



Turkon Line

Sustainability Report





TURKON
LINE

*Sustainability
Report*

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Our first report was prepared with the aim of leaving a better planet for future generations and acting with awareness of our environmental, social, and governance responsibilities and was published on January 3, 2025. This report covers the activities conducted at our headquarters in Türkiye, regional offices, and field operations and evaluates the sustainability performance of our company for the period from January 1 to December 31, 2023. We aim to publish our Sustainability Report, prepared in accordance with GRI Standards, on a regular annual basis and continuously enhance it in line with the relationships we have built with our stakeholders and our sustainability values. For any questions or feedback regarding our Sustainability Report, please feel free to contact our Corporate Sustainability Department at corporatesustainability@turkon.com.

About the Report

Message from the CEO

We work with determination for a cleaner and more livable world through environmentally conscious, innovative, and impactful solutions.

Dear Stakeholders,

2023 was a year in which we questioned our limits and realized the importance of solidarity once again. This challenging period has been full of global supply chain issues, geopolitical uncertainties, climate crises and economic volatility, testing the resilience of not only companies but also individuals and communities. The wars in our neighboring geography and the earthquake disaster centered in Kahramanmaraş that devastated our country left unforgettable and painful scars on all of us. However, the spirit of solidarity and cooperation that we as a nation displayed in dark times heralded the dawn. At the same time, this year, in which we celebrate the 100th anniversary of our Republic, has been instrumental in renewing our faith in the future.

I am proud to share our first Sustainability Report with our stakeholders, which is a reflection of our commitment to the future, the concrete steps we have taken, and the process we have shaped through innovation.

At Turkon Line, we do not only see sustainability as a company strategy. We also embrace it as a responsibility and a way of life. We strive for a cleaner and more livable world with environmentally sensitive, innovative and effective solutions.

We have made significant progress towards becoming a sustainable brand in global maritime transportation. Our effectiveness in global trade is increased by our modern vessels, which have the shortest transit time to carry products from Türkiye to the East

Coast of the US, and our service approach, which offers flexible and fast solutions to our customers. At the same time, we are strengthening our fleet with environmentally friendly technologies and innovative solutions to make our operations more sustainable. Equipped with environmentally friendly fuel alternatives, our next-generation vessels will reduce fuel consumption and increase our capacity by 50%, allowing us to carry more cargo with less environmental impact. We believe that our "eco-ship" vessels, which can operate with five different fuel types, will make a significant contribution to our sustainability journey in the maritime sector. Thus, we aim to minimize the carbon footprint of our operations.

Our inclusion in the Turquality Brand Support Program has enabled us to strengthen our corporate structure, improve our digital infrastructure, optimize our processes, and make new investments. With this program, we have restructured our processes in line with international norms and determined our long-term growth strategies to increase our competitive advantage in the global market.

At Turkon Line, we prioritize our social and governance responsibilities. We fight against discrimination by providing our employees with an equal and fair working environment, and we organize comprehensive training and awareness raising activities to support occupational health and safety. We aim to guide the personal development journeys of our employees with Turkon Academy and contribute to their development by providing the training they need in professional and technical subjects.

Today, we know that sustainability is not just a choice, but a necessity for the future. At Turkon Line, we develop our relationships with our stakeholders in line with our ethical principles and, with this vision, make the concept of sustainability one of the cornerstones of our business. I sincerely believe that we will reach a brighter future by magnifying the impact of the steps we take together in this long journey.

Sustainability will continue to be our fundamental guide in our efforts to shape the future of maritime transportation. 2023 has been a period in which we reinforced our determination to fulfill our environmental and social responsibilities. In this process, I would like to sincerely thank all my colleagues and stakeholders for their support and contributions. Together, we will continue to move forward by further strengthening our efforts for a sustainable future.

