritize enhancing port and land connections alongside increasing zero-emission rail transport, complementing the emission reduction projects we've implemented on our vessels. In 2023, we successfully increased rail transport in our pilot countries, Italy and Türkiye, leading to a reduction of over 1,000 tonnes of CO₂-e emissions.



[Click here](#) to read the testimonial from Kemal Usta, TOFAŞ Foreign Trade Operations Manager.

1,000+
Tonnes
Carbon emissions
avoided through rail
transport



**High priority: Sustainable Supply Chain Management*



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About the Report

At Arkas Line, our commitment to sustainability reflects our deep dedication to safeguarding the quality of life for future generations and the well-being of our planet.

This is our first sustainability report as Arkas Line. Based in Istanbul, the report covers both our fleet and operations across 59 locations in 18 countries, including Türkiye. It serves as a crucial tool for identifying our company's impact across this wide geography and improving our current practices.

To communicate our sustainability commitment and the responsibility we feel toward society and nature, we have prepared this report in three languages: Turkish, English, and French.

Sustainability is not just a goal but a responsibility we embrace. This report, as a testament to that commitment, highlights our efforts to create a better world for today and tomorrow by integrating environmental, social, and governance (ESG) principles into every aspect of our operations.

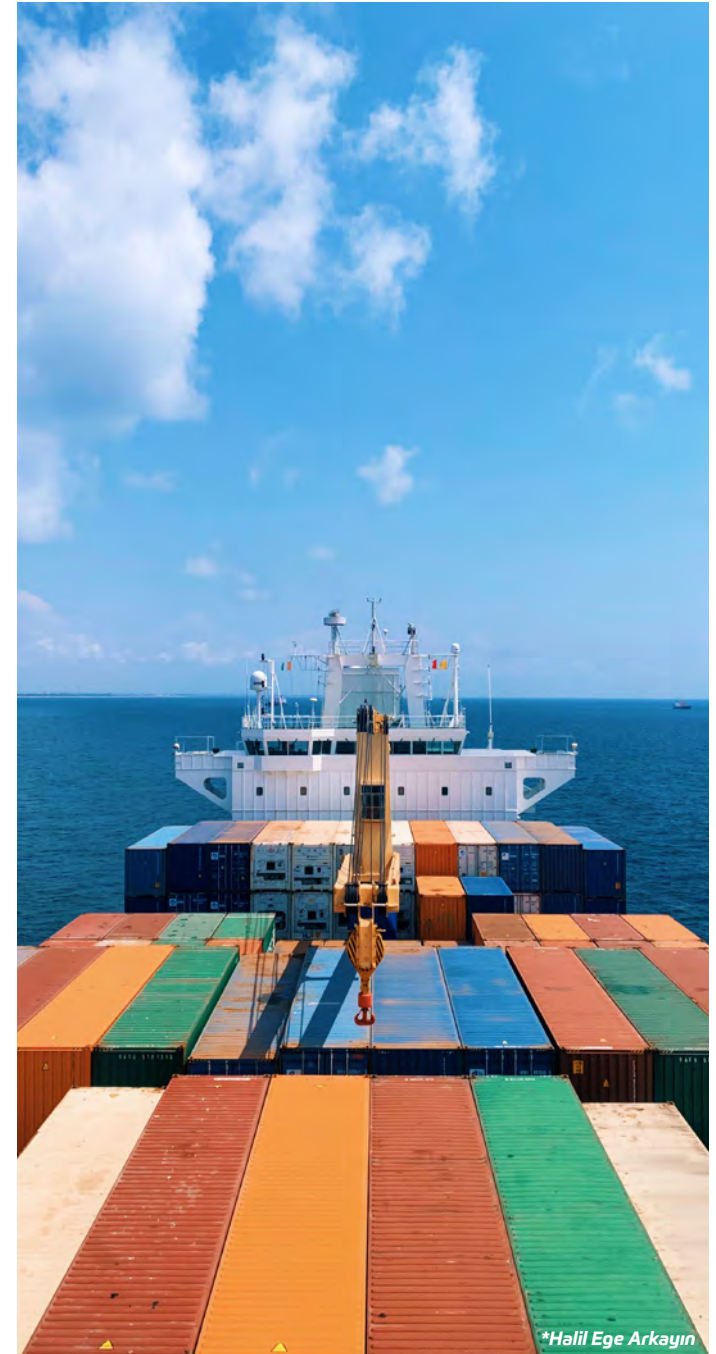

18
Countries


59
Offices

The report outlines Arkas Line's activities, achievements, and initiatives across the regions we serve, dated from 1 January 2023 up to 31 December 2023. Prepared in accordance with GRI Standards Core Option, it includes both past accomplishments and future projects.

The entities referred to as 'Arkas Line' or 'Arkas Maritime Group' in this report include the three primary companies where our vessels, offices, and the majority of activities are based: Arkas Container Transport S.A., Arkas Shipping and Transport S.A., and EMES Feederling S.R.L., based in Italy, alongside Arkas Line's international agencies¹.

¹Arkas Bulgaria Ltd, Bulgaria, Romar Shipping Agency S.R.L., Romania, Arkas Russia Ltd, Russia, Arkas Ukraine Ltd, Ukraine, Arkas Georgia LLC, Georgia, Arkas France, France, Arkas Italia S.R.L., Italy, Arkas Northeurope GMBH, Germany, Arkas Portugal S.A. Portugal, Arkas Spain S.A., Spain, Arkas Hellas S.A. Shipping Agency, Greece, Arkas Egypt S.A.E, Egypt, Arkas Levant S.A.R.L., Lebanon, Arkas Maroc S.A., Morocco, Arkas Algeria SPA, Algeria, Arkas Tunisie, Tunisia and Arkas Ghana, Ghana.



*Halil Ege Arkayın

ICON DESCRIPTIONS



Goes to cover.



Goes to contents.



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Message from the Vice President, Arkas Holding Board of Directors

Sustainability is not simply a goal for us, it's the foundation of our business model and growth strategy.

Dear Employees, Customers, and Business Partners,

At Arkas Line, we remain deeply aware of our responsibilities to both the planet and our commercial goals within the maritime sector. In today's operating environment, where natural resource management and ecosystem balance are becoming increasingly vital, we have made it our priority to focus on the environmental and social impact of our activities.

As we expand into new geographies, we remain committed to minimizing our environmental footprint and contributing positively to the communities in which we operate. In 2023, we launched a group-wide sustainability programme alongside a new sustainability organization, aimed at developing integrated door-to-door solutions and transforming Arkas Line into a company that meets international sustainability standards in the maritime sector.

Aligned with the European Union's and International Maritime Organization's (IMO) 2050 net-zero emission targets, we have accelerated our efforts to improve efficiency and reduce emissions in our global operations. Preparations for biofuel trials within our fleet are underway, and we have placed an order for six new eco-designed vessels to join our fleet in 2028. Additionally, we are working continuously to improving energy efficiency, reducing waste, and transitioning to renewable resources. For us, sustainability is not just a goal, it is the foundation of our business model and growth strategy.

With more than a century of family business heritage, Arkas has always prioritized maintaining service quality while contributing to the communities in which we operate. In 2007, we established Arkas Academy, which focuses on employee training and competence development, and in 2023, we rebranded it under the Arcademia name, launching it from one of Bornova's historic buildings in Izmir offering this expertise to other companies and individuals. Furthermore, we continue to support society through our sports schools, helping to nurture young athletes; our sailing and volleyball teams, which have achieved both national and international success; and our art centres throughout Izmir, where we have brought world-renowned artworks to the city. Through these initiatives, we aim to inspire future generations to develop as healthy individuals with an appreciation for both sports and the arts.

This report is a key testament to our commitment to sustainability, and I'm pleased to share with you the milestones we've achieved so far on this journey to leave a more liveable world for future generations.

I extend my sincere thanks to everyone who has supported and contributed to this process.

Yours sincerely,

Bernard Arkas
Vice President of the Board of Directors





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CEO's Message

We are embedding sustainability into our DNA, driven by environmental awareness and a responsible approach to business.

Since joining Arkas Line in 1996, I've been proud to witness our continuous progress, even as we have faced a series of crises and challenges. Each year, we've remained motivated to improve, striving to perform better and uphold our commitment to excellence.

Across all the regions we serve, we have successfully managed our cost base to provide top-tier service to our customers while operating within ethical guidelines. Alongside this, we have prioritized enhancing societal welfare and showing care for the environment and nature in all our business activities. We've aimed to ensure the best working conditions for seafarers, promoting the principle of equality at sea, just as we do in our offices.

The crises we have faced, such as the global pandemic, have underscored the critical role we play in human life. What we carry is not just cargo, it's essential to the world, particularly in times of crisis.

The most recent test we faced was the February 2023 earthquake, which impacted 11 provinces, and will surely be remembered as one of the most significant disasters in the

In times of crisis, we have come to realize that what we carry is far more than just cargo, we play a critical role in supporting human life.

history of the Turkish Republic. In this tragedy, where every second counted, Arkas swiftly mobilized our resources by land and sea on the morning of the earthquake to set up a logistics centre, ensuring aid reached the affected areas as quickly as possible. In the aftermath, we established mobile kitchens and the Iskenderun Life Centre to provide ongoing support to those in need.

The 2023 World Economic Forum's Global Risks Report highlighted that the top five risks are environmental and social, driven by climate change. In an era where crises and disasters are becoming more frequent, organizational changes are inevitable for companies seeking to thrive. In 2023, we responded by creating three new departments at Arkas Line: Sustainability, Digital Transformation, and Operational Excellence. As a signatory of the United Nations Global Compact, we renewed our international sustainability commitments. Through operational improvements, we have reduced vessel emissions by over 25% compared to 2011, and we've conducted carbon footprint measurements in the 18 countries where we operate.

I am delighted to share with you the significant milestones we have achieved and our future plans in this first sustainability report. I extend my heartfelt thanks to all our stakeholders who have supported us along this journey.

Can Atalay
CEO





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Founded in 1902, Arkas is an international conglomerate with shipping as its core business that offers an integrated service chain across multiple modes of transport.

Arkas combines maritime, land, rail, and air transportation with its core services in maritime operations, port, and terminal management.

Arkas aims to meet the diverse needs of stakeholders by providing 360-degree service, always incorporating best practices and the latest innovations from the international arena. Beyond its core sectors, Arkas extends its services to ship refuelling, automotive, insurance, information systems, and tourism.

With 66 companies and a history that spans over a century, Arkas stands out as an internationally respected organization with a solid financial foundation. It views suppliers and customers as trusted business partners,

In addition to the value it creates for our national economy, Arkas fulfils its role as a responsible corporate citizen by contributing to social development through its innovative and continually evolving social responsibility and sustainability projects.

fostering reliable and sustainable relationships based on shared interests.

For sustainable economic growth, Arkas ensures that its partnerships with leading global shipowners operating in Türkiye adhere to international standards of corporate governance and sustainable development goals.

With sustainability deeply ingrained in its operations, Arkas has long invested in social responsibility projects in the fields of arts,

sports, education, and the environment. It focuses on youth development through sports, arts, and education, making art accessible through its art centres and nurturing athletic talent through its sports schools. Since 2006, Arkas has operated the Arkas Turmepa II waste collection vessel in partnership with Turmepa to protect the seas, continuing a 17-year commitment to preventing marine pollution from the very beginning.





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Arkas Line ranks among the top 30 in Alphaliner’s “Global Shipowners” list.

Founded by Gabriel J.B. Arcas as an Izmir-based import company, Arkas shifted its focus to international transport in 1944 when Lucien G. Arcas redefined the company’s core business. In 1964, Lucien Arkas, son of Lucien G. Arcas, took over management of the company and established Arkas Shipping and Transport S.A. in 1979, providing agency services for global shipping lines in Türkiye. By 1996, Arkas ventured into feeder transport under the name EMES

Shipping and Transport S.A., with a fleet of Turkish-flagged container vessels. Initially, the company provided feeder services to large vessels that did not call at Turkish ports, later continuing these operations through EMES Feederling S.R.L. In 2010, we rebranded as Arkas Container and Transport S.A. and expanded our offerings to include ‘liner’ transport services under the ‘Arkas Line’ brand.



37
Container Vessels



124 thousand TEUs
Container Capacity

Today, Arkas Line and EMES Feederling together operate a fleet of 37 container vessels and manage a container park of approximately 124,000 TEUs, equipped with specialized equipment to meet diverse shipping needs. As a global player serving ports in 28 countries, we address the export and import demands of emerging markets.

We provide maritime transport services across routes linking the Mediterranean, Black Sea, North and West Africa, and Eastern Europe. In 2024, we plan to expand our service network, adding new destinations on the east coast of the USA, India, and within the Red Sea, including Saudi Arabia, Jordan, Sudan, and Djibouti. We also offer long-term representation and agency services for international companies in Türkiye. Our partnerships with global shipping companies reflect our commitment to sustainable resource use and emission reduction. Through these collaborations, we actively support “Partnerships for the Goals,” as outlined in Article 17 of the United Nations Sustainable Development Goals.

Throughout 2023, Arkas Line maintained its position among the top 30 in Alphaliner’s world rankings, one of the most respected maritime research companies globally.



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Our Values

We have journeyed through generations by valuing people, respecting nature, and embracing life.



Human-Centred Approach

We focus on people in our corporate culture and values, executing projects that add value to society.



Continuous Improvement

Drawing on our past experiences, we design more efficient processes supported by technology and pass this knowledge on to future generations.



Collaboration and Teamwork

We work in harmony, believing in the power of teamwork. We share information that benefits the collective good, and our growth targets and corporate governance strategy are shaped by common sense and collective input.



Respect for Nature and Life

In everything we do, we respect nature and life. We strive to raise awareness and foster positive change.



Agility

To adapt to change and stay future-ready, we anticipate risks and opportunities, respond swiftly, and develop strategies that provide flexible solutions.



Responsibility

In all our actions, we consider the greater good, taking and sharing responsibilities while upholding our working principles.

We place our core values and principles at the heart of everything we do, ensuring a sustainable future for generations to come.

Our Working Principles

We uphold the values of *Benefit Creation, Transparency, Mutual Trust, Solution Orientation, Data-Driven Decision Making, Compliance, Digitalization, and Being up to Date*. Preserving and nurturing these values remains our foremost priority.



Arkas Line in Numbers

In 2023, we continued our operations across 28 countries on 3 continents, including the Mediterranean, Black Sea, West Africa, and Northern Europe. With 30 service lines, 73 different terminals, and 2,476 port calls, our global reach remained strong.



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50 Vessels²

The total number of vessels in the Arkas container fleet

25 vessels are operated by Arkas Line, and 12 vessels by EMES Feederling



124,246 TEUs

Our total container capacity



30th place

Our ranking among the top 100 ship operators based on operated capacity (Alphaliner 2023)



147.88 g CO₂e / TEU km
WTW Dry %70

In 2023, our carbon intensity for shipping³



1,607⁴

Total number of employees



35%

The ratio of female employees in our workforce



25% Reduction

Our reduction in carbon emissions since 2011, in alignment with the Clean Cargo Working Group



1.2 Million TEUs

Total cargo carried by Arkas Line and EMES Feederling vessels



60,900 TEUs

Total TEU capacity of Arkas Line and EMES Feederling vessels



10%

The ratio of female employees on our vessels (compared to the industry average of 1.2%).

² Total includes 37 operated 37 and 13 chartered vessels.

³ CCWG Methodology 2023.

⁴ While pool staff working periodically for Arkas Line and its chartered vessels are not included in the overall total employee count, they are represented in the ratio of female employees on our ships.

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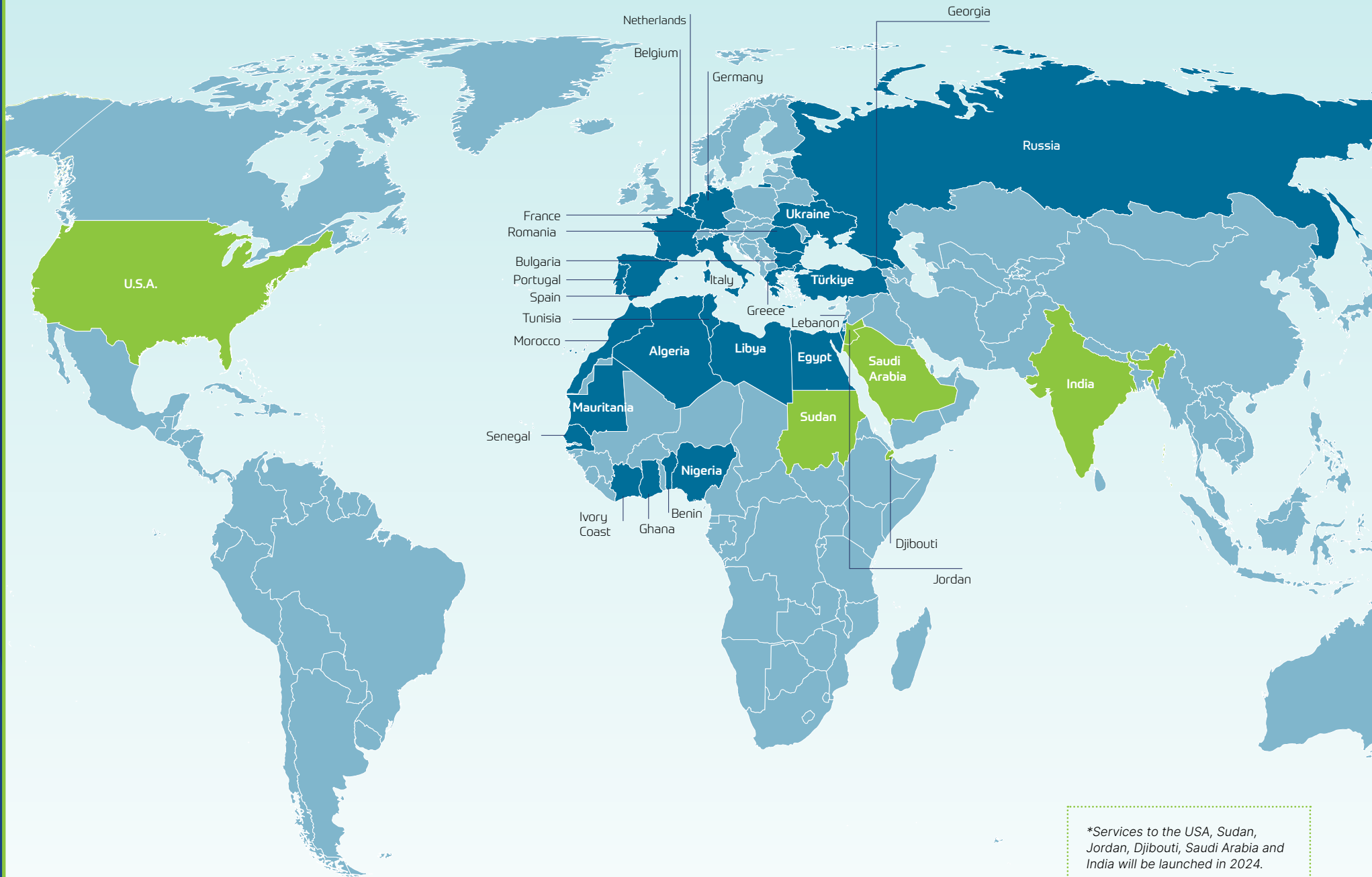
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*Services to the USA, Sudan, Jordan, Djibouti, Saudi Arabia and India will be launched in 2024.

Our Milestones



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1964

Lucien Arkas took over the company as the third generation of his family, setting up the Arkas Shipping Agency.

1902

Gabriel J.B. Arcas founded the Arkas Company as a foreign trade company.

1972

Istanbul Office was opened.

1978

We delivered the first container loading from Türkiye to Europe, pioneering this transport system in the country.

1979

Arkas Shipping and Transport S.A. was established.

1996

EMES Shipping and Transport S.A. conducted as the first Turkish-flagged container transport in the private sector in Türkiye. We began offering feeder and liner services.

2008

We launched cold chain transport by purchasing 1000 reefer containers.

2012

We launched our West Africa service.

2010

We changed the trade name of "liner services" from EMES Shipping and Transport S.A. to Arkas Container and Transport S.A. and rebranded as "Arkas Line." EMES Feederling S.R.L. continued to operate as a feeder company headquartered in Genoa, Italy.

2017

We opened our Hamburg Office and began our Northern Europe route using our own vessels.

2018

The Service Exporter award was received in the TIM's Türkiye's 500 Largest Service Exporter Survey.

2019

We were honoured with the Environmental Ship Index Award by the World Ports Climate Initiative.

2021

We ranked third in the Freight Transport and Logistics Services category at the awards given by the Service Exporters Association.