Alkın Kalkavan
CEO

Alkın Kalkavan

CEO

Company Profile



Company Profile

Turkon Line at a Glance

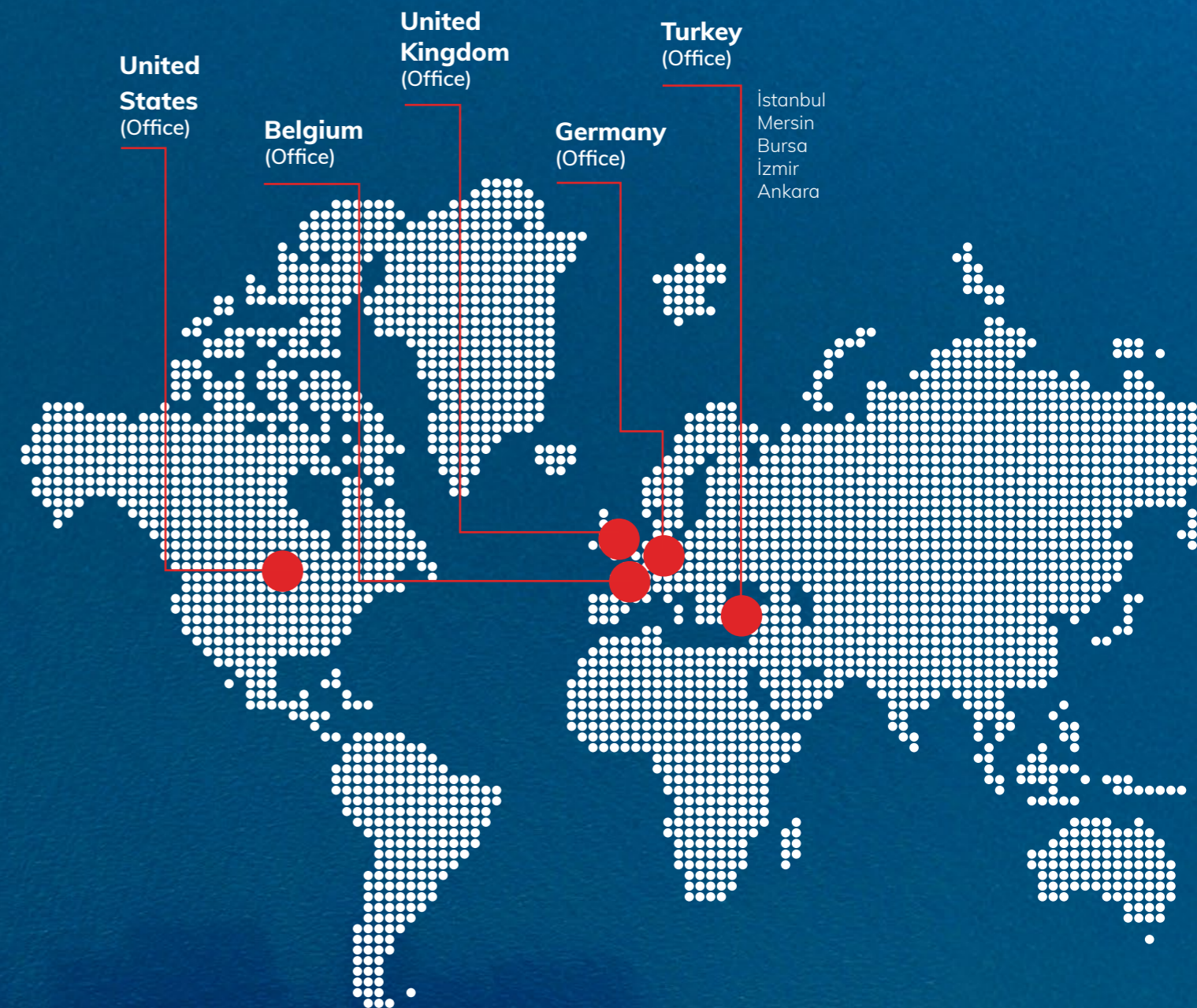
Established in 1997 by the Kalkavan Family with 100% domestic capital, Turkon Line is one of the leading brands in the sector, providing container transportation services across the Americas, Europe, the Mediterranean, and the Black Sea regions. Our company's headquarters are located in Üsküdar, İstanbul, with operations in Türkiye in the cities of İstanbul, Mersin, Bursa, İzmir, and Ankara. Internationally, we serve customers through our offices in the United States, Germany, Belgium, and the United Kingdom. Additionally, we operate with 19 agents and 30 agency offices across 26 countries, offering container transportation services to a total of 42 ports on four continents, ensuring access to various regions worldwide.