2023

Expanding in West Africa, we appointed three new agents in Senegal, Benin, and Ivory Coast.





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Pioneering Firsts

We have always provided our customers with effective, innovative solutions by combining our experience with operational capabilities.

- We have performed the first container operation at Novorossiysk Timber Port in Russia.
- **We established the first express reefer line in 2008, which transports citrus from southern Türkiye and Egypt to Russia with reefer equipment, ensuring the cold chain remains unbroken.**
- To avoid disruptions in the supply chain of our automotive customer due to congestion at Oran Port in Algeria, we moved our operations to Arzew Port. We became the first and only container line to operate a container vessel in this bulk port.
- **We increased our vehicle transport capacity by installing a shelf system inside our containers for automotive loading.**
- We identified critical commodities for the foreign trade of countries within our service network and appointed specialized sales teams in those countries.
- **To better meet customer needs, we restructured our Global Customers department by sector and prioritized providing specialized services through teams with sector-specific expertise.**
- For automotive operations, we introduced 24/7 instant monitoring and support services with a dedicated operations manager.





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Stakeholder Testimonials



Kemal Usta
Foreign Trade Operations Manager, TOFAŞ

"The year 2007 was a turning point for both TOFAŞ and the Turkish automotive industry. Following the success of the Doblo model, we launched the Linea model in 2017, which achieved significant success, especially in the domestic market.

Then, we introduced the MCV (Mini Cargo) model, which was produced for three brands - Fiat, Citroen, and Peugeot - creating a new segment in light commercial vehicles. Remarkably, 90% of these vehicles were exported. With this model, we succeeded in manufacturing both passenger and commercial vehicles on the same production line.

Our production capacity doubled with these two projects, as did our import and export volumes. Managing this new scale of operations required new methods. To handle the high volumes, reduce costs, and avoid disrupting production, we had to adopt a more efficient approach.

At the time, sea transport wasn't the first option we considered. Experts warned us that any disruption in sea transport could halt production. There were no operational examples to follow. However, we trusted Arkas, a respected brand in the industry. Together, we designed a process that, 17 years later, still runs smoothly. Although we faced challenges along the way, we managed them through open communication, collaboration, and goodwill. As they say in maritime terms, we weathered storms, but never sank, always reaching the harbour safely.

Arkas has earned our Supplier Appreciation Award multiple times due to its service quality, cost management support, and solution-driven approach. In short, this is a story of dreaming together, succeeding together, and sharing the pride together."



Dilek Altay
Long-Distance Captain, Arkas Merchant Fleet

"I joined the Arkas Merchant Marine Fleet in 2010 as a distant voyage watchkeeping officer. In this male-dominated industry, I'm proud to now work as a distant voyage captain, thanks to the equal opportunities provided by Arkas, where gender is not a barrier.

Even in 2023, when many companies in the sector still hesitate to employ women, I continue on this path that I began as an intern in 2008, undergoing the same training, evaluations, and processes as my male colleagues.

Having started my career with big dreams, I believe more women can thrive in this sector, thanks to companies like Arkas that offer equal opportunities."



Semiha Öztürk
General Manager, DenizTemiz Association / TURMEPA

"We are thrilled to mark the 17th year of our collaboration with Arkas in our ongoing blue voyage to protect our seas. For 30 years, TURMEPA has been dedicated to preserving marine and water resources and combating the climate crisis. Arkas has been a key partner in this mission for 17 years. Their support has set an example for many organizations, raising awareness among the private sector companies regarding the importance of protecting the seas. Many of our other supporters have followed in Arkas' footsteps in this social responsibility effort.

For 17 years, the ARKAS TURMEPA II waste collection boat has collected hundreds of thousands of litres of liquid waste, helping prevent pollution caused by marine tourism in the region. By collecting wastewater from yachts and tour boats, this initiative helps preserve the habitats of marine life and ensures biodiversity remains intact.

We extend our heartfelt thanks to Arkas for their unwavering support. Over the past 17 years, we have achieved great success in conservation and awareness projects, and we look forward to many more years of collaboration."

Our Sustainability Route

2015

We began EcoVadis reporting.

Became a signatory of the United Nations Women's Empowerment Principles (WEPEs).

Joined the Türkiye Ethics and Reputation Society (TEID).

2013

We became the first and only Turkish member of the Clean Cargo Working Group. We started reporting carbon emissions from our vessels in Clean Cargo, using 2011 as our base year.

2009

Won the Golden Anchor in the Ship ownership Category at the Golden Anchor Turkish Maritime Achievement Awards of Dünya Newspaper.

2016

Established the Arkas Line Quality Department and obtained ISO 9001, ISO 14001, and ISO 45001 certifications.

Arkas Line, Marport, and Arkas Merchant Fleet received three Golden Anchors at the 12th Golden Anchor Award Ceremony, organized by Deniz Haber Ajansı.

2017

At the *Yakamoz Women and the Sea Symposium*, we were honoured with the "Maritime Company Providing the Most Women Employment" award.

2019

Received the Environmental Ship Index Award from the World Ports Climate Initiative.

2023

Launched the Arkas Intergroup Sustainability Programme and established the Arkas Line Sustainability Directorate.

Became a member of the United Nations Global Compact (UNGC).

Established the Operational Excellence Department, focusing on EU ETS compliance and CII improvements. We began measuring our Corporate Carbon Footprint (Scope 1 and Scope 2) across 18 countries.

2022

Received UTIKAD Awards in the categories of "Company Employing the Most Turkish Seafarers" and "Company Operating the Largest Number of Ships under the Turkish Flag."

2021

Established the European Green Deal Committee.



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Materiality Analysis

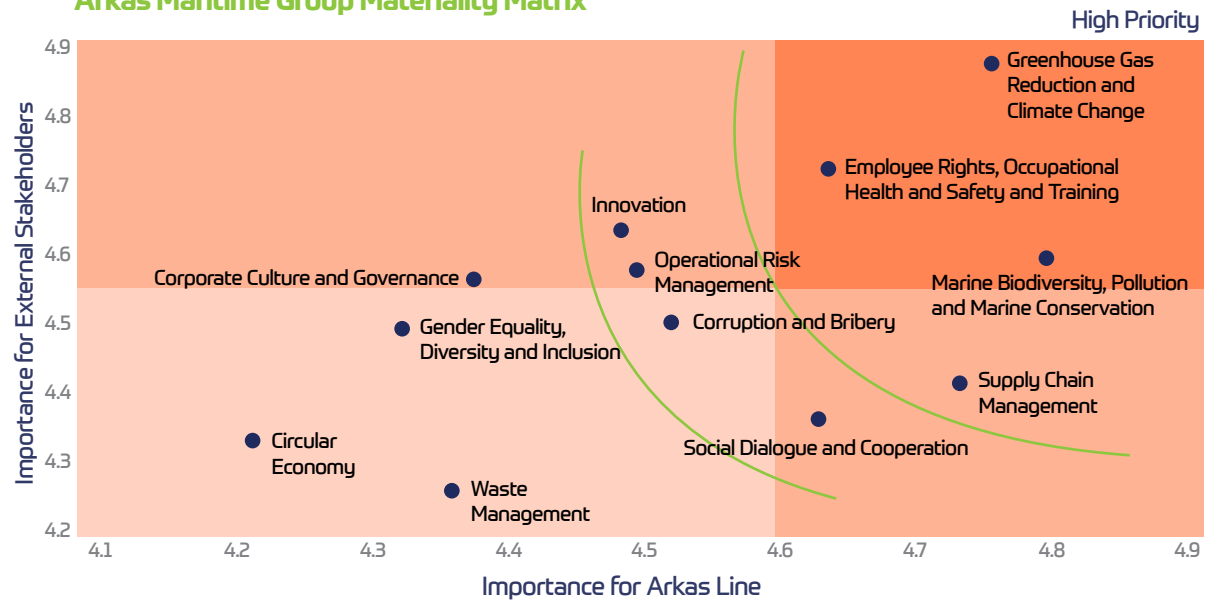
We identified our sustainability priorities through a materiality analysis study conducted in collaboration with our stakeholders.

In 2023, we conducted our first materiality assessment with active participation from both internal and external stakeholders to determine our sustainability priorities and key material issues. This bidirectional approach allowed us to identify issues that significantly impact Arkas Line's operations as well as those within our sphere of influence. We considered both direct and indirect impacts, along with positive and developmental effects. To carry out the materiality assessment, we employed stakeholder mapping, creating a materiality topic list, conducting stakeholder surveys, and holding one-on-one interviews with selected stakeholders, culminating in a Senior Management Sustainability Priorities Workshop.

Through stakeholder mapping, we identified individuals and groups who influence or are affected by Arkas Line's actions, or who depend on our company. Our stakeholders included customers, employees, local communities, shareholders, financiers, regulators, civil society organizations, competitors, and the environment.

To identify the most relevant topics, we gathered data from a variety of sources, including international standards, industry trends, media channels, suppliers, company policies and procedures, peer companies, best practices, reporting frameworks, certifications, customers, competitors, and most notably, the United Nations Sustainable

Arkas Maritime Group Materiality Matrix



Development Goals. Based on these sources, we created a comprehensive list of 56 topics under the environmental, social, and governance (ESG) categories.

With a focus on the impact Arkas Line aims to create in nature and society, and the issues of strategic importance for our company, we narrowed down the broad list to 17 key topics. We then surveyed our stakeholders to gain further insights. The survey was distributed to 2,435 stakeholders in Turkish, English, and French, receiving 531 completed responses.















Additionally, we conducted one-on-one interviews with nine selected stakeholders.

Based on the survey results and interviews, we created a draft of the materiality assessment. We then held a workshop with the Arkas Maritime Group sustainability team, senior management, and relevant department managers, presenting the priorities of internal and external stakeholders. Senior management provided feedback, allowing us to finalize the materiality assessment and develop our materiality matrix.

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Our Sustainability Priorities

As a result of the Materiality Assessment, Arkas Line's Sustainability Priorities are listed below, along with the corresponding Sustainable Development Goals (SDGs):

| High Priority | Medium Priority | Priority |
|---|---|--|
| <p>Environmental</p> <p> Reducing Greenhouse Gas Emissions and Climate Change: We are committed to reducing our carbon footprint and integrating renewable energy sources into our business processes. By doing so, we aim to combat climate change and meet the growing demand for low-carbon transport in the maritime sector. Our goal is to lead the Turkish maritime industry in sustainability by reducing greenhouse gas emissions and adhering to international standards. This effort extends beyond the sea, with a focus on reducing emissions in our offices, optimizing multimodal solutions, and increasing rail transport to further reduce emissions across the supply chain.</p> <p> Marine Conservation and Protecting Marine Biodiversity: We will implement projects to conserve marine ecosystems, prevent pollution, and enhance biodiversity.</p> <p> Sustainable Supply Chain Management: We ensure that every link in Arkas Line's supply chain complies with human rights, labour conditions, ethical business practices, occupational health and safety, environmental regulations, and legal standards. We also aim to educate our suppliers on our sustainability priorities, align them with our goals, and establish long-term strategic partnerships. Enhancing sea-land connections, developing multimodal solutions, and expanding railway transport are as much a priority as reducing sea route emissions.</p> | <p>Innovation and Digital Transformation</p> <p> Innovation: As one of the main themes of our sustainability strategy, "Innovation and Digital Transformation" is a key enabler in addressing and advancing our other priority issues. In 2023, we established our Digital Transformation and Sustainability departments, and we plan for them to collaborate on joint projects to drive further innovation in the future.</p> <p>Governance</p> <p> Operational Risk Management: We aim to achieve operational excellence while increasing resilience against potential risks. Our focus will be on strengthening risk management, enhancing internal controls, and developing comprehensive crisis management plans.</p> <p> Corruption and Bribery: To combat corruption and bribery effectively, we prioritize transparent communication of our ethical principles, developed in collaboration with the Turkish Ethics and Reputation Society (TEID). We consistently share these principles with our stakeholders. Alongside training and awareness initiatives, we strengthen internal controls to prevent violations through secure reporting channels.</p> | <p>Governance</p> <p> Corporate Culture and Governance: Our corporate culture is rooted in respect for nature and life, embracing environmental management and stakeholder participation. Key elements include transparency, ethical values, sustainability, and strong stakeholder relations. We operate with a focus on compliance, social and environmental responsibility, and mutual trust. Our decision-making processes are guided by the principles of transparency, data-based analysis, agility, and accountability.</p> <p>Social</p> <p> Gender Equality, Diversity, and Inclusion: Diversity, equality, and inclusion form the foundation of our people strategy. As one of the first 45 organizations in Türkiye to sign the Women's Empowerment Principles (WEPs) established in 2010 by UN Women, we aim to lead the sector in female employment. Discrimination is not tolerated in our workplace, and we are committed to ensuring that all employees are treated equally.</p> <p>Environmental</p> <p> Waste Management: We prioritize environmental protection and manage waste on our vessels in compliance with IMO's MARPOL Convention. In accordance with MARPOL Annex V, which prohibits the disposal of plastic waste at sea, we separate all waste and deliver it to land-based facilities. Additionally, we use low-sulphur fuels and protect biodiversity with UV-filtered ballast water treatment systems. In our offices, we ensure waste is recycled and disposed of according to relevant waste regulations.</p> <p> Circular Economy: At Arkas Line, we view the circular economy as crucial to a sustainable future. Our containers are not merely metal boxes; we extend their lifespan through sustainability practices and ethical values. Similarly, we maintain our vessels to ensure they perform at a high level for many years, upholding the principles of longevity and resource efficiency.</p> |
| <p>Social</p> <p> Employee Rights, Occupational Health and Safety (OHS), and Training: We will continue to protect employee rights, ensure compliance with OHS standards, and focus on training and development programs. We strive to have the highest rate of female employment in our industry. Training programs will ensure that our employees are not only skilled but also equipped to support sustainability and digital transformation efforts.</p> <p>  </p> | <p>Social</p> <p> Social Dialogue and Cooperation: We aim to build strong relationships with stakeholders to find solutions to social challenges and foster collaboration. We will accelerate our strategies in this area by working closely with Arkas Holding and other Arkas companies.</p> | |

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Our Sustainability Strategy

During our “Sailing to the Future” strategy workshop, we took a deep dive into our Environmental, Social, and Governance strengths and challenges, shaping a roadmap for sustainable growth and innovation.

At the “Sailing to the Future” strategy workshop, held with the participation of senior management, we conducted a SWOT analysis focusing on Environmental, Social, and Governance (ESG) issues. In addition to the sustainability prioritization, we aimed to evaluate our company's strengths and opportunities while addressing and minimizing weaknesses and threats identified through the ESG SWOT analysis.

We also performed an in-depth analysis of the sustainability priorities of our twenty-five largest customers. By aligning the key issues within our sphere of influence with these priorities, we aimed to integrate them into our sustainability strategy to create value for our customers. From this analysis, we identified high, medium, and material topics and established our sustainability strategy based on these findings, grouping eight key topics under four strategic categories.

As a result of the workshop, the following strategies emerged as our core focus:

- Meeting the demand for low-carbon transport
- Investing in digitalization
- Increasing operational and commercial agility
- Building strong relationships with stakeholders, addressing social challenges, and enhancing collaboration

We are committed to going above and beyond by continuing to deliver high-quality, swift solutions that exceed our customers' evolving needs, while consistently integrating digital tools and sustainability practices to further enhance

these offerings. In parallel, we will strengthen our stakeholder relationships through ongoing communication, collaborate on solutions to social challenges, and extend our cooperative approach, well-established in our sector, across broader stakeholder groups.

To achieve the goals outlined in our sustainability strategy, we have identified key projects within Arkas Line. These projects will be integrated into our 2024 activities, with performance targets set, monitored, and incorporated into our existing performance measurement systems.

We are committed to going above and beyond by continuing to deliver high-quality, swift solutions that exceed our customers' evolving needs, while consistently integrating digital tools and sustainability practices to further enhance these offerings.





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As the first and only member from Türkiye of Clean Cargo Working Group, which represents 88% of the global container fleet in TEU, we have successfully reduced our carbon emissions by 25% since 2011.





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Our Environmental Strategy

As part of our business strategy, we are committed to managing our environmental impacts responsibly and continuously improving our environmental performance.

Our goal is to enhance operations in door-to-door international container transport while producing environmentally friendly solutions. The long-term sustainability of our business relies on daily activities that drive environmental improvements in alignment with our Environmental Policy. This policy is an integral part of our Integrated Management System, which includes measurement tools and certifications, and serves as a key indicator of our sustainability objectives.

Our Arkas Line Türkiye head office is certified according to ISO 14001 standards, and we have structured our operations based on the Plan-Do-Check-Act cycle recommended by ISO guidelines. Additionally, in 2023, we submitted our first report to the Carbon Disclosure Project (CDP), further demonstrating our commitment to transparency and environmental responsibility.

We ensure all employees receive regular training on environmental awareness, which supports the effective implementation of our environmental policy. In April 2023, we published our Extended Environmental Policy, which is reviewed annually to monitor and enhance its performance.





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Tackling Climate Change

Maritime transport is responsible for approximately 3% of global greenhouse gas emissions.

Under the United Nations Framework Convention on Climate Change (UNFCCC), to which Türkiye is a signatory, countries have committed to limiting the global temperature increase to 1.5°C this century, in line with the Paris Agreement. For this target to be achieved, companies must set clear climate commitments and significantly reduce carbon emissions and activities with high environmental impact.

With 90% of global trade carried out by sea, maritime transport contributes about 3% of global greenhouse gas emissions⁵. While this represents a relatively small portion of overall emissions from the transportation sector, emissions from shipping are expected to rise unless effective measures are taken. To successfully decarbonize maritime transport and mitigate dangerous global warming, the industry must urgently agree on strategies to reduce greenhouse gas emissions.

International maritime transport is regulated by rules and standards developed and adopted by the International Maritime Organization (IMO).

⁵ https://climate.ec.europa.eu/eu-action/transport/reducing-emissions-shipping-sector_en

International maritime transport is regulated by rules developed through the International Maritime Organization (IMO). Currently, the IMO is working on global regulations for the decarbonization of commercial shipping. Regional regulations, such as those enacted by the European Union, also play a key role by influencing global shipping standards, especially for vessels calling at European ports.

Challenges such as transitioning to less harmful fuels, securing adequate supplies of these alternative fuels, and managing the associated costs place shipping among the hard-to-abate industries. The economic viability of alternative

fuels, ordering new vessels, scrapping older ships, and determining how transition costs will be covered are all critical factors in this classification.

However, the maritime industry has successfully adapted through various transitions such as manpower, wind power, coal, and oil fuel over thousands of years. The current transition will be no different. The advantage shipping has, unlike many other sectors, is the presence of international regulatory bodies such as the IMO, which encourages unified action across the industry.



90%

Maritime Transport
Share of Global Trade



*Celil Sari



98.2%

Emissions from Vessel Operations

Our emissions from maritime transport, which is our primary area of activity, accounted for approximately 98% of our total emissions in 2023.

We have expanded the scope of our vessel-based emission reporting to Clean Cargo which we have been doing since 2011. In 2023, we carried out Scope 1 and Scope 2 greenhouse gas emissions measurements in accordance with the Greenhouse Gas Protocol across 59 locations in 18 countries, including Türkiye. Based on this assessment, maritime transport made up 98% of our total emissions. Moving forward, our emission reduction targets will focus primarily on improvement initiatives within our vessel fleet.

| | Area of Activity | Arkas Line (tCO ₂ -e pa) | Emes Feeding S.R.L. Italy (tCO ₂ -e pa) | Total | % |
|--------------------|---|-------------------------------------|--|----------------|--------------|
| Our Vessels | Maritime Transport (ULSFO, VLSFO Consumption) TTW Scope 1 | 452,273 | 99,031 | 551,304 | 80,48 |
| | Maritime Transport (WTW and TTW difference of ULSFO, VLSFO Fuels) Scope 3 | 99,481 | 22,003 | 121,484 | 17,73 |
| | Total Maritime Transport | 551,754 | 121,034 | 672,788 | 98,22 |
| Our Offices | Offices (Company Vehicles, Natural Gas, Electricity, Forklift, Generator, Fire Extinguishers, Refrigerant Fugitive Emissions, LPG, CNG) | 12,202 | 16.4 | 12,218 | 1,78 |
| Grand Total | | 563,955 | 121,051 | 685,006 | 100 |

| | Scope | Arkas Line (tCO ₂ -e pa) | Emes Feeding S.R.L. Italy (tCO ₂ -e pa) | Total | % |
|-----------------------|---------|-------------------------------------|--|----------------|------------|
| Our Vessels & Offices | Scope 1 | 459,365 | 99,039 | 558,405 | 81,52 |
| | Scope 2 | 3,150 | 4.9 | 3,155 | 0,46 |
| | Scope 3 | 101,440 | 22,007 | 123,446 | 18,02 |
| Grand Total | | 563,955 | 121,051 | 685,006 | 100 |

*Upstream emissions from Scope 1 and 2 are included in the total inventory as 123,446 tonnes in the Scope 3 category. Scope 3 has not been officially measured for 2023.



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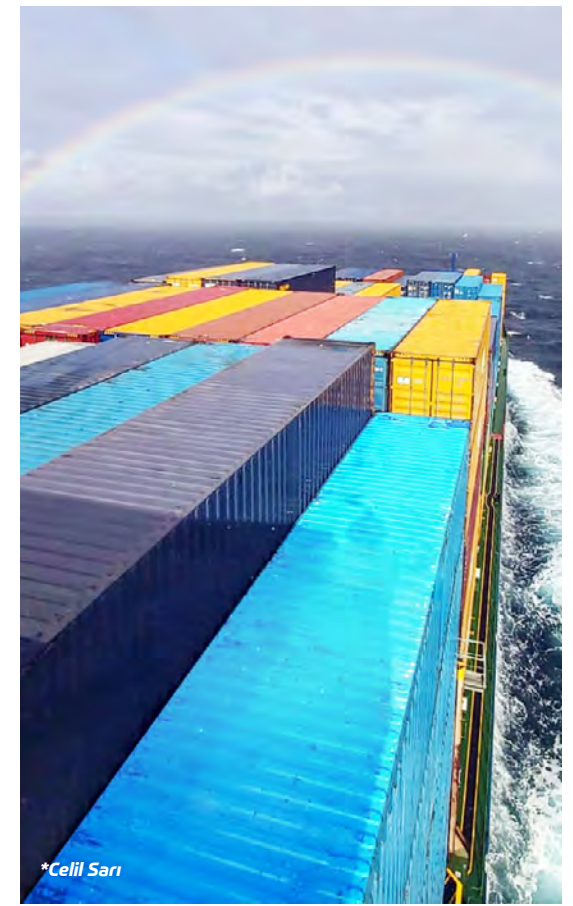
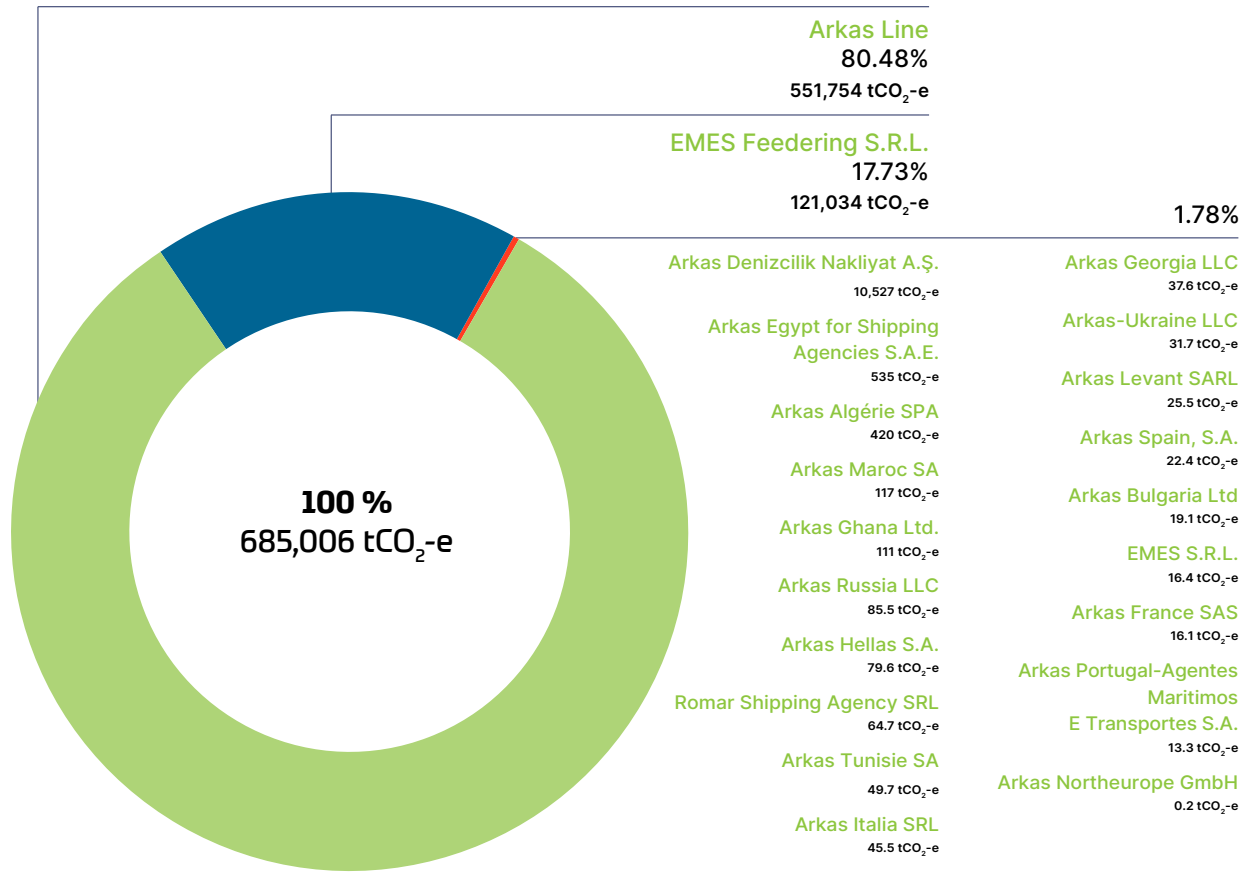
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In 2023, we carried out Scope 1 and Scope 2 greenhouse gas emission measurements in 59 of our locations across 18 countries using the Greenhouse Gas Protocol framework.


1.8%
Total Emissions from
our Offices and Buildings



*Celil Sari
All our efforts related to energy efficiency and operational improvements in our vessels are detailed in the "Decarbonisation Efforts" section.

  Emissions from our vessels  Emissions from our offices and buildings

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Our Decarbonisation Efforts

Using 2011 as our reference year, we continue to regularly report our vessel emissions to Clean Cargo each year.

Clean Cargo and Smart Freight Centre

Clean Cargo, under the umbrella of the Smart Freight Centre, is a collaborative working group focused on monitoring and reducing greenhouse gas emissions across container lines, cargo carriers, and cargo owners, with the goal of decarbonizing the maritime sector. It also promotes best practices and fosters greater cooperation within the industry. As Arkas Line, we have been a member of the Clean Cargo Working Group since 2013. Each year, with 2011 as our reference point, we report our emissions to Clean Cargo and have our data certified by an independent third party (Class organization).

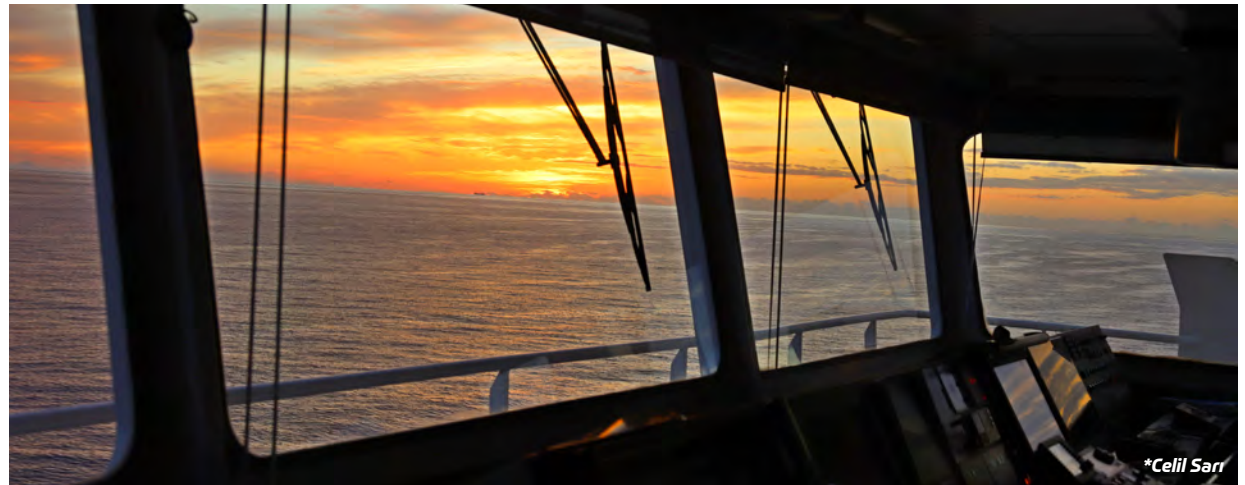
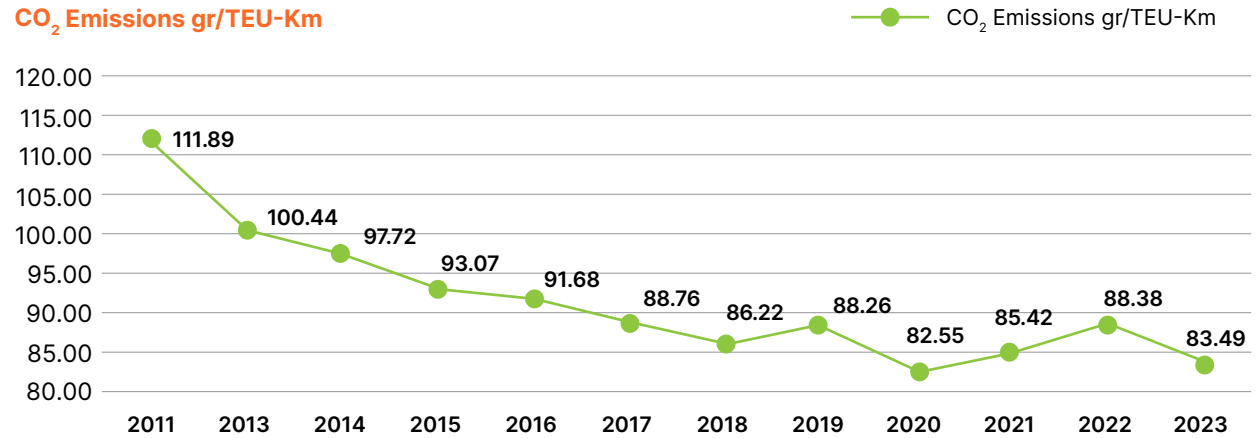
In 2023, Clean Cargo's representation among container lines reached 88.4% of global TEU capacity, based on data from 4,098 vessels with a total capacity of nearly 25 million TEUs. As Arkas Line, we **reduced** our emissions **by 3.87%** compared to the previous year and by **25.38%** since 2011.



25.38%

Decrease in our Carbon Emissions since 2011 as reported by the Clean Cargo Working Group

CO₂ Emissions gr/TEU-Km



*Celil Sarr



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Our Decarbonisation Efforts

All greenhouse gas emission reductions on our vessels have been achieved through the application of effective energy management principles.



82.8%

Decrease in Sulphur
Emissions since 2020



Energy Management in Our Vessels

Since January 2020, all Arkas Line vessels have transitioned to using Very Low Sulphur Fuel Oil (VLSFO) and Ultra-Low Sulphur Fuel Oil (ULSFO). This shift has enabled us to reduce our sulphur emissions by 82.8% since 2020.

So far, all reductions in greenhouse gas emissions from our vessels have been achieved through the application of energy management principles. Our regular energy-efficiency practices include:

- Technical improvements,
- Operating vessels at reduced speeds,
- Regular hull and propeller cleaning,
- Use of route optimization software,
- Application of premium ship paints to reduce friction,
- Optimization of ballast and trim,
- Utilization of software that reduces electricity consumption in refrigerated equipment.

We approach energy reduction in our vessels through two primary methods. First, we enhance structural practices, such as deploying “eco” design vessels that lower fuel consumption per kilometre, applying anti-friction hull paints, and performing regular propeller and hull cleanings. Second,



*Burak Çapanoğlu

we focus on operational improvements to minimize idle waiting times. These efforts include optimizing berthing windows at ports, adjusting rotation and service routes when needed, and developing efficient loading and unloading plans to enhance port operation efficiency.

On 1 January 2020, the International Maritime Organization (IMO) implemented a regulation reducing the permissible sulphur content in ship fuels from 3.5% to 0.5%.



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Our Decarbonisation Efforts

Our OpEx department drives Arkas Line's decarbonisation efforts, ensuring compliance with evolving environmental regulations through a series of strategic processes.

Operational Excellence Unit

In 2023, we established the Operational Excellence (OpEx) department to closely monitor ship energy efficiency and make timely interventions when necessary. The primary focus of the OpEx department is to guide Arkas Line's decarbonisation efforts and ensure compliance with evolving regulations. This involves optimizing operational efficiency, reducing emissions, and adhering to international regulatory frameworks.

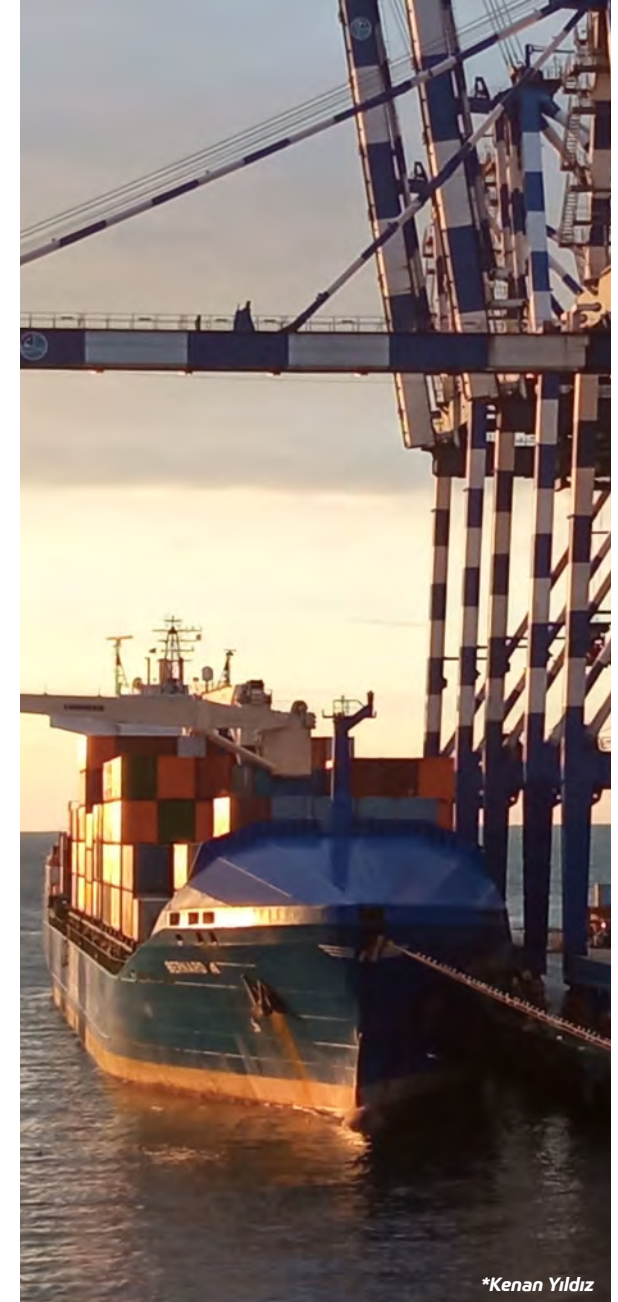
Our OpEx team leads analyses and projects aimed at maximizing vessel performance while ensuring compliance with international maritime standards and EU regulations. They monitor the performance of vessels operating under Arkas Line and EMES Feederling Italy, implementing optimization

One of the primary missions of OpEx is to implement a technology-driven system aligned with ships' carbon intensity indicators and emission trading regulations.

methods to enhance operational efficiency. The department also supports the optimization and digitalization of vessel, fleet, and supply chain operations.

In 2023, we applied a Summer Deadweight (DWT) increase to 19 of Arkas Line's and EMES Feederling's out of 37 container vessels. Alongside this, we calculated the Energy Efficiency Existing Ship Index (EEXI) emission values, which came into effect on 1 January 2023. The 'Attained EEXI' values exceeded the 'Required EEXI' values, leading to a reduction in the main engine power limit ratio for 3 of our ships, the complete removal of the power limit on 13 ships, and a significant reduction in emissions on 3 ships, which is well below the required limits, thus reducing overall carbon emissions.

In addition, the OpEx unit oversees the procurement of emission taxes imposed by regulatory bodies and reduces ship operating costs by analysing new technologies and alternative fuel options. It also plays a key role in shaping company strategy through sector analysis and operational efficiency optimizations.



*Kenan Yıldız



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Arkas Bunker became the first company in Türkiye to receive the International Sustainability and Carbon Certificate (ISCC), and Arkas Line is the first maritime company to test its Biofuel-Bio24F product.

OpEx Department and Carbon Management

Our OpEx department is actively engaged in carbon hedging and managing EU ETS accounts following the extension of the EU Emissions Trading System to the maritime sector. It oversees energy efficiency monitoring and Carbon Intensity Indicator (CII) ratings, ensuring compliance with regulatory requirements and optimizing fuel usage for vessels operating in European ports.

In collaboration with the Digital Transformation Directorate, OpEx facilitates the installation of EU ETS software, ensuring effective monitoring and data management for emission trading. Through initiatives like route optimization and fuel type optimization, the department helps reduce emissions and enhance operational efficiency. Additionally, the improved use of machinery in reefer containers, managed by the Equipment Maintenance and Repair Directorate, and the adoption of the Fuel Wise configuration, which reduces energy consumption, contribute to Arkas Line's decarbonization efforts and operational excellence.

Biofuel Use in Our Vessels

The International Maritime Organization (IMO) mandates annual improvements in ship efficiency ratios, Carbon Intensity Indicator (CII), and Energy Efficiency Existing Ship Index (EEXI). To meet IMO targets, transitioning to low-emission fuels is critical, and biofuel has emerged as the most effective solution until alternative fuel technologies are fully developed.

Arkas Bunker became the first company in Türkiye to receive the International Sustainability and Carbon Certification (ISCC), a globally recognized sustainability certification system verifying the sustainable production and supply of biomass, biofuels, and other renewable materials. In line with our commitment, Arkas Line has budgeted for the increased use of low-emission fuels in 2023 and became the first maritime company to test Arkas Bunker's Biofuel Bio24F product.



58%

Carbon Emission Rate Reduction
Based on Cloud-Based Workloads
between 2019-2023



IT Processes with Microsoft Cloud Applications

We are committed to reducing emissions not only in our physical operations but also in our digital processes. In 2023, Arkas achieved a 99.73% reduction in emissions from cloud-based workloads, equivalent to saving 389,080 km of car travel. Since transitioning to Microsoft Azure in 2019, carbon emissions from cloud services have decreased by an average of 10% annually, despite a 63% increase in workloads.

From 2019 to 2023, we reduced our Carbon Intensity (the carbon emission rate from cloud workloads) by 58%. Investments in renewable energy at Microsoft data centres played a significant role in this reduction, highlighting Arkas' strong commitment to sustainability and environmental responsibility.

Arkas has achieved a 99.73% emission reduction in its cloud-based workloads in 2023.



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Sustainable Supply Chain Management

As a signatory of the United Nations Global Compact, Arkas Line has aligned its purchasing policy with sustainability goals.

In 2023, Arkas Line became a signatory of the United Nations Global Compact, reflecting our commitment to creating a sustainable future and becoming a leading global maritime company in this field. As the world's largest corporate sustainability initiative, the UN Global Compact provides a framework for achieving the UN Sustainable Development Goals (SDGs). At Arkas Line, we ensure that all our projects and activities are grounded in sustainability.

One critical step toward this goal is ensuring that our suppliers and subcontractors across the entire integrated supply chain adhere to the same high standards we set for ourselves. Sustainable Supply Chain Management is a strategic priority for Arkas Line and given the importance of the transport sector to all industries, we focus on maintaining high standards and reducing emissions in all our services.



As part of our commitment, Arkas Line has developed a procurement policy aligned with sustainability objectives, covering environmental, social, and governance (ESG) factors in our supply chain. This policy includes specific statements, commitments, and operational targets for managing sustainable procurement, with a focus on our key material issues.

Since 2015, we have been evaluated by EcoVadis, a global rating organization that assesses supplier sustainability performance. This helps us ensure that our suppliers meet our sustainability goals and comply with our Suppliers Code of Conduct.