Container transportation is our company's core line of business, ensuring uninterrupted trade flow through our services. We stand out by delivering goods from Türkiye to the U.S. East Coast with the shortest transit times in the industry. Additionally, we are among the market leaders on other key routes, such as the Eastern Mediterranean and U.S. East Coast services. In export transportation, priority product groups include chemicals, household appliances, electronics, tobacco, paper, and textiles. Key products include automotive goods, cotton, paper, and chemicals for import transportation.

At Turkon Line, our goal is to establish an innovative and leading position in the global container transportation industry, consistently delivering reliable, high-quality services to our

customers. To achieve this, we adopt a dynamic management approach, invest in technology, and continuously improve our operations while striving to develop tailored solutions for each customer's unique needs. Our mission extends beyond providing container transportation services—we aim to create value within our customers' supply chain processes and offer value-added logistics services, positioning ourselves as a strategic business partner.

-  **4** continents
-  **26** countries
-  **19** agents
-  **30** agency offices
-  **42** ports



Milestones



2021

- Turquality Brand Support

2019

- Turkon Line Ankara

2015

- Turkon Ukraine & Romania Service (TUR)

2007

- Turkon Belgium

2004

- C-TPAT

1997

- Turkon Line was founded by members of the Kalkavan Family (Istanbul, Izmir and Mersin)
- Turkon MED & USA Service (USM)
- Turkon France & Spain Service (ASA)
- Turkon Italy Service (ITE)

1998

- Turkon America Country Directorate
- Turkon Egypt & Lebanon Service (TEL)

2000

- Turkon Line Bursa

2002

- Turkon UK
- Turkon Germany
- Turkon Northern Europe Service (NWC)



Our Business Model

**At Turkon Line,
we operate with a
customer-oriented
and sustainable
business model.**



Customer-oriented Solutions

We offer our customers different flexible solutions for their needs.



Extensive Service Network

Together with our global business partnerships, we offer container transportation services with 19 agencies and 30 agency offices in 26 countries.



Speed and Efficiency

We contribute to our customers' supply chain processes with fast, reliable, and on-time delivery.



Technology-Innovation

We offer our customers the latest and most effective solutions by integrating technology into our business processes.



Environmentally Responsible and Sustainable Business Principles

With our eco-friendly vision of transportation, we prioritize protecting the ecological balance of the seas.



Quality and Trust

In line with our quality standards, we set high standards in information security, environmental management, occupational health and safety, and customer satisfaction.

ibility

ustainability



*Turkon Line
Sustainability
Approach*

Our Sustainability Strategy

Our sustainability strategy is built on integrating sustainable business practices into our operations with the goal of leaving a better planet for future generations. We are aware of our environmental, social, and governance responsibilities, and we aim to create value for our stakeholders. By managing our organization transparently, grounded in our ethical principles and sense of responsibility, we strive to make a difference through our commitment to innovation.

Our Sustainability Policy's Core Principles

At Turkon Line, we operate in the container shipping and maritime sector with an innovative and responsible approach. By balancing environmental, social, and governance (ESG) impacts, we aim to drive value-oriented transformation in our business processes. Recognizing the importance of transitioning to a circular economy, we embrace a sustainability-focused vision and continuously adapt our way of doing business to align with this commitment.

Our goal is to strengthen our corporate culture with a sustainability approach while conducting our business as a company that creates value for our stakeholders. Accordingly, we aim to develop our relationships with our customers, employees, suppliers, and other stakeholders with sustainable values and perspectives. We aim to create a sustainable impact for our stakeholders with transparent management, which we support with our business ethics and sense of responsibility. We organize our approach to our work by considering sustainability requirements.