In 2023, we were awarded a bronze medal by the EcoVadis rating organisation.



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We regularly evaluate our suppliers based on various criteria, including operations, equipment, solution approaches, environmental performance, and OHS standards.

Suppliers Code of Conduct

At Arkas Line, we expect all suppliers to adhere to our Suppliers Code of Conduct, which outlines standards for human rights, labour conditions, occupational health and safety, ethical values, environmental responsibility, and legal compliance. The Arkas Line Suppliers Code of Conduct was introduced in 2023 and has been shared with all suppliers across the countries where we operate, requiring their compliance and signature.

Purchasing and Supplier Evaluation Procedure

As part of our quality processes and Integrated Management System, we implemented the Supplier Evaluation Procedure in 2016. This procedure ensures regular evaluation of suppliers based on criteria such as operations, equipment quality, solution approaches, environmental performance, and OHS standards. Social and environmental responsibilities are integrated into supplier contracts to enhance the sustainability of our supply chain.



After we begin Scope 3 emissions measurements, we plan to set concrete emissions criteria for our suppliers and assess supply chain risks based on regional and purchasing categories.

In 2023, the Arkas Line Supplier Code of Conduct was officially implemented. We distributed it to all suppliers in countries where Arkas Line makes direct purchases and secured their formal commitment through signed agreements.



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In Türkiye, we plan to boost the electric transport capacity of our inland services, through the hybrid train investments of our group company Arkas Logistics scheduled to be operational by 2025.

Decarbonisation Management of Our Supply Chain

Although we have not yet measured our Scope 3 emissions, we prioritize improving sea-land connections, developing multimodal solutions, and expanding rail transport as part of our decarbonization efforts. Today, when assessing the transport sector per se, road transport stands out as the largest contributor to emissions, accounting for 74%, with trucks responsible for 34% and other vehicles for 40%⁷. In 2023, rail transport on some of our lines helped us achieve carbon savings between 56% and 78%.

We significantly increased rail transport in our pilot countries, Italy and Türkiye, in 2023 compared to the previous year.

We significantly increased rail transport in our pilot countries, Italy and Türkiye, in 2023. Based on EcoTransit World calculations, we avoided more than 1,000 tonnes of carbon emissions by opting for rail transport over trucks on our routes in Italy (Segrate,

Padova, Vicenza, and Genoa) and Türkiye (Konya, Yenice, Gaziantep, Kayseri, Adana, Tirmil, and Mersin Port).

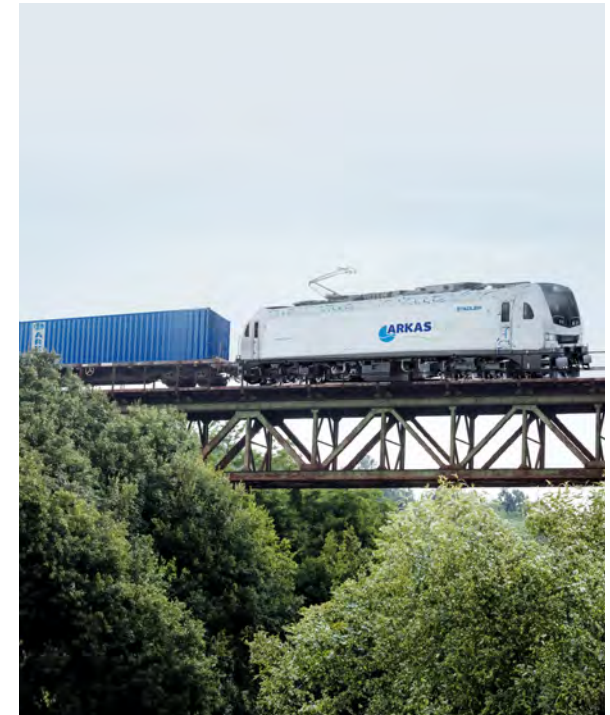
Looking ahead, Arkas Logistics is planning hybrid train investments by 2025 to increase the electric transport capacity within Türkiye. This will enable us to achieve zero-emission transport using 100% electricity instead of the current 70% electricity + 30% diesel mix.

| Country | TEU transported (units) | CO ₂ savings (tonnes) | Savings (%) |
|--------------|-------------------------|----------------------------------|-------------|
| Türkiye | 7,232 | 657.3 | 56% |
| Italy | 3,262 | 397.2 | 78% |
| Total | 10,494 | 1,054.5 | |

In January 2023, Arkas Logistics, Marport (Port Group), and Arkas Line (Maritime Group), three critical links in Arkas Holding's supply chain, launched an Inter-Group

We have succeeded in achieving carbon savings ranging between 56% and 78% in 2023 by preferring railway transport on some of our lines.

Sustainability Programme. This initiative aims to foster collaboration among our companies, allowing them to work on joint sustainability projects and, ultimately, offer end-to-end zero-emission transport services and create green corridors.



⁷ <https://www.ipcc.ch/report/ar6/wg3/chapter/chapter-10/>



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Sustainable Supply Chain Management

Repairing over 70,000 containers annually, we prioritize ensuring that each container is ready for the next load without issues, while maintaining a sustainable approach to their upkeep.

Equipment Life Extension through Maintenance and Repair

At Arkas Line, we see our containers as more than just metal boxes; we manage them with sustainability and ethical values in mind. Each year, we repair over 70,000 containers, ensuring they are ready for the next load without issues and that their maintenance is carried out sustainably. While many leasing companies tend to dispose of containers over 13 years old, we extend the life of these containers through careful maintenance, allowing them to safely transport food

and other sensitive cargo. In 2023 alone, we repaired and maintained 74,669 containers, significantly extending their lifespan.

We also work closely with warehouses to ensure they handle containers in ways that preserve their longevity. Our meticulous approach to container repair and utilization not only increases the reliability of the supply chain but also reduces our environmental impact. As a company impacting the future of maritime transport, we understand that containers are not just vehicles for goods, but a vital part of the world's sustainable future.

**Halil Ege Arkayın*





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Waste Management

On board Arkas Line vessels, all waste is carefully separated by category, stored, and delivered to land-based facilities for proper disposal.

Waste Management on Our Vessels

Arkas Merchant Fleet places a strong emphasis on environmental protection. Waste management procedures, including storage and disposal, are clearly outlined in the ship's safety management plan, prepared in accordance with IMO's MARPOL convention. The responsibilities of the ship's master and Arkas Line's environmental management inspector are detailed to ensure full compliance with this plan.

Under MARPOL Annex I, the disposal of petroleum products and residues into the sea is strictly prohibited. While bilge water can be discharged in specific areas using ODME (Oil Discharge Monitoring Equipment), Arkas Line takes extra precautions to prevent any potential accidents or marine pollution. We do not discharge bilge water into the sea under any circumstances, opting instead to transfer it exclusively to land facilities. To further mitigate risks, our crews participate in oil spill emergency drills every three months. In 2023, no incidents were reported.

MARPOL Annex V prohibits the disposal of plastics at sea but allows certain wastes, such as food and cargo residues, to be discharged at regulated distances from

shore. On all Arkas Line waste is carefully sorted, stored, and delivered to land-based facilities. Although our vessels are equipped with garbage shredders and incinerators, waste processing on board is not permitted to minimise environmental risks.

In compliance with MARPOL Annex VI, all our vessels use low-sulphur fuel to reduce air pollution. ULSFO (Ultra-Low Sulphur Fuel Oil) containing 0.1% sulphur is used in designated

areas, while VLSFO (Very-Low Sulphur Fuel Oil) with 0.5% sulphur is used in other regions.

By 2024, we aim to equip all our vessels with Ballast Water Treatment Systems that use UV filters. This initiative will help prevent the spread of invasive species carried by ballast water, protecting biodiversity and safeguarding ecosystems.



*Yakup Aslan



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Waste Management

We have implemented a Waste Management Procedure to ensure the disposal, recovery, and recycling of waste in compliance with various regulations, while also focusing on reducing overall waste quantities.

In compliance with the European Union Dangerous Goods Inventory and the IMO Hong Kong Convention, we have maintained an inventory of hazardous substances on our vessels since 2020. Through collaboration with Tekhne Marine for onboard inspections, we ensure hazardous materials are properly identified and managed. For ships built after 2002 that were found to contain asbestos, these materials were safely removed by Hazmet teams, and each ship now has an Asbestos Management Plan.

Casablanca A is scheduled for decommissioning in February 2024. Following a thorough inspection and obtaining class approvals, we received the Ready for Recycling certificate, ensuring that the ship is environmentally safe and prepared for dismantling.

Waste Management in Our Offices

We have established a comprehensive Waste Management Procedure to handle the disposal, recovery, and recycling of waste generated by Arkas Line office operations. This procedure ensures compliance with the “Regulation on the Control of Packaging Waste,” “Regulation on the Management of Waste Oils,” “Regulation on the Control of Waste Batteries and Accumulators,”

“Regulation on the Control of Medical Waste,” “Regulation on the Management of Waste Electrical and Electronic Equipment,” and the broader “Waste Management Regulation.”

This procedure covers the separate collection of recyclable and hazardous office waste, its proper disposal by type, waste reduction,

and the requirements for compliant disposal methods in accordance with Environmental Law No. 2872.

To reinforce the importance of waste separation, we provide ongoing training and guidance to our colleagues, facilitated by the Arkas Line Quality Department.





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Water Management

As part of the Arkas Line Green Office project, announced in 2023 and to be implemented in 2024, we have introduced an award system where water conservation is a key criterion in all our offices in Türkiye and abroad.

As part of the Arkas Line Extended Environmental Policy, we are committed to the responsible use of non-renewable energy resources and reducing our water consumption year by year. Our team closely monitors these targets and works to improve the processes. Specifically, we aim to reduce water consumption per employee in our offices by 0.1 litre compared to the previous year, with annual reporting conducted each December.

As part of the Arkas Line Green Office project, announced in 2023 and to be implemented in 2024, we have introduced an award system where water conservation is a key criterion in all our offices in Türkiye and abroad. This initiative includes training, awareness activities, and the installation of photocell faucets to promote water-saving practices.

Looking ahead, we anticipate greater success in water efficiency when we relocate to our new office in the Esentepe Arkas Building Project, set to be completed in 2025. The new building will feature rainwater recycling systems and efficient landscaping, targeting a reduction in water consumption by up to 50%. By utilizing efficient irrigation systems and selecting plants that require less water, we aim to save between 35% and 50% of water usage.





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Marine Conservation and Protecting Marine Biodiversity

At Arkas Line, we actively contribute to the protection of the seas and marine biodiversity by using ballast water treatment systems on our vessels that operate with ultraviolet and filtration methods.

In line with our Environmental Policy, Arkas Line prioritizes storing and delivering waste to port facilities instead of disposing of it at sea. This practice is designed to safeguard marine ecosystems and prevent pollution. No waste is discharged overboard without the explicit knowledge of the captain or the Environmental Protection Officer (EPO), and all crew members understand that non-compliance with these rules can result in serious consequences. These regulations are clearly outlined in labour contracts and are binding for all employees.

Arkas Line's vessels are equipped with ballast water treatment systems that use ultraviolet and filtration methods to purify ballast water before it is safely released into the sea.

We strictly adhere to our environmental commitments by meticulously monitoring the waste management processes on all our vessels. For instance, all engine bilge is transferred to onshore facilities rather than being discharged into the sea through the OWS (Oily Water Separator), and fuel sludge is also sent to onshore facilities, never incinerated onboard. These efforts help us minimize our environmental impact and ensure proper waste disposal.

Additionally, Arkas Line vessels are equipped with ballast water treatment systems that utilize ultraviolet and filtration methods. By treating ballast water before its release, we significantly reduce the risk of harm to marine ecosystems.



*Anti Adiyaman



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We shape our social strategies and policies with a people-centric approach, rooted in Arkas' corporate culture and values, aimed at fostering development and creating value for both our employees and society.





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We invest in people and continuous development to ensure a sustainable future.

In everything we do, we work today for future generations and consider the benefit of the whole.

At Arkas, our Human Resources policies are guided by a people-centred approach, deeply rooted in our corporate culture and values. This approach contributes to development and adds value not only to our employees but also to society.

In all our actions, we approach nature and life with respect. We strive to raise awareness and drive positive change. Drawing on our past experiences, we design more efficient processes supported by technology. We act responsibly, considering the greater good, and work to ensure the well-being of future

generations. Supporting young people is central to our sustainable journey, and we recognize that our most valuable asset is our young, dynamic, and skilled workforce. For this reason, we prioritize creating a work environment that promotes development, fosters team spirit, and upholds equality for all.

We believe that success and progress know no gender, and we remain committed to investing in people and fostering continuous development for a sustainable future. As part of this commitment, we design and implement training and development programs at international standards to support the growth of all our employees. To adapt to change and prepare for the future, we proactively identify risks and opportunities, respond swiftly, and develop strategies and business plans that offer flexible solutions.

Collaboration and team spirit are at the core of our growth strategy and corporate governance. We foster a culture of sharing knowledge that benefits the entire organization, supporting common goals with collective wisdom.





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We see our human resources as our most valuable asset and the backbone of our success in achieving sustainability transformation.

Working Conditions and Human Rights

At Arkas Line, we place employees at the heart of our corporate culture and values. We believe our human resources, our most valuable asset, are fundamental to our success in sustainability transformation. Our top priority is to create an equal, safe, and healthy working environment where everyone is respected, opportunities are accessible, and diverse ideas can thrive.

We cultivate a work environment that supports multiculturalism, inclusiveness, lifelong learning, and equal opportunities. Our processes are built on a foundation of mutual trust, respect for human rights, and non-discrimination.

We provide transparent, fair, and confidential channels for employees to voice their concerns, ensuring that those who report issues are protected from harm or retaliation.

We promote open and constructive dialogue on working conditions and uphold the right

We carefully consider and evaluate the feedback received through the “Free Platform” space on our intranet, where our employees can freely share their opinions.

of our employees to organize and engage in collective bargaining, ensuring all employees are fully aware of these rights.

In addition to this, we focus on listening to employees and fostering effective two-way communication. We carefully consider and evaluate the feedback received through the “Free Platform” space on our intranet, where our employees can freely share their opinions.

Our “Chat at Work” initiative provides an opportunity for managers and employees to review the year, exchange feedback, and strengthen communication. Feedback from employees about Chat at Work included:

- “A fun, instructive, and productive activity”
- “It helped relieve work stress and provided motivation”

- “An inclusive event where we could express our thoughts freely while recognizing our similarities and differences”
- “The gathering of executives organized by Human Resources sparked excitement and curiosity”

We also introduced the “HR at Work” initiative in 2023, visiting all departments in our offices across Türkiye, Algeria, Bulgaria, Egypt, France, Georgia, Ghana, Italy, Morocco, Germany, Romania, Spain, and Tunisia. These visits aimed to listen to teams, update job descriptions to reflect the changing work dynamics brought on by the pandemic and foster stronger social connections. By spending time with employees during work hours and lunch breaks, we gained insights into each department’s workflow and reinforced a sense of community within the organization.



As a signatory of the United Nations Global Compact, we are actively shaping our future.

In pursuit of our goal to become a globally sustainable shipping company and to contribute to a sustainable future, we proudly became a signatory of the United Nations Global Compact in 2023. The compact focuses on key areas such as Human Rights, Labour Standards, Environment, and Anti-Corruption, and by joining, we have made an international commitment to uphold human rights and ensure safe working conditions. We believe that embedding these principles into our strategies, policies, and procedures not only helps us fulfil our responsibilities to people, nature, and life but also establishes the foundation for long-term sustainable success. Launched in 2000, the UN Global Compact is the largest corporate sustainability initiative in the world, engaging over 15,000 companies and more than 3,800 non-governmental organizations across 160 countries. This initiative encourages companies to collaborate in fostering a sustainable and inclusive global economy.

To align our working conditions with international standards, Arkas Line first obtained ISO 45001 certification in 2016, which has been audited annually since. ISO 45001 focuses on employee health and safety, incorporating external audits of facility conditions. Organizations that adopt ISO 45001 benefit from a clear management structure with defined

authority and responsibility, measurable goals for improvement, and a structured approach to risk assessment. This certification ensures that health and safety risks are identified, managed, and monitored, with performance continuously audited and policies reviewed to ensure compliance and improvement.

| | |
|------------------------|--|
| Human Rights | <p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>Principle 2: Make sure that they are not complicit in human rights abuses.</p> |
| Labour | <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Principle 4: The elimination of all forms of forced and compulsory labour.</p> <p>Principle 5: The effective abolition of child labour.</p> <p>Principle 6: The elimination of discrimination in respect of employment and occupation.</p> |
| Environment | <p>Principle 7: Businesses should support a precautionary approach to environmental challenges.</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility.</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies.</p> |
| Anti-Corruption | <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p> |



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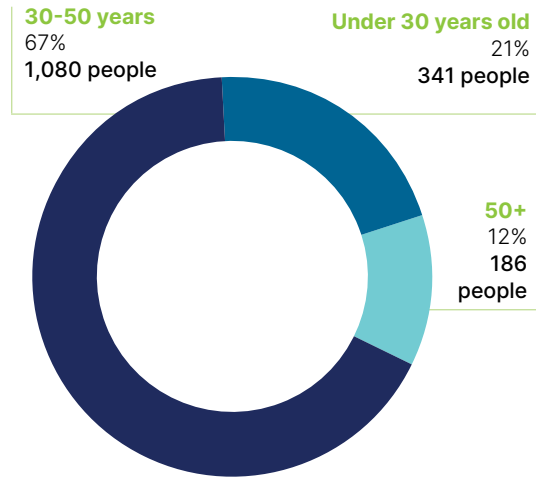
As a multinational company, we place the principles of diversity, equality, and inclusion at the heart of our corporate culture and social policies.

Diversity, Equality, and Inclusion

Arkas Line remains committed to being a workplace that values its employees, embraces both tradition and innovation, and maintains high levels of seniority and loyalty while attracting new generations.

Diversity, equality, and inclusion are the foundation of Arkas Line's people strategy.

Age Distribution of Arkas Line Employees



Our goal is to have the highest female employment rate in the sector.

We respect cultural differences and treat all our employees with dignity, expecting the same level of respect and sensitivity in return. Discrimination of any kind is not tolerated, and our priority is to ensure that our employees work in an environment free from unfair treatment. Recognizing that the development of the organization depends on the growth of its people, we provide opportunities for all employees to reach their full potential.

We strive to have the highest female employment rate in our sector and are dedicated to supporting women in the workplace. Arkas Line has been a leader in gender equality, proudly being one of the first 45 organizations in Türkiye to sign the Women's Empowerment Principles



(WEPEs) in 2015, an initiative established in 2010 in collaboration with the United Nations Global Compact and UN Women.

Our commitment to gender equality extends to our ships as well, where our female officer policy has made us a pioneer in women's employment in the maritime sector. While the global rate of women working at sea stands at just 1.2%, according to BIMCO data, 10% of our female officers hold various ranks such as long-distance master, second mate, third mate, fourth mate, and chief engineer. In addition, 33% of our workforce in Türkiye and 36% of our international offices are women.





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Beyond our focus on gender equality, we are committed to ensuring a fair and respectful working environment where all employees have equal rights and are assessed based solely on their qualifications and performance.

We take pride in our high return-to-work rates following pregnancy, our balanced female-to-male ratios in management roles, and our non-discriminatory gender practices throughout recruitment. We actively support our female employees in their transition back to work after maternity leave, providing fully equipped lactation rooms in all our offices, with milking machines available in many.

At Arkas Line, we are committed to maintaining a fair and respectful working environment where all employees have equal rights and are evaluated solely on their qualifications and performance. Decisions related to recruitment, salaries, career progression, and training are based on equality, without discrimination based on gender, age, nationality, ethnicity, or religion. We continually promote diversity within our workforce.

We have a strict policy against any form of physical or psychological violence, discrimination, or harassment. Employees are encouraged to report such incidents

through the Ethics Hotline (+90 232 411 8118) or Ethics Email Line (etik@arkas.com.tr), and we guarantee that no retaliation will follow these reports.

Additionally, a multilingual service via the Seafarer Help hotline (<https://www.seafarerhelp.org>) is available for reporting discrimination or harassment. Employees can report violations related to recruitment, pay, training, or promotions through anonymous, secure channels.

Compensation and Benefits

At Arkas Line, we follow an equal pay for equal work policy. All rights and benefits associated with a job title are predefined, ensuring fair and competitive conditions for all employees. Our wage structure is based on equality, ensuring no discrimination based on gender, age, race, nationality, or religion. We maintain wage fairness by positioning employees with similar responsibilities and roles within a standardized wage range to balance responsibility and remuneration.





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We view the well-being of our employees as a balance of physical, mental, and emotional energy.

We conduct job evaluations to ensure our employees are fairly compensated in proportion to the value they add to the organization. Wages and benefits are managed according to job families and levels determined through these evaluations, irrespective of job titles. Our remuneration system, developed in collaboration with an internationally recognized consultant, is based on a Job Family Model and a Grading System, which applies Job Evaluation

Methodology⁸. This methodology evaluates the level of knowledge, problem-solving abilities, and responsibilities required for each position. It also involves creating job families and matching each role with market equivalents, positioning jobs according to their weight and level, and determining market-based compensation. This objective and universal approach ensures fairness across roles.

We conduct job evaluations to ensure our employees are fairly compensated in line with the value they contribute to the organization.

Fringe Benefits

We view the well-being of our employees as a balance of physical, mental, and emotional energy. To support this, we continuously enhance the inclusiveness of our fringe benefits. In addition to addressing our employees' business needs, we consider their individual, social, and environmental needs, tailoring our benefit packages to meet their well-being requirements.

Technology Support Package

This package is designed to help our employees meet their technological needs and stay up to date with the latest advancements.

Travel Package

We developed this package to support our employees in taking holidays with their loved ones, addressing their personal and motivational needs.

Health Package

We prioritize our employees' health by providing access to comprehensive private healthcare services, including check-ups and dental treatments, as well as protection against future health risks.

Neo Skola - Storytel

Digital service packages aimed at supporting the personal interests and development of our employees.

Social Responsibility Donations

Through this package, we involve our employees in the social responsibility process by donating, on their behalf, to a charity of their choice based on the results of a company survey.

⁸ HAY Methodology.



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With the Route to the Future project, we recruit young talent and provide them with employment opportunities in both commercial and operational units through comprehensive training and rotation programs.

Our 2023 Projects for Employees and Young Talents

Route to the Future

Launched in 2022, our "Route to the Future" program welcomed young talent into Arkas Line in 2023. After a six-month training and rotation program across all strategic units, each participant was placed in either our commercial or operational units.

My Future Arkas

In 2017, Arkas Holding introduced the My Future Arkas internship program under the coordination of Arkas Academy. This program, specifically for students from the Arkas Narlıdere Vocational and Technical Anatolian High School (launched in 2015), offers 12th-grade students a nine-month internship in various departments of our company. During this period, students interact with experienced managers, allowing them to gain valuable knowledge and insights. At the end of the program, the top three students, based on exam results and evaluations, are offered employment opportunities.

UNGC SDG Innovation

In 2023, we joined the SDG Innovation for Young Professionals program, one of the UN Global Compact's "Acceleration Programs." This initiative, aimed at young professionals under 35, brings together leadership potential from different departments to work on sustainability-related projects. The Arkas Line SDG Innovation project is set for implementation by September 2024, focusing on innovative approaches to solving sustainability challenges.

With our HR for You project, we aim to enhance efficiency and ensure that our employees receive the right information at the right time by integrating all Human Resources processes into a single, unified platform.

HR for You

Through the "HR for You" project, we aim to manage all Human Resources processes across our offices in Türkiye and internationally on a single, end-to-end integrated, cloud-based platform SAP SuccessFactors. This system will simplify and optimize HR processes, provide integrated data for holistic human management, ensure employees have access to the right information at the right time, and ultimately drive business success forward.



Human Resources

Our Efforts to Improve Employee Welfare

In 2023, Arkas Line reinforced its commitment to employee well-being through a variety of initiatives led by Employee Motivation Management. These activities aimed to promote physical health, mental wellness, and overall employee engagement.



Training and Development

Arkas Academy continues to offer a broad spectrum of training and development programs, including orientation and leadership development initiatives, maintaining a high level of employee satisfaction.

Arkas Academy

The Arkas Academy Project began as a vision of Arkas Holding Chairman, Lucien Arkas, and was officially established in 2007. Its primary goal is to pass down Arkas Holding's century-long knowledge and experience to its employees. Arkas Academy focuses on training employees to be highly skilled and prepared to navigate sustainability and digital transformation. It offers a wide range of training and development programs, including orientation, vocational training, competency training, and leadership development, all of which maintain a high satisfaction rate.

In 2018, the Academy launched the A-Live Platform, designed exclusively for Arkas employees in Türkiye. This platform serves as a hub for training programs, fostering employee interaction, and encouraging social learning. In 2022, A-Live received several prizes, winning three gold awards at the Stevie Awards and one gold and one silver award at the Brandon Hall Group Excellence Awards.

In 2023, the Academy introduced GlobAlive, a platform aimed at connecting Arkas employees from international offices. Currently, the platform has reached 982 users from 24 countries, offering a multicultural space for both training and social interaction.








In 2018, the Academy launched the A-Live Platform, designed exclusively for Arkas employees in Türkiye. This platform serves as a hub for training programs, fostering employee interaction, and encouraging social learning.

Additionally, Arkas employees can grow as volunteer coaches, internal trainers, and columnists within the Academy. In 2023, 18 internal coaches contributed 75 hours of coaching, while 32 internal trainers delivered 534 hours of training. To recognize their efforts, these internal trainers are awarded motivational gifts, such as gift vouchers, at the end of the year.

Arcademia

Established in 2023, Arcademia is a next-generation experience centre located at the Arkas Mattheys Mansion in Bornova. It organizes development-oriented training and events for companies and the business community in the Aegean Region. With the vision of **"Creating Value for the Future,"** Arcademia hosts a variety of economic, cultural, and personal development-focused events, leveraging the expertise of Arkas Academy and delivered by industry experts.



| |  Education Platform |  Total Training Hours |  Duration of Training per Active Employee |  Number of Employees Attending at Least One Training |  Number of Employees Attending Leadership Trainings and Total Hours |
|---|--|--|--|---|--|
|  | 10,971 Hours | 7.16 Hours | 618 Employees | 192 Employees | |
|  | 977 Hours | 42.70 Hours | 125 Employees | 4,224 Hours | |



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Training and Development

Sustainability and related social topics are key components of the training we offer to our employees, both in Türkiye and internationally, through Arkas Academy.

Sustainability Training Sessions

Sustainability and related social training are integral to the programs we offer through Arkas Academy, both in Türkiye and abroad. These training sessions encompass professional development, competency building, in-house learning, e-learning, and specialized programs tailored to our maritime group's specific needs, including Leadership Development. In 2023, Arkas Academy conducted Basic Sustainability Training for 1,197 employees, offering 4 modules and 8 online webinars. This 4.5-hour training raised awareness on key environmental, social, and governance (ESG) issues. Additionally, we held sessions on topics such as Diversity, Equality, and Inclusion, Sustainability and Climate Change, Financial Sustainability, Nonviolent Communication, and Work-Life Balance, designed to enhance the competencies of our employees. Through e-learning modules, we further promoted knowledge development on sustainability-related issues. In collaboration with the Arkas Sustainability Directorate, we have planned sustainability webinars for our international employees, scheduled for the first quarter of 2024.

By early 2024, we aim to make sustainability training a compulsory component of our e-orientation program, ensuring that all employees are well-equipped to integrate sustainability into their roles.



1,197

Employees Who
Completed Basic
Sustainability Training





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Training and Development

Through our training programs, we equipped marine personnel and trainees with a comprehensive understanding of safety, security, and environmental responsibilities.

Training on Vessels and ARWEB

ARWEB is Arkas Merchant Marine Fleet's digital social learning platform, designed to bring employees together and offer self-developed training programs. Through ARWEB, employees can engage in theoretical training, ask and answer questions, and share important updates. In 2023, 1,050 employees received training through ARWEB, consisting of:

- o 688 captains, chief engineers, and officers
- o 362 deckhands, fitters, seamen, oilers, cooks, and stewards

Arkas Marine Merchant Fleet management aims to assign personnel with the knowledge and skills required by the maritime profession on our vessels. The Marine Merchant Fleet believes that this can be achieved with practical training as well as theoretical training. To achieve this goal, we implement the 'Arkas Trainee Training' and 'Arkas Marine Personnel Training' programs. Through training, we ensure that marine personnel and interns gain awareness about safety, security and environmental issues.

1. Arkas Trainee Training Programme: Deck

and Machinery Trainees undergo Trainee Orientation Training on land before beginning their duties aboard fleet vessels. Once on board, trainees participate in a 6-Month Trainee Training Programme at sea. This includes both ARWEB courses and time dedicated to completing internship requirements.

In September 2023, "My Future Arkas Internship Programme" was introduced to students from Arkas Narlidere Vocational and Technical Anatolian High School, along with a Container Planning and Control Seminar to enhance their vocational skills.

2. Arkas Marine Personnel Training

Programme: Marine personnel also undergo Orientation Training on land, covering essential life safety topics like emergency procedures and firefighting systems through ARWEB. Ongoing refresher training is provided throughout the year, both online and in person, while staff are on leave.

- o Ship management personnel receive an average of 90 hours of training annually.
- o Marine ratings complete an average of 25 hours of training per year.



1,050

Number of Participants
in ARWEB Trainings





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Every year, we organize career days at Türkiye's leading universities to introduce Arkas Line and present career opportunities to students.

In addition to trainee programs, we also offer simulation training and assessment initiatives. We have been collaborating with Dokuz Eylül University since 2016 through the **Arkas Merchant Marine Fleet Bridge Simulation Training and Evaluation Programme**. This initiative focuses on advancing the container transport industry and enhancing seafarer safety in technical roles. The program trains and assesses new captains, promotion candidates, and current captains, drawing on both academic expertise and insights from past incidents.

Participants use simulation routes like OPEN SEA, MARMARA, and KUMKALE to hone their manoeuvring skills and improve their emergency preparedness. The assessment process involves multiple evaluators, including university academics and seasoned maritime professionals from Arkas Marine Merchant Marine Fleet, ensuring a thorough review of both technical and non-technical skills. To uphold high standards, participants' performances are regularly reviewed, with awards and bonuses given to those who excel.

University Collaborations

Each year, we participate in career days at top universities in Türkiye to promote Arkas Line. In the third quarter of 2023, Arkas Merchant Marine Fleet held presentations with Arkas Line executives at Vocational Schools of Higher Education and 10 universities with Maritime Faculties, including Istanbul Technical University, Dokuz Eylül University, Piri Reis University, and Yıldız Technical University. These collaborations foster talent and strengthen industry ties.

Maritime Schools' Career Days Presentations

School

| |
|--|
| Istanbul Technical University Maritime Faculty |
| Yıldız Technical University Faculty of Naval Architecture and Maritime Studies |
| Dokuz Eylül University Maritime Faculty |
| Istanbul University Faculty of Engineering |
| Piri Reis University Maritime Faculty |
| Ordu University Fatsa Faculty of Marine Sciences |
| Karadeniz Technical University Sürmene Faculty of Marine Sciences |
| RTE University Turgut Kiran Maritime Faculty |
| Near East University Faculty of Maritime Studies |
| Girne American University School of Maritime Studies and Transport |
| Vocational Schools and Anatolian Maritime Vocational High Schools |

We have been collaborating with Dokuz Eylül University since 2016 through the Arkas Marine Merchant Marine Fleet Bridge Simulation Training and Evaluation Programme.





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Occupational Health and Safety

At Arkas Line, we strictly comply with all applicable laws and integrate Quality, Environment, and Occupational Health and Safety into a unified policy.

Occupational Health and Safety (OHS) in the container transport industry prioritizes safeguarding workers' health, safety, and well-being. At Arkas Line, we implement comprehensive OHS programs to mitigate risks associated with container handling, storage, and transportation. These programs include providing proper training, personal protective equipment, and ergonomic working conditions to prevent injuries and illnesses. We consider regular risk assessments and strict adherence to regulations vital for maintaining a safe and healthy work environment.

In addition to Turkish laws, maritime companies must also comply with key international standards. These include the International Labour Organization (ILO) Maritime Labour Convention (MLC), which outlines minimum working and living conditions for seafarers, and the

We implement comprehensive occupational health and safety (OHS) programs to reduce risks associated with container handling, storage, and transportation.

International Maritime Organization (IMO) conventions, such as the International Convention for the Safety of Life at Sea (SOLAS) and the International Convention for the Prevention of Pollution from Ships (MARPOL), which establish safety and environmental standards for ships. Compliance with ILO Convention No. 152, addressing occupational safety in port work, is also mandatory. Adhering to these standards ensures a safer and more sustainable maritime industry.

At Arkas Line, we comply fully with all laws and manage Quality, Environment, and Occupational Health and Safety through an Integrated Management System. This system enables us to monitor, evaluate, and improve safety processes continuously. We focus on providing our employees with safe, ergonomic working conditions, including ample rest opportunities. Since 2016, we have been reviewing and improving our practices under the ISO 45001 Occupational Health and Safety Management System, organizing regular training through our Quality and OHS department to ensure full employee participation and ongoing development.



As Arkas Line, we implement a series of policies aimed at minimizing workplace accidents, injuries, and illnesses specific to the maritime industry, in order to reduce our accident rates.



0

Number of Fatal Accidents on Land Since 2013



Work Accidents

On Land

We closely track workplace accidents, monitoring factors such as job roles, responsibilities, age, and years of service for any employees involved in accidents. Since we began regularly monitoring work accident statistics in 2013, there have been no fatal accidents. We have had only one incident requiring two days of rest, while the other four accidents did not necessitate medical treatment or rest. Additionally, we recorded four near-miss incidents in 2023.

At Sea

In 2023, Arkas Line recorded no fatal accidents at sea. We maintain a robust system for tracking accident rates and implement a variety of policies, procedures, and activities aimed at minimizing workplace accidents, injuries, and illnesses in the maritime sector. Key aspects of this include conducting rigorous risk assessments to

identify potential hazards and developing comprehensive safety training programs for crew members and port personnel. We also address the physical and mental health challenges unique to the maritime environment, ensuring compliance with stringent international and national

regulations. This approach helps us maintain safety standards, and our strong emergency preparedness plans ensure quick and effective responses to unforeseen incidents both at sea and in port.



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Occupational Health and Safety

The health of our employees is safeguarded through regular health assessments conducted by our workplace physicians, including both pre-employment and periodic medical examinations, as well as ongoing health surveillance activities to ensure the well-being of all team members.

OHS Trainings

In 2023, a total of 390 employees benefited from 2,038 hours of Occupational Health and Safety (OHS) training provided by the Arkas Line Quality Department in Türkiye. Additionally, 861 hours of OHS training were conducted in our overseas offices. These trainings, delivered in collaboration between Arkas Line and Arkas Holding, covered key topics including general OHS principles, technical safety, health, emergency response, fire safety, and first aid. On average, each employee in Türkiye received 5.2 hours of OHS training, with plans to increase this average in 2024.

Team Health

The health of our employees is ensured through regular and periodic medical examinations, as well as health surveillance activities conducted by our workplace physicians. Preventive measures are taken to address risk factors employees may face in their work environments. Ergonomic awareness is also a priority, with employees receiving guidance on correct

sitting positions, proper hand and body movements, and how to avoid repetitive strain injuries. Training topics such as carpal tunnel syndrome, tendonitis, and stress management are covered to help prevent physical and psychosocial issues such as burnout or mobbing. In addition, workplace environments are regularly assessed through Occupational Hygiene measurements to ensure they meet safety standards.

Team Well-being at Sea

We are committed to the well-being of our seafaring employees through the implementation of a comprehensive Well-being Policy. This policy addresses physical health, emotional well-being, relationships, and financial concerns, recognizing the interconnectedness of these areas. We provide resources to help seafarers manage issues such as fatigue, isolation, and personal stressors. The Master on board is responsible for implementing and monitoring the well-being policy, which is reviewed during internal audits and ship visits.

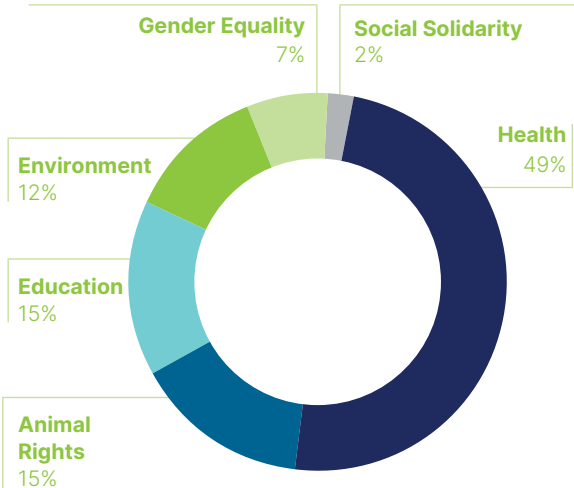


Mental health is a key focus, with initiatives such as early intervention programs and access to a 24/7 confidential helpline through SeafarerHelp. We encourage respectful leadership and organize team-building events and stress management training to promote a supportive culture on board. Employees are encouraged to maintain a healthy lifestyle, stay connected with their loved ones, and manage stress through relaxation techniques and adequate rest. We continue to implement best practices to support the physical and mental health of our seafarers, particularly in response to potential outbreaks like COVID-19.

Every year, we provide our colleagues with the opportunity to donate to a non-governmental organization (NGO) of their choice, allowing them to support solidarity initiatives and contribute to meaningful causes.

We continue to transform our impact into positive actions for a sustainable future. Every year, we give our colleagues the chance to donate to a non-governmental organization of their choice, supporting their solidarity efforts. In 2023, on behalf of 1,445 employees, we contributed to 15 different associations and foundations, supporting initiatives such as keeping seawater clean, planting saplings, providing food for stray animals, and aiding the treatment and education of children in need.

Donation Categories



| Institution Name | Category | Donation Purpose | Donation for Employees |
|--|-------------------|--|------------------------|
| LÖSEV | Health | Contributions supported the treatment of children with cancer. | 329 |
| SMA FOUNDATION OF TÜRKİYE | Health | 3,033 medical supplies were purchased. | 282 |
| ODER AUTISM ASSOCIATION | Health | Supported 13 concerts performed by the Izmir Autism Orchestra and Choir (IZOT). | 94 |
| NEVER WITHOUT ANIMALS ASSOCIATION | Animal Rights | Donated 300 kg of food and provided medical treatment for two dogs | 83 |
| FOREST NUTRITION ASSOCIATION | Animal Rights | Contributions were used for animal treatment and food supplies. | 81 |
| SİLİVRİ CANLARI SECOND LIFE ANGELS | Animal Rights | Purchased 525 kg of adult dog food. | 59 |
| DARÜŞŞAFAKA | Education | Supported the education, accommodation, and nutrition of 1,000 students. | 121 |
| TEGV (EDUCATIONAL VOLUNTEERS FOUNDATION) | Education | Supported the annual education of 42 children. | 96 |
| MARINE LIFE PROTECTION ASSOCIATION | Environment | Funded access and improvements to a protected marine area. | 48 |
| TEMA FOUNDATION | Environment | Supported rural development projects, nature research, biodiversity conservation, and educational programs for children. | 45 |
| AEGEAN FOREST FOUNDATION | Environment | Supported the "Nature Education Project," helping 396 children learn and engage with nature. | 43 |
| TURMEPA | Environment | Helped clean 24,000 litres of sea water. | 35 |
| MOR ÇATI WOMEN'S SHELTER FOUNDATION | Gender Equality | Covered one month's expenses for 8 women and 6 children. | 72 |
| WE ARE WITH YOU ASSOCIATION | Gender Equality | Provided gender equality training to various organisations and individuals. | 29 |
| AIP (EMERGENCY NEEDS PROJECT FOUNDATION) | Social Solidarity | Provided stationery assistance to 14 students. | 28 |
| TOTAL | | | 1,445 |



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Social Dialogue and Corporate Citizenship

Arkas Holding and its Group Companies, together with our employees, immediately activated our emergency action plan on the morning of the earthquake.

At Arkas, we actively promote gender equality both within and beyond the company. In support of this initiative, we source our International Women's Day gifts from cooperatives and associations that are composed of, or support, women entrepreneurs and producers. Additionally, we prioritize engaging the female workforce in the workshops we organize for the mental, physical, social, and spiritual health of our employees.

February 2023 Earthquake Response

Following the earthquake that struck 11 provinces in southeastern Türkiye on 6 February 2023, Arkas Holding and its Group Companies, along with our employees, swiftly activated our emergency action plan to help the affected communities.

Our international offices were mobilized to support relief efforts, offering free transportation of containers from abroad to the earthquake zone via Mersin and Iskenderun ports.

We began by collecting relief supplies in our offices and creating a pool of employee volunteers to assist in the earthquake zone. Our international offices were mobilized to support relief efforts, offering free transportation of containers from abroad to the earthquake zone via Mersin and Iskenderun ports.