This policy applies to all operations and employees of Turkon Line. As Turkon Line, we adopt the following principles within the scope of the sustainability policy:





Carbon Emissions and Climate Change

- We continuously monitor carbon emissions and develop innovative solutions to reduce them. We stay at the forefront of low-carbon fuels and energy efficient technologies. We contribute to the fight against climate change through the changes we implement.
- In alignment with international targets, we develop carbon reduction strategies and take concrete steps to make our operations more sustainable.



Energy Management

- We focus on enhancing energy efficiency by developing strategies to utilize renewable energy sources. To improve energy efficiency, we conduct optimization efforts and stay current with the latest innovations in this field.
- We develop our operational processes in compliance with ISO 14001 standards. Aligned with ISO 14001, we adopt strategies to reduce resource consumption, improve processes, and continuously enhance energy management systems.



Biodiversity

- Under ISO 14001, we focus on continuously improving our environmental performance by reducing waste at its source and minimizing the impact of our operations on marine life. We also develop strategies to mitigate negative effects on biodiversity.
- We support the preservation of natural habitats in coastal and marine areas.



Occupational Health and Safety

- We are committed to taking the necessary measures to ensure the safety of our employees working in hazardous areas. To prevent workplace accidents, we conduct regular training sessions and drills.
- We are fully aware of our responsibility for the health and safety of our employees. We ensure compliance with national and international occupational health and safety standards.



Employee Training and Talent Management

- We provide continuous training and development opportunities to support our employees with diverse skills and talents. By enhancing their abilities, we contribute to their career growth and development.
- We are committed to providing equal opportunities to all our employees and aim to build a sustainable, future-ready workforce through training and talent development initiatives.



Human Rights

- We are committed to respecting and promoting human rights across all our business processes. We encourage workforce diversity and prioritize fair working conditions.
- We uphold a zero-tolerance policy for forced labor and child labor.



Supply Chain Management

- We aim to establish long-term, sustainable partnerships with our suppliers to ensure a sustainable supply chain, promote fair working conditions, reduce environmental impact, and effectively meet customer demands.



Business Ethics and Legal Compliance

- We promote business practices rooted in ethical values and uphold a zero-tolerance policy for corruption and bribery. To protect our company's reputation, we remain committed to the principles of transparency and ethical conduct.
- We ensure compliance with legal regulations in all our activities.

Turkon Line prioritizes its sustainability strategy by fulfilling its environmental, social, and governance responsibilities, conducting its sustainability efforts transparently, and continuously improving its processes in line with this policy. We aim to take meaningful steps for our shared future by collaborating with stakeholders across our value chain and fulfilling our commitments.

Our Sustainability Committee

The Turkon Line Sustainability Committee was established with the CEO's approval, comprising of senior members from various business units to support the actions carried out by the Corporate Sustainability Department.

The committee collaborates with the Corporate Sustainability Department to manage Turkon Line's ESG-related activities through sub-working groups.

Corporate Sustainability Department

The Corporate Sustainability Department monitors, evaluates, and implements Turkon Line's sustainability strategies and actions. It is tasked with providing the Sustainability Committee and company employees with resources and training on sustainability when needed.

The Corporate Sustainability Department is responsible for supporting the work of the sub-working groups (Environment, Social, and Governance) under the Sustainability Committee, monitoring sustainability KPIs and targets, and preparing sustainability reports.



Goal

The purpose of the Sustainability Committee is to guide the organization's sustainability efforts related to Environmental, Social, and Governance (ESG) matters. Additionally, it collaborates with the Corporate Sustainability Department to evaluate environmental risks and opportunities that may impact the organization in various areas, supporting the development of necessary strategic steps and identifying appropriate actions.



Scope

This document covers Turkon Line's sustainability processes.

The Structure of Sustainability Committee

The Committee consists of members with the title of Turkon Line's Director and Deputy General Manager. The Corporate Sustainability Department Manager is a committee member as part of the position's duty. The Assistant General Manager of Human Resources and Corporate Sustainability chairs the committee on behalf of the CEO. The relevant roles continue their committee membership duties simultaneously throughout their terms of office. The CEO represents Turkon Line's decision-making authority at the senior level.