We transported 177 TEU (20 containers) of aid material from Algeria, Spain, Italy, and Ghana. We also waived the demurrage costs (container waiting fees) for cargoes from Greece and Spain bound for the Disaster and Emergency Management Authority (AFAD).

In collaboration with our international offices, we established the Arkas Life Centre in Iskenderun, Hatay, under AFAD's coordination, to address the urgent need for shelter. Additionally, we:

- Provided storage containers for hospitals and public organizations.
- Allocated containers to safeguard artifacts from the Hatay Museum, which suffered damage.

The Arkas Life Centre features essential facilities, including a playground, library, health centre, communal kitchen, and laundry services. The Mon Reve Library, created with books donated by Arkas Sports fans, supports the education and learning needs of children in the area.





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To engage all employees in our sustainability efforts and priorities, we launched the Arkas Blue for Green initiative.

Arkas Blue for Green Initiative

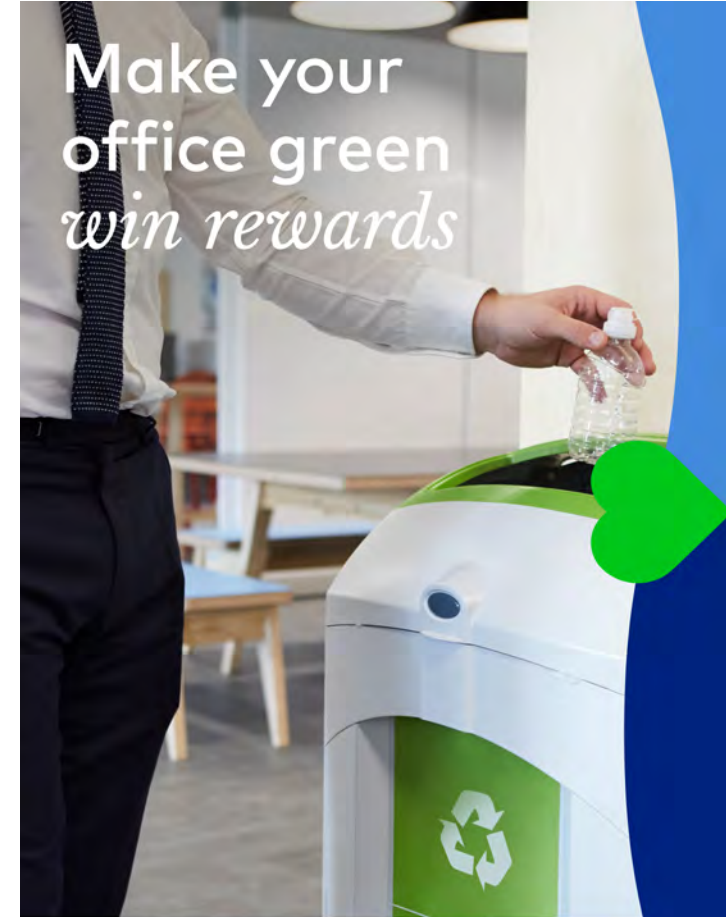
At Arkas Line, we place environmental sustainability at the core of our business and recognize our responsibility towards nature. To engage all employees in our sustainability priorities, we launched the Arkas Blue for Green initiative at the end of 2022. This initiative, organized by the Sustainability and Human Resources directorates, focuses on a series of annual events that reflect our commitment to the environment. The heart symbol in the Blue for Green logo embodies our wholehearted dedication to creating a sustainable future, rooted in a sincere and shared effort.

In 2023, we worked to raise sustainability awareness among employees and stakeholders through various initiatives, including the Sustainable Kitchen Workshop and Green Talks events:

By the end of 2023, we introduced the “Green Office” project and the “Blue for Green Award” initiative during Arkas Line budget meetings, with plans to implement these in all Arkas Line offices.

- Sustainable Kitchen Workshop, led by Chef and Lecturer Semen Öner, this workshop educated employees about reducing kitchen waste.
- Webinars:
 - The Role of Companies and Individuals in the Future of Our Planet, with Environmental Scientist Dr. Uygur Özesmi.
 - Combating Climate Change and Corporate Zero Waste Journey, with Environmental Projects Manager Dağhan M. Yazıcı.
 - Waste Management at Home and Work for the Future of the Planet, with Aslı Dede, Founder and Editorial Director of Sustainable Living School & Yeşil Çocuk.
 - Feed the Planet and Your Future, with Nutritionist and Sustainable Life Activist Dilara Koçak.

By the end of 2023, we introduced the Green Office project and the Blue for Green Award initiative during Arkas Line budget meetings. The goal of these initiatives is to conserve water and energy, reduce waste, and foster employee awareness on environmental issues across all Arkas Line offices. These projects are key to our ongoing commitment to sustainability and reflect our ambition to shape a better tomorrow.





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We are committed to implementing conservation projects that protect marine ecosystems, prevent pollution, and promote biodiversity.

TURMEPA II

Since 2006, we have maintained our partnership with TURMEPA, a key player in the fight against marine pollution for over 30 years. Established in 1994, TURMEPA (Marine Clean Association) is Türkiye's leading marine-focused non-governmental organization, supported internationally by entities such as IMO, UNEP, The Club of Rome, ICS, and IUCN. Recognized as a public benefit association in 2000, TURMEPA works relentlessly to prevent pollution and engage the public in these efforts. Under Arkas' sponsorship, the TURMEPA II boat operates on the Çeşme coast, collecting liquid waste from yachts and touristic boats during the peak tourism season (May to October). In 2023, the vessel collected 135,000 litres of waste from 832 boats, effectively preventing the pollution of 1.1 million litres of sea water. Over the past 17 seasons, our partnership has ensured that 18 million litres of sea water have remained clean.



**Marmara, The Last Refuge,
by Volkan Narci.*

Marine Life Conservation Society and the "Marmara, The Last Refuge" Book

As part of our strategic focus on "Marine Conservation and Protecting Marine Biodiversity," we sponsored the book "Marmara The Last Refuge," published by the Marine Life Conservation Society (DYKD) in 2023. This book complements the "Marmara, The Last Refuge" documentary, which explores the marine life of the Marmara, Aegean, and Mediterranean seas. Through

diving expeditions across 100 locations, the book highlights the biodiversity and cultural heritage of these regions, underscoring the urgent need for protection. Our sponsorship of this publication demonstrates our commitment to raising awareness and supporting the conservation of marine ecosystems.



135,000 litres

Amount of Waste
Collected from the Sea





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In 2023, Arkas was the main sponsor and supporter of the “Women and Men Are Equal, Period” conference, organized by the Yanındayız Association.

YANINDAYIZ Association and the “Women and Men Are Equal, Period” Conference

Arkas Holding proudly supported the YANINDAYIZ Association, an organization dedicated to advancing gender equality in Türkiye based on universal human rights. Founded by prominent leaders, including Arkas Holding Vice President Bernard Arkas, YANINDAYIZ is one of Türkiye’s largest non-governmental organizations focused on gender equality. In 2023, Arkas was the main sponsor of the fourth conference of “Women and Men Are Equal, Period,” which aimed to promote gender equality, particularly in business life and broader society. Marking the 100th anniversary of the Turkish Republic, the conference carried the slogan Long Live

the Republic, Long Live Equality! and brought together representatives from civil society, the private sector, and the public sector to discuss gender equality’s past, present, and future. During the event, the Sustainability Director of Arkas Maritime Group highlighted the critical importance of women’s employment in fostering economic and social development, and shared Arkas Line’s efforts in promoting women’s roles in the maritime and transport sectors, where global women’s employment levels remain low.

Make-A-Wish Association - Wish Tree Star Award

At the end of 2023, Arkas collaborated with Make-A-Wish® Türkiye, a non-governmental organization that fulfils the wishes of children between the ages of 3 and 18 battling life-threatening illnesses. To support this cause, Arkas launched Wish Shops in its office buildings, allowing employees and visitors to donate toward making these children’s wishes come true. As a result of this effort, Arkas was awarded the “Wish Tree Star” award, recognizing it as the corporate company that collected the most donations in support of the Make-A-Wish initiative.



In 2023, Arkas was the main sponsor of the fourth conference of “Women and Men Are Equal, Period,” which aimed to promote gender equality, particularly in business life and broader society.

Arkas Line demonstrated its commitment to the future by actively participating in the UN Global Compact SDG Innovation Programme, investing in young leaders to drive sustainable innovation.



United Nations
Global Compact

United Nations Global Compact SDG Innovation Programme for Young Professionals

In 2023, Arkas Line joined the SDG Innovation for Young Professionals accelerator programme, organized by the United Nations Global Compact which aims to help companies advance the Sustainable Development Goals by fostering innovation among young professionals. Arkas Line was selected as one of the 25 companies from Türkiye to participate, and we are proud to be the first and only company from the maritime sector to take part in such programme.

Aligned with our sustainability goals, this programme empowers young talents under 35 from Arkas Line to collaborate and develop innovative business solutions that contribute to the SDGs.

As a result, three of our selected innovators will participate in the nine-month sustainability programme, starting in February 2024, where they will work alongside industry professionals within the UN Global Compact to rethink business models and address key sustainability challenges.

Support for Young Coders

As part of our commitment to supporting young talent, Arkas Line proudly sponsored SPARC 5665, the robotics team from Istanbul Sainte Pulcherie French High School. The team was a prestigious Impact Award Finalist at the 2023 First Robotics Competition World Championship held in the USA. SPARC 5665 promotes sustainability in its design by using recycled materials in robot construction and sharing surplus materials with other teams in need. The First Robotics Competition encourages innovation, creativity, and engineering skills in young people aged 12-18, with 650 teams from 56 countries participating in the 2023 championship, underscoring the global significance of this initiative.



In 2023, Arkas Line joined the “SDG Innovation for Young Professionals” accelerator programme, organized by the United Nations Global Compact which aims to help companies advance the Sustainable Development Goals by fostering innovation among young professionals.



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In all the regions where we operate, we conduct our activities in accordance with applicable legal requirements, corporate ethical standards, and with a social and environmental awareness that we seek to promote among all our employees.



Transparency, ethical values, sustainability, and strong stakeholder relations form the basis of Arkas' corporate culture, driving our commitment to responsible and ethical business practices.

At Arkas Line, we embrace a corporate culture that deeply respects nature and life, prioritizes individual well-being, and integrates environmental management into our daily operations. We ensure the active participation of all stakeholders, building our culture on the pillars of transparency, ethical values, sustainability, and strong stakeholder relations.

Transparency, ethical values, sustainability, and strong stakeholder relations form the basis of Arkas' corporate culture, driving our commitment to responsible and ethical business practices. Across all regions where we operate, we maintain rigorous adherence to legal requirements, uphold corporate ethical standards, and act with a sense of social and environmental responsibility throughout our workforce.

Our approach is based on common sense, emphasizing mutual trust and total benefit in achieving our goals. Our core priorities include transparency, data-driven decision-making, agility, and a strong sense of responsibility in everything we do.

We move forward with collective intelligence, based on mutual trust and aiming for an overall benefit.

|  Our Targets |  Our Decision Processes |  Our Risk Management Philosophy |  Compliance and Archive Management |
|---|--|--|---|
| <ul style="list-style-type: none"> • Mutual Trust • Collective Intelligence • Overall Benefit | <ul style="list-style-type: none"> • Transparency • Data-Based Decisions • Taking Responsibility • Agility | <ul style="list-style-type: none"> • Proactive • Collaborative • Clear and Effective Communication | <ul style="list-style-type: none"> • Aligned • Current • Digitalised • Corporate Memory |



*Celil Sari



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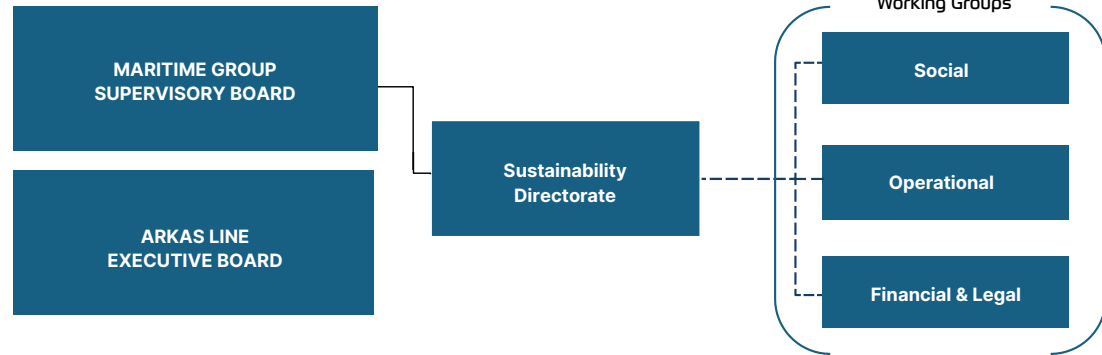


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In 2023, we launched our “Sustainability Directorate” as a pivotal step towards becoming a globally recognized leader in sustainable maritime operations.

Sustainability Governance Structure

We launched our “Sustainability” governance structure, which is among our strategic priorities, with the “Sustainability Committee” at the end of 2022 and planned three “sustainability committee meetings” with the Arkas Line Executive Board at least three times a year. Simultaneously, we launched the “Inter-Group Sustainability Programme” in January 2023 with the participation of Arkas Holding Group companies including Arkas Line, Arkas Logistics and Marport, which represent important links in the supply chain. As the first action of this programme, we decided to obtain Sustainability Consultancy



In July 2023, we established the Sustainability Directorate with the goal of embedding sustainability into every aspect of our processes and operations.

services for a period of one year. Within the scope of these services, we planned to determine the sustainability priorities and strategies of group companies, to publish separate reports for 2023 and to provide integrated services with common strategies in the future.

In July 2023, we established the Sustainability Directorate, an important milestone to lead our transformation towards becoming a sustainable shipping company on a global scale. We aimed to integrate sustainability into every aspect of our processes and operations and to create a positive and lasting impact on the environment, society and the long-term success of our company.



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Corporate Culture and Governance

In 2023, we introduced sustainability as a non-financial agenda item for the first time in our annual budget meetings, engaging Arkas Line country managers in the discussion.

The Arkas Maritime Group Sustainability Directorate, along with the Digital Transformation Directorate, reports directly to the Supervisory Board, which consists of Bernard Arkas, Vice President of Arkas Holding, Can Atalay, CEO of Arkas Line, and Cenk Değer, CEO of Arkas Shipping. This governance structure highlights the crucial role of sustainability and digital transformation within Arkas Line's management framework, enabling swift and strategic decision-making.

In 2023, we held five Sustainability meetings with the Arkas Line Executive Board (in February, June, July, October, and December). These meetings focused on key areas such as defining the structure,

staffing, and budget for the Sustainability Directorate, as well as discussing and approving the results of materiality assessments and strategy workshops.

As a major step, sustainability was included for the first time as a non-financial agenda item in our annual budget meetings with country managers, where we shared sustainability targets and involved them in the process.

Looking ahead to 2024, we plan to establish "Working Groups" across various Arkas Line units to set unit-based sustainability goals and actions, further embedding sustainability throughout our operations.

**Sustainability working groups planned for 2024 are indicated in the table on page 63.*

With the new governance structure in place, we held five sustainability meetings with the Arkas Line Executive Board throughout 2023.





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Operational Risk Management

Arkas Line's operational risk management philosophy is rooted in a proactive approach, with clear policies and procedures established for every identified risk.

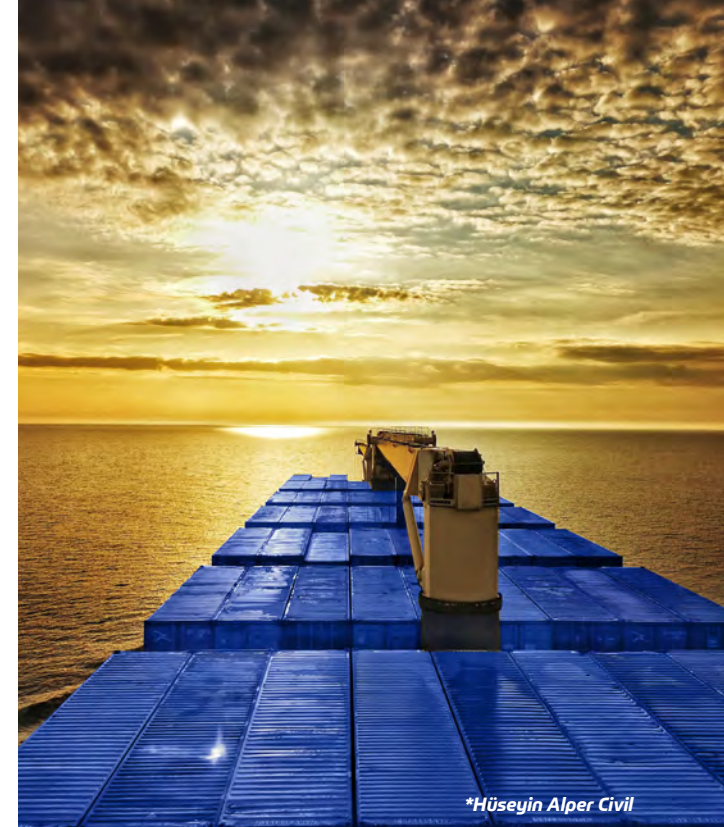
Operational risk management in the container transport sector addresses both internal and external risks that can impact daily operations, profitability, and long-term continuity. These risks range from logistics and regulatory compliance to environmental issues and technological failures. At Arkas Line, we integrate operational risk management into the core of our organization by adopting a proactive approach, fostering open communication, and having specific policies and procedures for each risk. This philosophy is further reinforced through external audits, such as ISO and EcoVadis, and adheres to the principle of continuous improvement.

We acknowledge that continuous monitoring and adaptation to evolving risks are essential for ensuring the long-term success and resilience of container shipping companies.

Our Integrated Management System (IMS) includes a comprehensive set of documents including procedures, forms, risk assessment tools, and standards such as ISO 9001, ISO 14001, and ISO 45001 that all employees can access. The Quality and OHS Department ensures these materials remain up to date, while risk and opportunity assessments are continuously carried out, particularly focusing on quality, environment, and occupational health and safety (OHS).

During Risk and Opportunity Assessments, each risk is scored based on probability and severity to determine its impact. Risks are categorized as:

- Unacceptable Risk (15-25 points): Immediate action plans are required.
- Considerable Risk (8-12 points): Requires careful monitoring and mitigation.
- Acceptable Risk (1-6 points): Managed with routine processes.



*Hüseyin Alper Civil

This structured risk management approach also highlights opportunities, such as adapting new projects, entering new markets, or adopting innovative technologies. Managing these risks requires a comprehensive approach, including investments in technology, staff training, and the development of strong emergency and business continuity plans to ensure the long-term resilience of Arkas Line and the container shipping industry.



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Operational Risk Management

Through our Business Continuity Plan, we are prepared to establish a Crisis Coordination Desk within the first two hours if a potential risk turns into a crisis.

As part of Arkas Line's Integrated Management System, we are proud to hold the ISO 9001:2015 certification, awarded by RINA Services Italy. This certification underscores our ongoing commitment to quality control across all operations. It also meets the increasing demands of our chartering industry clients, who require ISO 9001 certification for guaranteed reliability and error-free transportation. The ISO 9001 standard has shaped quality management systems globally for over 30 years, ensuring that Arkas Line maintains efficient processes and service consistency.

Business Continuity Risk Plan

Arkas Line's Business Continuity Plan addresses potential crises by defining 38 main tasks across seven essential units, including ship operations, purchasing, and container logistics. In the event of a major disruption, such as a large-scale earthquake, this plan is designed to establish a Crisis Coordination Desk within the first two hours. Our agile and flexible approach ensures critical business continuity, even if the Istanbul office loses functionality. Biannual drills are conducted to keep the plan up to date, ensuring that changes in systems, software, and employee authorisations are effectively integrated.

Arkas prepares comprehensive security policies, standards, procedures, rules, and directives to ensure compliance and understanding of all aspects of Arkas Information Systems Security.



Information Confidentiality

Our Information Systems Directorate at Arkas Holding ensures the protection of sensitive information by issuing guidelines covering security policies, standards, and procedures. These directives define the roles and responsibilities of personnel regarding information security. The document titled "A Brief Overview of Information Security,"

prepared by Arkas Information Systems, is available to all employees, promoting a culture of data security and confidentiality across the organisation.



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Operational Risk Management

We believe that cybersecurity is a shared responsibility.

Our Commitment to Cyber Security and Data Protection

We uphold the highest standards of data security to safeguard the information entrusted to us by our stakeholders.

Our Comprehensive Approach to Cyber Security

Advanced Security Technologies: We implement advanced security technologies, such as firewalls, intrusion detection systems, and encryption protocols, to fortify our systems against potential cyber threats.

Continuous Monitoring and Threat Assessment: Our cyber security team constantly monitors our networks and systems for suspicious activity or vulnerabilities, conducting regular threat assessments and penetration tests to proactively address risks.

Strict Compliance Standards: We adhere to strict regulatory requirements and industry standards like GDPR and ISO 27001, ensuring our data protection measures are robust and up to date.

Employee Training and Awareness:

We believe cyber security is a shared responsibility. To foster a security-aware culture, we provide regular training, keeping employees informed on the latest threats and best practices in data protection.

Incident Response and Recovery: A well-defined incident response plan is in place to address any potential breaches. Our team acts swiftly to mitigate risks, safeguard data, and minimize service disruption.

Regular Security Audits: We conduct regular audits to assess the effectiveness of our cyber security measures, identifying opportunities for improvement and enhancing our security posture continuously.





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Anti-Bribery and Anti-Corruption

Bribery and corruption are contrary to Arkas Line’s core principles of respect for people, nature and life.

Corruption and bribery pose significant compliance risks that not only undermine social and economic development but also destabilize workplaces and industries. Arkas Line strictly opposes such practices as they conflict with the company’s core values of respect for people, nature, and life. These unethical actions can severely impact employee morale, damage the company’s reputation, and erode the trust of external stakeholders. Furthermore, failure to comply with anti-bribery and corruption laws can lead to legal consequences, inefficiency, extra costs, and damage to the company’s standing, including fines, imprisonment, and embargoes.

As a member of the Türkiye’s Ethics and Reputation Society (TEID), we have developed our Code of Ethics in collaboration with this organization. TEID collaborates with national and international authorities in the enforcement and protection of intellectual property rights.

Eliminating corruption is a key priority in our collaborations and activities, ensuring integrity across all sectors and our supply chain.

We also participate in the “Cross Industry Work Group,” which aims to combat illegal trade and counterfeiting on a global scale. Upholding intellectual property rights and adhering to the highest international standards is integral to Arkas Line’s operations, especially when dealing with regions vulnerable to corruption, sanctions, export controls, and human rights violations.

It is among our priorities to contribute to the elimination of corruption both in our collaborations with stakeholders, such as supplier acceptance processes, and in the sectors where we operate.

In 2024, we plan to initiate employee training focused on ethical business practices to raise awareness of bribery and corruption risks. We rely on the commitment of our employees and business partners to uphold our high standards in this fight.

Mechanisms for Seeking Advice and Raising Concerns

We provide mechanisms for reporting ethical concerns or potential violations of the Arkas Code of Ethics through our Ethics Telephone Line and E-mail Line. Confidentiality is guaranteed, and all reports are handled with professionalism by the Arkas Ethics and



Compliance Committee. Employees of Arkas Holding and its Group companies are prohibited from engaging in any activities that could harm or tarnish the Group’s name or reputation. Each employee is accountable for their own behaviour, and failure to adhere to the Arkas Code of Ethics may result in various disciplinary actions. If an employee identifies a violation of the Code of Ethics, they are encouraged to take immediate action by informing their manager or contacting the Arkas Ethics and Compliance Committee through the internal network. In the event of a violation, employees can also anonymously report the issue by calling the Ethics Telephone Line (+90 232 411 81 18) or by sending an email to the Ethics E-mail (etik@arkas.com.tr). All reports are treated confidentially, and individuals have the option to remain anonymous. Reports submitted in good faith will always be addressed, and every case will be managed with professionalism and seriousness, regardless of the nature of the violation. The Arkas Ethics and Compliance Committee continuously monitors all ethical cases to ensure they are resolved appropriately.



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Stakeholder Communication and Memberships

Using a stakeholder analysis methodology, we mapped 2,435 stakeholders, including employees, suppliers, customers, service providers, member organisations, public institutions, and the media.

Stakeholder interaction and communication, along with employee and customer satisfaction, are the foundation of our sustainability strategy. In 2023, we conducted a thorough analysis to identify Arkas Line's key stakeholder groups, identifying 2,435 stakeholders, including employees, suppliers, customers, service providers, member organisations, public institutions, and the media. Following this, we initiated our first-ever sustainability survey to gather insights into their sustainability priorities.

We crafted a stakeholder-specific communication strategy, sharing the Arkas Supplier Code of Conduct with suppliers across 16 countries and receiving valuable feedback. In addition, we participated as speakers in several prestigious events such as the Garanti BBVA Export Sustainability Conference, Yanındayız-Women and Men are Equal, Period Conference and the Boğaziçi University Sustainability and Innovation Summit, where we discussed sustainability in the maritime sector. Also, in 2023, we were one of the five

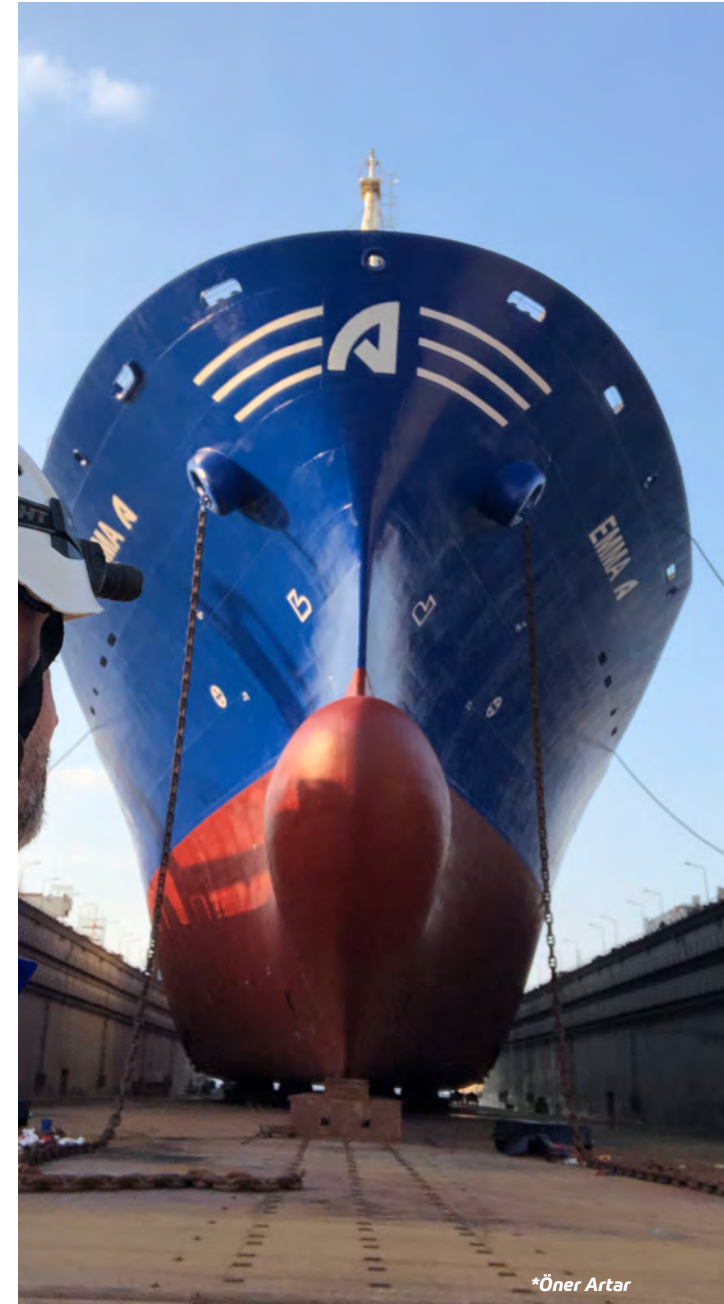
In 2023, Arkas Line was one of five companies participating in the local network meeting of the United Nations Global Compact in Tbilisi, Georgia in October.

Turkish companies that participated in the local network meeting of the United Nations Global Compact, held in Tbilisi, Georgia, in October.

Since 2013, Arkas Line has been an active member of the Clean Cargo Working Group, a global initiative under the umbrella of the Smart Freight Centre. Clean Cargo brings together major stakeholders in the maritime sector, including container carriers, cargo owners, and logistics service providers, to promote sustainable practices and reduce the carbon footprint of global shipping. Every year, we participate in Clean Cargo's meetings, including the annual Smart Freight Week in April, where we share our ongoing decarbonisation efforts and sustainability initiatives with leading industry players. This active engagement is part of Arkas Line's broader commitment to sustainability and transparency, aligning with global standards in emission reduction and responsible business practices.

In line with our commitment to transparency, we launched the monthly digital newsletter Sustain Connect, aimed at updating our internal and external stakeholders on our sustainability activities throughout the year.

As part of our investment in our company as well as the maritime industry's future, we visited 10 schools during career days to introduce the sector and Arkas Line to vocational and university students.



*Öner Artar

We survey both our agencies and our customers every year to measure our performance.


78.8%
2023 Agency Overall
Satisfaction Rate


76.6%
2023 Global Customers
Satisfaction Rate

Customer and Employee Satisfaction

For our Sustainability Report materiality analysis, not only we conducted a questionnaire but also sent out an annual Customer Satisfaction survey to Arkas Line agencies. In these surveys, we ask sales and operations teams to evaluate Arkas Line's performance. Since 2016, we have measured customer satisfaction annually, with 80-100 customers participating each year. Based on 2023 data, the Agency General Satisfaction Rate was 78.8%, Sales Satisfaction was 79.6%, Operations Satisfaction was 75.8%, and Global Customers Satisfaction was 76.6%. These results are reviewed by the relevant departments, and in cases where satisfaction falls below target levels, specific action plans are developed to address the concerns and improve satisfaction.

We also conduct employee opinion surveys through external companies to gather feedback. In the most recent 2023 stakeholder survey conducted by Think Aloud, Arkas Line emerged as the sector leader in public trust. Stakeholders described Arkas Line as a well-managed, reliable, high-quality service provider, technologically advanced, and globally recognised, with an average rating of 72%.

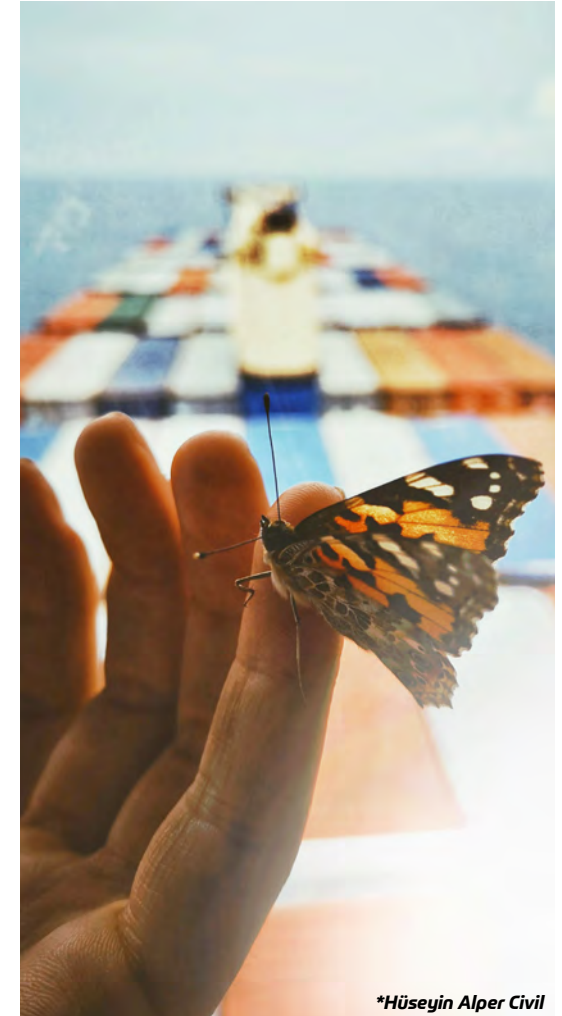
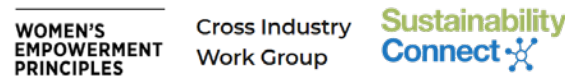
Arkas News & Sustain Connect

Since 2014, we've been publishing Arkas News digitally on LinkedIn and our website to update internal and external stakeholders on key developments. Building on its success, we planned to launch Arkas Line Sustain Connect in January 2024, a monthly newsletter to communicate our sustainability vision and actions. The newsletter will be distributed via email and will also be accessible on LinkedIn, with a subscription option available for stakeholders.

Memberships



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*Hüseyin Alper Civil



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We are working to create a more sustainable future by increasing efficiency, reducing errors and providing real-time insights for decision making using our ERP systems and taking confident steps towards our sustainability goals with our ARMA software project.





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At Arkas Line, we continuously enhance our data collection, monitoring, and target-setting processes through digital solutions and ERP system optimisation.

Digital transformation is reshaping the maritime industry, and we are at the forefront of integrating advanced IT solutions to drive efficiency and sustainability. BİMAR Bilgi İşlem Hizmetleri A.Ş. founded in 1984 as Arkas Holding's IT services arm, plays a pivotal role in this transformation by providing tailored software and system integration solutions. Through our partnership with BİMAR, we continuously enhance our data collection, monitoring, and target-setting capabilities, particularly through our ERP systems.

The collaboration between the Sustainability Directorate, OpEx unit, and Digital Transformation Directorate focuses on decarbonising maritime transport and calculating ship-based greenhouse gas

emissions related to EU ETS, in line with international climate regulations. This demonstrates Arkas Line's commitment to synchronising technology adoption and energy transition while contributing to the global maritime sector's goal of reducing uncertainty and lowering transition costs.

This holistic, technology-driven approach aims to align Arkas Line's operations with sustainability goals and international standards.

The global shipping sector has significant potential to initiate a synchronized technological transformation and energy transition through fair and equitable transition targets. If countries can align with international climate laws and regulations to develop viable and clear policies, and agree on cost-effective technical and economic measures, the sector will minimize uncertainty and reduce transition costs.

Decarbonising shipping will require a significant shift in both technology and operations, as well as the adoption of alternative, low-carbon, and zero-emission fuels.





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Our proprietary ARMA software has been designed to consolidate our digital operational processes across Arkas Line HQ and our agencies in a single, user-friendly application.

ARMA Project

The ARMA project is designed to centralize the digital operational processes of Arkas Line and our agencies into one streamlined application. By preventing data entry errors, eliminating redundancies, and optimizing business processes, ARMA boosts overall efficiency while reducing energy consumption. With a cloud-based infrastructure, the application also minimizes the carbon footprint of operations. It offers mobile and web-based access, enabling users to work from any location.

Through its integration with external systems such as customs and ports, ARMA promotes sustainability and operational efficiency across all stakeholders. This fosters a collaborative ecosystem that encourages sustainable practices while ensuring that operations are executed in a planned and measurable manner, enhancing business process improvements and supporting sustainability goals.

Developed by Arkas' IT company BİMAR and leveraging Arkas' extensive corporate



memory, ARMA is set to be launched in the last quarter of 2024, covering all the geographies Arkas Line serves.

Strengthening Arkas Fleet with Eco-Designed Vessels

As part of our sustainability strategy, we plan to expand our fleet to 55 vessels with a total TEU capacity of 112,230 by 2028. This includes a USD 360 million investment in six new eco-designed containerships from Guangzhou Wenchong Shipyard, each with a capacity of 4,300 TEU, the largest in the Arkas fleet.

These vessels are equipped with a fuel performance measurement system, contributing to Arkas Line's commitment to reducing carbon emissions and promoting environmentally responsible transport practices. This fleet expansion marks a critical step toward enhancing both the size and sustainability of Arkas' operations.

The vessels, which will be purchased from Guangzhou Wenchong Shipyard and delivered in 2028, will each have a capacity of 4,300 TEU, the highest capacity in the Arkas fleet.



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By adhering to LEED criteria, we strive to reduce the environmental impact of our building design and construction practices.

LEED Certified New Office Building

Designed in 2023 and expected to be completed by 2025, the new Esentepe Arkas Building places a strong emphasis on energy efficiency and low-carbon practices. By adhering to LEED platinum standards, we aim to minimize the environmental impact during both design and construction phases. Renewable energy will be a central feature, with photovoltaic panels on the roof projected to cover over 10% of the building's energy needs, thus reducing our carbon footprint. The building's automation systems, including lighting and HVAC controls, are optimized for user comfort while simultaneously saving energy.

Our Triangle Project minimises the carbon footprint of container supply, uniting Arkas Line, Arkas Line Agencies, Arkas Logistics, and subcontracted trucking companies in a sustainable effort.

Sustainability goals for the building include recycling 75% of construction waste, reducing electrical energy consumption by 45-50%, and cutting water consumption by 30-35%. The building will also contribute to CO₂ reduction efforts by aiming for a 30-35% reduction in emissions, along with 40% savings in heating systems and 50% in cooling systems. Additionally, operational waste is targeted to be cut by 50%, with maintenance costs lowered by 20%. The generation of electricity from renewable sources is also part of our plan to further diminish environmental impact.

Triangle Project

In the Triangle Project, Arkas Line, Arkas Line Agents, Arkas Logistics, and subcontracted trucking companies worked together to minimize the carbon footprint of container supply chains. The main objective was to create a more direct, efficient operation, where containers unloaded at importing customers were immediately directed to exporting customers. This reduced unnecessary road transport, container handling at terminals or depots, and the associated carbon emissions.



30-35%
CO₂ Emissions Reduction Target



45-50%
Reduction Target for Electricity Consumption



This triangular method of container supply is intended to be rolled out across all the countries Arkas Line serves. The number of containers transported using this method in 2023:

- Romania: 1,983 containers
- Italy: 1,582 containers
- France: 1,168 containers
- Bulgaria: 920 containers
- Türkiye: 899 containers





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We reduced our environmental footprint by intentionally lowering the average speed of vessels.

Optimisation and Strategic Cooperation Initiatives

As part of our strategic partnerships, we launched the slow sailing initiative in 2023 in collaboration with our service partner for the Westmed Blacksea Service (WBS). Despite serving the same number of ports and covering the same distance, we added a fifth vessel to the existing four-ship rotation. This adjustment allowed us to maintain service schedules without the need for higher speeds due to port delays. Slow sailing is a proven method for reducing both fuel consumption and emissions.

By deliberately reducing the average speed of our vessels, we further minimised our environmental footprint. In addition, we collaborated with partners and ports that offer Berthing Window practices, which help reduce delays. Vessel schedules were carefully planned to avoid the need for increased speed and the resulting extra emissions. This initiative showcases our ongoing commitment to reducing the environmental impact of maritime transport through enhanced efficiency. It also highlights the importance of collaboration with stakeholders, including service partners and ports, in achieving mutual sustainability and operational efficiency goals.



*Kenan Yıldız

Indicators

| Environmental Indicators | Units | 2023 | | | | | Total |
|---|-------|--------------------|---------------|-----------------------|-----------|----------------------------|----------------|
| | | Arkas Line Türkiye | | Emes Feederling Italy | | Foreign Offices / Agencies | |
| | | Vessels | Offices | Vessels | Offices | | |
| CO₂-e Emissions | | | | | | | |
| Scope 1 | ton | 452,273 | 6,228 | 99,031 | 8.4 | 865 | 558,404 |
| Scope 2 | | 0 | 2,715 | 0 | 4.9 | 434 | 3,154 |
| Scope 3 (Upstream) Related to Scope 1 and 2 | | 99,481 | 1,584 | 22,003 | 3.2 | 376 | 123,447 |
| Total | | 551,754 | 10,527 | 121,034 | 16 | 1,674 | 685,006 |

| Carbon Intensity | | | | | | | |
|---|---------------------|---------|--|--|--|--|--|
| Clean Cargo CO ₂ -e / TEU km | g CO ₂ e | 147.88* | | | | | |

| Energy Consumption | | | | | | | |
|--|----------------|---------|-----------|--------|--------|-----------|-----------|
| Ultra Low Sulfur Fuel Oil (0.10% ULSFO) | ton | 13,542 | | 4,352 | | N/A | 17,894 |
| Very low Sulfur fuel oil (0.50% VLSFO) | ton | 129,368 | | 26,918 | | N/A | 156,286 |
| Natural Gas | m ³ | | 1,635,413 | | 3,766 | 96,509 | 1,735,688 |
| Diesel | | | 120,625 | | - | 53,493 | 174,118 |
| - Forklift | litre | | - | | - | 93,253 | 93,253 |
| - Generator | | | - | | - | 10 | 10 |
| Petrol | litre | | 76,159 | | - | 83,049 | 159,208 |
| Coal | ton | | - | | - | - | 0 |
| LPG | kg | | - | | - | 5,836 | 5,836 |
| CNG | m ³ | | - | | - | 48 | 48 |
| Electricity | kWh | | 5,812,356 | | 17,657 | 1,354,063 | 7,184,076 |
| Cars | | | | | | | |
| - Average-sized Hybrid Car | kWh | | - | | - | 3,400 | 3,400 |
| - Avg-sized Battery Powered Electric Car (Not Company Owned) | kWh | | - | | - | 5,691 | 5,691 |
| - Avg-sized Plug-in Hybrid Car (Electricity Only, Company Owned) | kWh | | - | | - | 2,000 | 2,000 |
| - Avg-sized Plug-in Hybrid Car (Not Company Owned) | kWh | | - | | - | 4,735 | 4,735 |
| - Large Plug-in Hybrid Car (Not Company Owned) | km | | - | | - | 84,800 | 84,800 |

| Water Consumption | | | | | | | |
|-------------------------------|----------------|-----------|---------------|-----------|--|-----------|---------------|
| Municipal Water Consumption** | m ³ | NA | 22,288.6 | NA | | NA | 22,289 |
| Total | | NA | 22,289 | NA | | NA | 22,289 |

| Waste*** | | | | | | | |
|-----------------------------------|----------------|----|---------|----|--|----|-------|
| Water discharge (m ³) | m ³ | NA | 2,292 | NA | | NA | 2,292 |
| Hazardous Waste | kg | NA | 45 | NA | | NA | 45 |
| Non-Hazardous Waste | kg | NA | 3,098 | NA | | NA | 3,098 |
| Municipal Waste | kg | NA | 7,302.5 | NA | | NA | 7,302 |

* Only Arkas Line Inc. data

** Water consumption data is the municipal water consumption data of the buildings in Orhanlı, Tekfen, Bursa, Holding, Mistral, Sasalı, Mersin.