The Corporate Sustainability Department may include some roles from within the organization in the Committee meetings if needed.

Duties and Responsibilities of the Sustainability Committee

Evaluating sustainability policies and strategies and communicating feedback to the Corporate Sustainability Department

Supporting the relevant unit in minimizing risks identified by the Corporate Sustainability Department

Actively collaborating with the Corporate Sustainability Department in decision-making on issues such as carbon emissions and climate change to ensure compliance with environmental and legal regulations

Annually evaluating and monitoring key performance indicators (KPIs) related to sustainability

Supporting the sub-working groups of the committee in accessing appropriate resources and training, identifying development needs, and communicating them to the Corporate Sustainability Department

Assisting in integrating the understanding of sustainability into corporate culture, business processes, products, and services

Sub-Working Groups

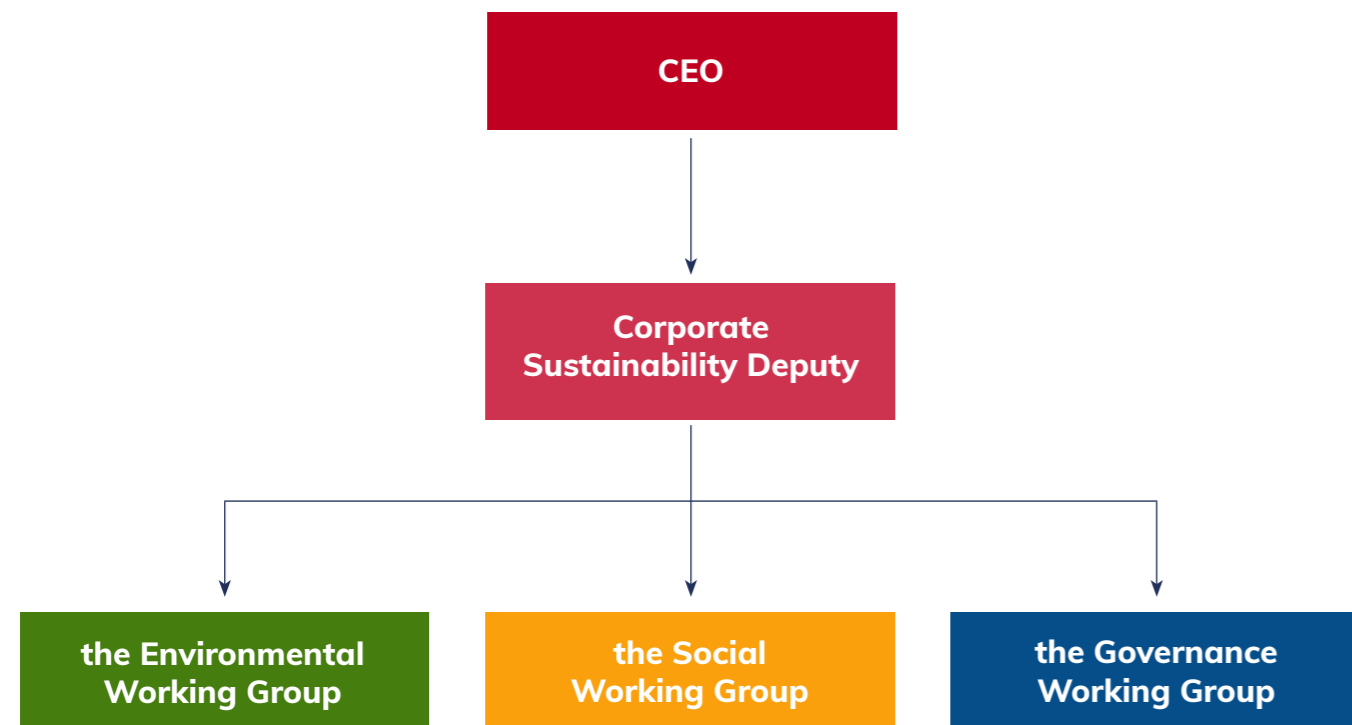
Sub-working groups have been established to support and implement sustainability activities in collaboration with the Corporate Sustainability Department. These groups consist of employees who are experts in their respective fields and possess sufficient sustainability knowledge.