***Waste data belongs to the Istanbul Tekfen Building. Data for other locations is not available.



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| OHS Indicators | 2023 | | | | | Total |
|--|--------------------|---------|-----------------------|---------|----------------------------|-----------|
| | Arkas Line Türkiye | | Emes Feederling Italy | | Foreign Offices / Agencies | |
| | Vessels | Offices | Vessels | Offices | Offices | |
| OHS Direct Company Employees | | | | | | |
| Total hours Worked | 4,730,400 | NA | 1,261,440 | NA | NA | 5,991,840 |
| Number of incidents | 28 | 5 | 8 | 0 | 2 | 43 |
| Number of fatalities | 0 | 0 | 0 | 0 | 0 | 0 |
| Number of occupational diseases | 0 | 0 | 0 | 0 | 0 | 0 |
| Absenteeism due to accidents | 571 | 2 | 70 | 0 | 2 | 645 |
| Lost Work Day Rate (LWR) | 0,93 - 16,86* | 0,4** | 0 | 0 | N/A | 0 |
| <p>* For vessel crew (person/day - vessel/day) **This is provided for the Holding Building.</p> | | | | | | |
| OHS Sub-Contractors - Temporary Employees | | | | | | |
| Number of accidents | 0 | 1 | 0 | 0 | 0 | 1 |
| Number of fatalities | 0 | 0 | 0 | 0 | 0 | 0 |
| Number of occupational diseases | 0 | 0 | 0 | 0 | 0 | 0 |
| Absenteeism due to accidents | 0 | 0 | 0 | 0 | 0 | 0 |
| OHS Training | | | | | | |
| OHS Training for Employees (person x hours) | 3,024 | 2,038 | 864 | NA | 861 | 6,787 |
| OHS Training for Sub-Contractors/temporary employees (hours) | 0 | 107 | NA | NA | 0 | 107 |



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| Social Indicators | Arkas Line Türkiye | | Emes Feeder Italy | | Foreign Offices / Agencies | | Total | |
|---|--------------------|-----|-------------------|-----|----------------------------|-----|-------|-----|
| | Women | Men | Women | Men | Women | Men | | |
| Employee Profile | | | | | | | | |
| Total number of employees | 193 | 394 | 12 | 18 | 358 | 632 | 1,607 | |
| Office workers | 193 | 394 | 12 | 18 | 339 | 504 | 1,460 | |
| Non-office (technical, operational, etc.) | 0 | 0 | 0 | 0 | 19 | 128 | 147 | |
| Total percentage of women in the workforce | 32.88% | | 40.00% | | 36.16% | | | |
| Managers | | | | | | | | |
| Total number of managers | 30 | 70 | 3 | 10 | 50 | 99 | 262 | |
| - First level manager | 21 | 47 | 0 | 0 | 44 | 83 | 195 | |
| - Middle level manager | 7 | 17 | 3 | 3 | 6 | 16 | 52 | |
| - Upper level manager | 2 | 6 | 0 | 7 | 0 | 0 | 15 | |
| Age | | | | | | | | |
| Under 30 years of age | 57 | 99 | 2 | 5 | 70 | 108 | 341 | |
| 30-50 years old | 126 | 262 | 9 | 7 | 239 | 437 | 1,080 | |
| 50+ | 8 | 29 | 1 | 6 | 49 | 87 | 180 | |
| Executive board | 1 | 5 | 0 | 0 | 0 | 0 | 6 | |
| Employee Turnover | | | | | | | | |
| | 10.22% | | 6.7% | | 11.60% | | | |
| Total number of new hires for the year | | | | | | | | |
| Under 30 years of age | 25 | 44 | 2 | 2 | 18 | 34 | 125 | |
| 30-50 years old (inclusive) | 4 | 5 | 0 | 1 | 12 | 32 | 54 | |
| 50 years + | 0 | 0 | 0 | 0 | 1 | 0 | 1 | |
| Total number of employees who resigned | | | | | | | | |
| The number of employees under 30 who resigned | 15 | 13 | 0 | 0 | 12 | 19 | 59 | |
| The number of employees under 30-50 who resigned | 11 | 17 | 0 | 2 | 17 | 56 | 103 | |
| The number of employees 50+ who resigned | 1 | 3 | 0 | 0 | 4 | 7 | 15 | |
| Rotation | | | | | | | | |
| The number of positions filled by internal candidates | 0 | 4 | 2 | 0 | 0 | 0 | 6 | |
| The number of total vacant positions | 78 | | 0 | | 93 | | 7 | 178 |



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| Social Indicators | Arkas Line Türkiye | | Emes Feeding Italy | | Foreign Offices / Agencies | | Total |
|--|-------------------------------|---------|--------------------|-----|----------------------------|-------|---------|
| | Women | Men | Women | Men | Women | Men | |
| | Employees by Seniority | | | | | | |
| 0-5 years | 78 | 139 | 3 | 6 | 127 | 209 | 562 |
| 5-10 years | 41 | 65 | 4 | 4 | 109 | 219 | 442 |
| 10 years + | 74 | 190 | 7 | 6 | 122 | 204 | 603 |
| Parental Leave | | | | | | | |
| Total employees on maternity or paternity leave | 3 | 10 | 2 | 0 | 22 | 6 | 43 |
| Ratio of employees returning to work after maternity/paternity leave | 2 | 10 | 0 | 0 | 14 | 6 | 32 |
| After returning following parental leave, continued work for a min. 12 months | 2 | 9 | 0 | 0 | 7 | 5 | 23 |
| The ratio of employees returning to work from maternity leave to total employees | 1.0% | 2.5% | 0 | 0 | 3.9% | 0.90% | 2% |
| Sub-contractors/temporary employees | | | | | | | |
| Under 30 years of age | 0 | 0 | 2 | 2 | 0 | 0 | 4 |
| 30-50 years old (inclusive) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50 years + | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total training hours by gender | | | | | | | |
| Under 30 years of age | 0 | 0 | 45 | 45 | 0 | 0 | 90 |
| 30-50 years old (inclusive) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51 years of age and over | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Training | | | | | | | |
| Environment and Sustainability Trainings (person x hours) | 1,764 | 3,622.5 | | | | | 5,386.5 |
| *Total Environment and Sustainability Trainings (person x hours) / Total Number of Employees | | | | | | | 3.35 |
| Leadership Development Program Trainings (person x hours) | 1,276 | 2,948 | | | | | 4,224 |
| *Total Leadership Development Program Trainings (person x hours) / Total Number of Employees | | | | | | | 2.63 |
| Total cost of Training Programs (TL) | | 734,000 | | | | | 734,000 |
| Training spend per employee (TL) | | | | | | | 528 |
| Performance Evaluation | | | | | | | |
| Number of employees undergoing regular performance evaluation | NA | NA | 14 | 16 | 49 | 56 | 135 |
| Employee Satisfaction Survey Results | NA | NA | NA | NA | NA | NA | NA |

* Includes data provided by Arkas Holding on the Alive and Globalive platforms.



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GRI Index

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. This service was performed on the Turkish version of the report.

| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION AND/OR DIRECT ANSWERS | OMISSION | | |
|---------------------------------|--|--|---------------------------|--------|-------------|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| General Disclosures | | | | | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | About the Report, p. 7 Arkas Line: Past and Present, p. 11 | | | |
| | 2-2 Entities included in the organization's sustainability reporting | About the Report, p. 7 | | | |
| | 2-3 Reporting period, frequency and contact point | About the Report, p. 7 | | | |
| | 2-4 Restatements of information | GRI Content Index: No restated information is included in the report. | | | |
| | 2-5 External assurance | External auditing is not conducted. | | | |
| | 2-6 Activities, value chain and other business relationships | Arkas Line: Past and Present, p. 11 Stakeholder Communication, p. 69 Social Dialogue and Corporate Citizenship, p. 58-59 | | | |
| | 2-7 Employees | Human Resources, p. 40-47 Indicators, p. 78-79 | | | |
| | 2-8 Workers who are not employees | Human Resources, p. 40-47 Indicators, p. 77 | | | |
| | 2-9 Governance structure and composition | Corporate Culture and Governance, p. 63 | | | |
| | 2-10 Nomination and selection of the highest governance body | Corporate Culture and Governance, p. 63 | | | |
| | 2-11 Chair of the highest governance body | Corporate Culture and Governance, p. 63 | | | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Corporate Culture and Governance, p. 64 | | | |
| | 2-13 Delegation of responsibility for managing impacts | Corporate Culture and Governance, p. 64 | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | Corporate Culture and Governance, p. 64 | | | |
| | 2-15 Conflicts of interest | Working Conditions and Human Rights, p. 41 | | | |
| | 2-16 Communication of critical concerns | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| | 2-17 Collective knowledge of the highest governance body | Corporate Culture and Governance, p. 63-64 | | | |
| | 2-18 Evaluation of the performance of the highest governance body | The Supervisory Board meets at regular intervals to evaluate the performance of the Executive Board. | | | |
| | 2-19 Remuneration policies | Remuneration and Benefits, p. 44 | | | |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| GRI 2: Genel Bildirimler 2021 | 2-20 Process to determine remuneration | Remuneration and Benefits, p. 44 | | | |
| | 2-21 Annual total compensation ratio | Annual total compensation ratios are classified as confidential. | 2-21 a; 2-21 b; 2-21 c | Legal prohibitions | The annual total compensation ratios of the companies within the reporting scope have been classified as confidential. |
| | 2-22 Statement on sustainable development strategy | Our Sustainability Strategy, p. 21 | | | |
| | 2-23 Policy commitments | Our Environmental Strategy, p. 23 Sustainable Supply Chain Management, p.31 Human Resources, p. 41 Occupational Health and Safety, p. 52-54 Operational Risk Management, p. 65-67 | | | |
| | 2-24 Embedding policy commitments | Our Environmental Strategy, p. 23 Sustainable Supply Chain Management, p.31 Human Resources, p. 41 Occupational Health and Safety, p. 52-54 Operational Risk Management, p. 65-67 | | | |
| | 2-25 Processes to remediate negative impacts | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| | 2-27 Compliance with laws and regulations | Our Environmental Strategy, p. 23 Occupational Health and Safety, p. 52-54 | | | |
| | 2-28 Membership associations | Stakeholder Communication and Memberships, p. 69-70 | | | |
| | 2-29 Approach to stakeholder engagement | Social Dialogue and Corporate Citizenship, 56-58 Stakeholder Communication, p. 69-70 | | | |
| | 2-30 Collective bargaining agreements | Apart from Arkas Ghana, none of the companies within the reporting scope have a collective bargaining agreement in place. | 2-30 a; 2-30 b | | Apart from Arkas Ghana, none of the companies within the reporting scope have a collective bargaining agreement in place. |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Materiality Analysis, p. 19 | | | |
| | 3-2 List of material topics | Materiality Analysis, p. 19 | | | |
| Greenhouse Gas Reduction and Climate Change | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Our Sustainability Priorities, p. 20 | | | |
| | 302-1 Energy consumption within the organization | Indicators, p. 76 | | | |
| | 302-2 Energy consumption outside of the organization | Energy consumption outside the organization is not monitored. | | | |
| GRI 302: Energy 2016 | 302-3 Energy intensity | Indicators, p. 76 | | | |
| | 302-4 Reduction of energy consumption | Greenhouse Gas Emission Report, p. 25-26 Our Decarbonisation Efforts, p. 27-30 | | | |
| | 302-5 Reductions in energy requirements of products and services | Our Decarbonisation Efforts, p. 27-30 | | | |
| | 305-1 Direct (Scope 1) GHG emissions | Greenhouse Gas Emission Report, p. 25 Indicators, p. 76 | | | |
| GRI 305: Emissions 2016 | 305-2 Energy indirect (Scope 2) GHG emissions | Greenhouse Gas Emission Report, p. 25 Indicators, p. 76 | | | |
| | 305-3 Other indirect (Scope 3) GHG emissions | Scope 3 emissions were not calculated in 2023. | | | |
| | 305-4 GHG emissions intensity | Greenhouse Gas Emission Report, p. 25 Indicators, p. 76 | | | |
| | 305-5 Reduction of GHG emissions | Greenhouse Gas Emission Report, p. 25 | | | |
| | Denizlerin ve Deniz Biyoçeşitliliğinin Korunması | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Marine Conservation and Protecting Marine Biodiversity, p. 38 | | | |
| | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Social Dialogue and Corporate Citizenship, p. 58 | | | |
| GRI 304: Biodiversity 2016 | 304-2 Significant impacts of activities, products and services on biodiversity | Marine Conservation and Protecting Marine Biodiversity, p. 38 | | | |
| | 304-3 Habitats protected or restored | Social Dialogue and Corporate Citizenship, p. 58 | | | |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| Waste Management | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Waste Management, p. 35-36 | | | |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | Water Management, p. 37 | | | |
| | 303-2 Management of water discharge-related impacts | Water Management, p. 37 | | | |
| | 303-3 Water withdrawal | Indicators, p. 76 | | | |
| | 303-4 Water discharge | Indicators, p. 76 | | | |
| | 303-5 Water consumption | Indicators, p. 76 | | | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | Waste Management, p. 35-36 | | | |
| | 306-2 Management of significant waste-related impacts | Waste Management, p. 35-36 | | | |
| | 306-3 Waste generated | Indicators, p. 76 | | | |
| | 306-4 Waste diverted from disposal | Indicators, p. 76 | | | |
| | 306-5 Waste directed to disposal | Indicators, p. 76 | | | |
| Circular Economy | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Our Sustainability Priorities, p. 20 Waste Management, p. 35-36 | | | |
| GRI 201: Economic Performance 2016 | 201-2 Financial implications and other risks and opportunities due to climate change | Operational Excellence Unit, p. 29 | | | |
| | 201-3 Defined benefit plan obligations and other retirement plans | Remuneration and Benefits, p. 44 Our Efforts to Improve Employee Welfare, p.47 | | | |
| | 201-4 Financial assistance received from government | No financial assistance has been received from the government. | | | |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | Our Projects, p. 72-75 | | | |
| | 203-2 Significant indirect economic impacts | Our Projects, p. 72-75 | | | |



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| GRI STANDARD/ OTHER SOURCE | DISCLOSURE | LOCATION AND/OR DIRECT ANSWERS | OMISSION | | |
|---|--|--|---------------------------|--------|-------------|
| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| Corporate Culture and Governance | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Corporate Culture and Governance, p. 63 | | | |
| Diversity, Equality, and Inclusion | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Diversity, Equality, and Inclusion, p. 43 Advancing Gender Equality Leading the Way, p. 5 Our Social Strategy, p. 44 | | | |
| | 405-1 Diversity of governance bodies and employees | Human Resources p. 43 | | | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-2 Ratio of basic salary and remuneration of women to men | **GRI Content Index:** The "Equal pay for equal work" approach is adopted. Since there is no gender-based wage discrimination, this ratio is 1. The Korn Ferry Hay Group compensation system is utilized. | | | |
| Employee Rights, Occupational Health and Safety and Training | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Working Conditions and Human Rights, p. 41-42 | | | |
| GRI 206: Anti-competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | There are no lawsuits related to anti-competitive behavior, collusion, or monopolistic activities during the reporting period. | | | |
| | 401-1 New employee hires and employee turnover | Working Conditions and Human Rights, p. 41-42 | | | |
| GRI 401: Employment 2016 | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Working Conditions and Human Rights, p. 41-42 | | | |
| | 401-3 Parental leave | Working Conditions and Human Rights, p. 41-42 | | | |
| GRI 402: Labor/Management Relations 2016 | 402-1 Minimum notice periods regarding operational changes | Working Conditions and Human Rights, p. 41-42 | | | |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | Occupational Health and Safety, p. 52-53 Indicators, p. 77 | | | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Occupational Health and Safety, p. 53-54 | | | |
| | 403-3 Occupational health services | Occupational Health and Safety, p. 54 | | | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Occupational Health and Safety, p. 54 | | | |
| | 403-5 Worker training on occupational health and safety | Occupational Health and Safety, p. 54 Indicators, p. 77 | | | |
| | 403-6 Promotion of worker health | Occupational Health and Safety, p. 52-54 | | | |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Occupational Health and Safety, p. 54 | | | |
| | 403-8 Workers covered by an occupational health and safety management system | Occupational Health and Safety, p. 54 | | | |
| | 403-9 Work-related injuries | Occupational Health and Safety, p. 53 Indicators, p. 77 | | | |
| | 403-10 Work-related ill health | Occupational Health and Safety, p. 54 Indicators, p. 77 | | | There are no diagnoses of occupational diseases. |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | Training and Development, p. 48-51 Indicators, p. 77 and 79 | | | |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | Training and Development, p. 49-50 OHS Training, p. 77 | | | |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | Training and Development, p. 51 Indicators, p. 79 | | | |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | Diversity, Equality, and Inclusion, p. 43 Advancing Gender Equality Leading the Way, p. 5 Our Social Strategy, p. 44 | | | |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | During the reporting period, there have been no violations of union rights at any suppliers known to Arkas Line. | | | |
| GRI 408: Child Labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | Arkas Line has no activities that pose a risk of child labor cases. | | | |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Working Conditions and Human Rights, p. 41 | | | |
| GRI 410: Security Practices 2016 | 410-1 Security personnel trained in human rights policies or procedures | Training and Development, p. 50 Occupational Health and Safety, p. 53 | | | |
| Corruption and Bribery | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| | 205-1 Operations assessed for risks related to corruption | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| | 205-3 Confirmed incidents of corruption and actions taken | Anti-Bribery and Anti-Corruption, p. 68 | | | |
| Sustainable Supply Chain Management | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Sustainable Supply Chain Management, p. 31-34 | | | |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | Sustainable Supply Chain Management, p. 31-34 | | | |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | Sustainable Supply Chain Management, p. 33 | | | |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | Sustainable Supply Chain Management, p. 32 | | | |
| | 414-2 Negative social impacts in the supply chain and actions taken | Sustainable Supply Chain Management, p. 31-32 | | | |



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| | | | REQUIREMENT(S) OMITTED | REASON | EXPLANATION |
| Operational Risk Management | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Operational Risk Management, p. 65-67 | | | |
| Innovation | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Operational Risk Management, p. 65 | | | |
| Social Dialogue and Cooperation | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Social Dialogue and Corporate Citizenship, p. 55-60 | | | |
| GRI 411: Rights of Indigenous Peoples 2016 | 411-1 Incidents of violations involving rights of indigenous peoples | Arkas Line has no activities that pose a risk of violations concerning the rights of indigenous peoples. | | | |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | Social Dialogue and Corporate Citizenship, p. 55-57 | | | |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | Arkas Line's services to customers do not have any impact on health and safety. | | | |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | Arkas Line has no cases of non-compliance related to the health and safety impacts of its products and services. | | | |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Arkas Line has no substantiated complaints regarding violations of customer privacy or loss of customer data. | | | |



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For more information about this Report and Arkas Line Sustainability activities, please contact the Sustainability Directorate, sustainability@arkasline.com.tr.

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