At Turkon Line, there are three sub-working groups:

- the Environmental Working Group
- the Social Working Group
- the Governance Working Group

The work and projects of the sub-working groups are communicated to the Sustainability Committee by the respective team leaders and/or the Corporate Sustainability Department.

Sustainability Committee Members



In the absence of the CEO, the Deputy General Manager of Human Resources and Corporate Sustainability chairs the Committee meetings as a proxy.

Sustainability Committee Working Principles

Committee meetings are organized according to a schedule set by the Corporate Sustainability Department. The Committee meets at least twice a year, while the sub-working groups convene at least once a month under the coordination of the Corporate Sustainability Department. The Corporate Sustainability Department may adjust the meeting frequency of the sub-working groups as needed and as deemed appropriate by the Committee.

Meetings can be held with most of the Committee members present. The Committee Chair may consult with Committee Members and the Corporate Sustainability Department on the organization's sustainability strategy and

goals. In cases where decisions made during the meeting require CEO approval, the Deputy Chair communicates the actions taken to the CEO, and decisions shaping the company's sustainability strategy are submitted for the CEO's approval.

All decisions made during Committee meetings are documented in writing, including the location, date, and participants. Meeting minutes are prepared for each session. The Corporate Sustainability Department tracks the decisions made during Committee meetings. Additionally, the Committee may act without convening a meeting, provided a majority vote is reached.



Risk Management

As Turkon Line, we consider risk management an integral pillar of our business processes, adopting an innovative and systematic approach in this field.



We aim to systematically identify and assess Turkon Line sustainability risks in environmental, social and governance areas.

This framework utilizes methods aligned with international standards for identifying and prioritizing risks.



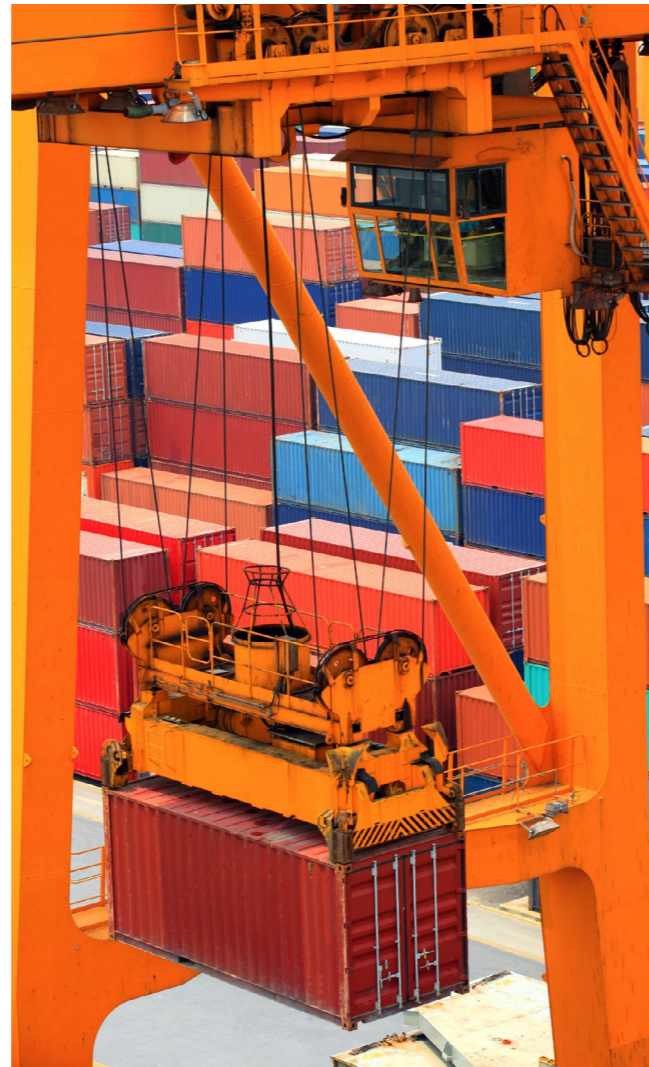
We aim to regularly review, update and test business continuity and crisis management plans.

This comprehensive approach ensures the uninterrupted continuity of our operations and enables us to provide reliable service to our customers and business partners.

We remain steadfast in upholding the principles of transparency and accountability in risk management. Our continuous monitoring and regular reporting processes enable us to assess the effectiveness of our risk management practices and swiftly implement improvement

opportunities. These processes help minimize existing risks and support a proactive approach, allowing us to identify and capitalize on potential opportunities.

In line with our 2023 objectives, we view risk management not merely as a protective mechanism but as a strategic tool that enables our company to gain a competitive edge for the future. This approach establishes a robust foundation that supports our sustainable growth goals while contributing to Turkon Line's leadership in its sector. Within this framework, we will continue to create value by adapting to our stakeholders' evolving needs and expectations.



Stakeholder Engagement

At Turkon Line, we engage with a diverse range of stakeholders, including employees, senior management, our parent company, customers, suppliers, universities, communities, trade organizations and associations, public institutions, regional offices and agencies, port operators, and customs authorities, as well as NGOs. The impact of these stakeholders on our business processes is determined in alignment with our sustainability priorities and our commitment to contributing to society.

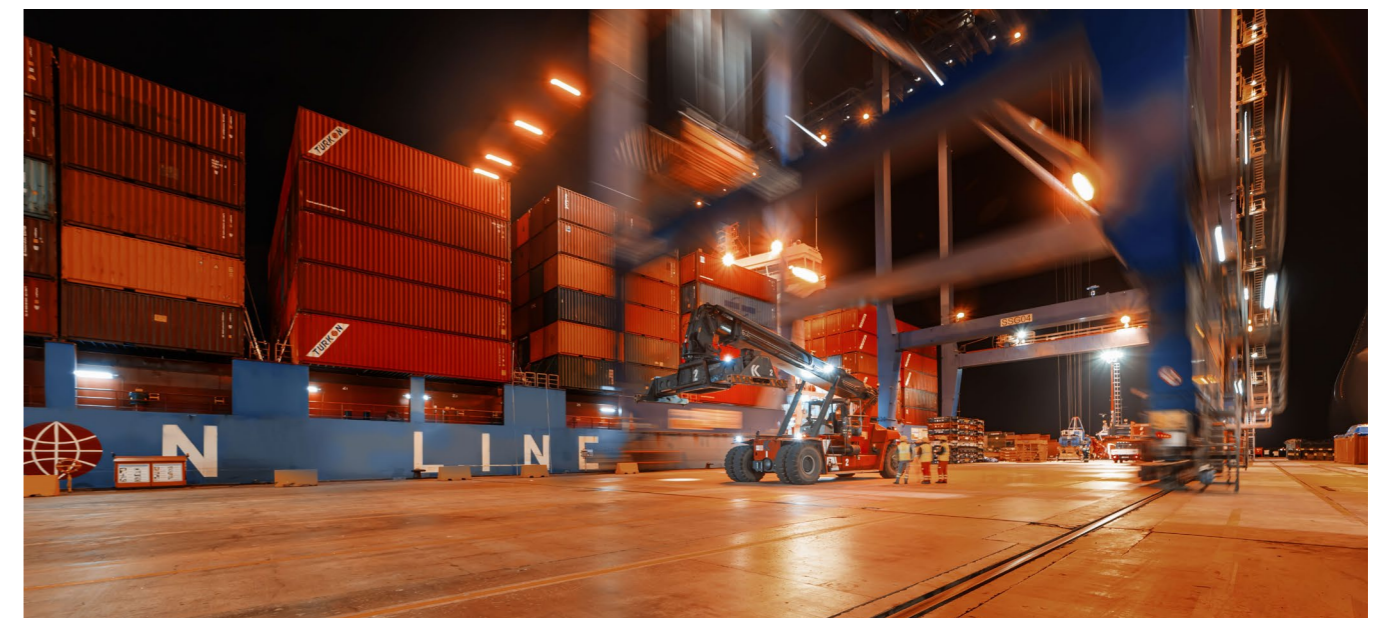
In our customer relationships, our priority is to effectively evaluate feedback on our products and services to continuously enhance customer satisfaction and service quality.



We aim to conduct regular customer satisfaction surveys and analyze the opinions of our stakeholders with the feedback we receive.

With our suppliers, we design collaborations that promote adherence to sustainability standards, focusing on mutual value creation. In our interactions with public institutions, we prioritize compliance with legal regulations, while our initiatives with local communities aim to create social impact and enhance societal benefits.

Throughout these processes, we adopt transparency and collaboration as our core principles. By employing participatory methods such as surveys and one-on-one meetings, we aim to understand stakeholder expectations and incorporate their insights into our decision-making mechanisms. This approach is critical in achieving our goal of creating sustainable value.





TURKON LINE STAKEHOLDER ENGAGEMENT TABLE		
Stakeholder Group	Stakeholder Needs and Expectations	Communication Channels
Internal Stakeholders		
Employees	<ul style="list-style-type: none"> > Occupational safety and working conditions > Fair salaries and benefits > Career development opportunities > A working environment that is respectful of human rights and being valued > Protection of personal data 	<ul style="list-style-type: none"> > Internal communication platforms (Turkon Life Portal) > Regular meetings and workshops > E-mail announcements > One-to-one communication > Social Activities
Senior Management	<ul style="list-style-type: none"> > Sustainable growth of the company > Risk management > Implementation of corporate governance principles > Ensuring Customer - Employee satisfaction 	<ul style="list-style-type: none"> > Board meetings > Strategy planning sessions > Internal reporting systems
Holding Company	<ul style="list-style-type: none"> > Financial performance and profitability > Compliance and effective corporate governance > Innovation and competitiveness > Strategic alignment and collaboration 	<ul style="list-style-type: none"> > Corporate and steering meetings > Corporate reports and bulletins > Face-to-face strategy discussions
Stakeholder Group	Stakeholder Needs and Expectations	Communication Channels
External Stakeholders		
Customers	<ul style="list-style-type: none"> > Quality and affordable service > Safety of the service and adherence to the schedule > Good customer relations > Information and data security > Environmentally friendly approach 	<ul style="list-style-type: none"> > Regular updates on ship schedules > Surveys and feedback forms > Social media channels > Announcements on the website > E-Bulletin > Peer-to-peer communication
Suppliers	<ul style="list-style-type: none"> > Fair and on-time payment > Transparent business relations > Sustainable and ethical business conduct > Full compliance with the contract content > Effective communication 	<ul style="list-style-type: none"> > Regular business meetings > E-mail communication > Supplier evaluations and meetings
Universities	<ul style="list-style-type: none"> > Employment collaborations > Training and internship opportunities 	<ul style="list-style-type: none"> > Training seminars and conferences > Internship and collaboration programs > Universities' career days

TURKON LINE STAKEHOLDER ENGAGEMENT TABLE		
Stakeholder Group	Stakeholder Needs and Expectations	Communication Channels
External Stakeholders		
Society	<ul style="list-style-type: none"> > Supporting local employment > Ethical and responsible corporate behavior > Positive contribution to the social sphere and the environment 	<ul style="list-style-type: none"> > Press releases > Traditional and social media
Trade Organizations and Associations	<ul style="list-style-type: none"> > Sectoral collaborations > Compliance with standards > Compliance with organizational expectations and membership requirements > Participation in organizations and events 	<ul style="list-style-type: none"> > Sectoral conferences and fairs > Membership meetings > Regular bulletins and reports
Public Institutions	<ul style="list-style-type: none"> > Compliance with legal regulations > Contribution to employment and economy > Social responsibility and compliance with environmental regulations 	<ul style="list-style-type: none"> > Official correspondence and reports > Legal and regulatory meetings > Public announcements and press releases
Regional Directorates and Agencies	<ul style="list-style-type: none"> > Expansion of market share and customer satisfaction > Compliance with regional regulations, laws, and partner policies > Strategic planning and coordinated operation > Support for customer relations 	<ul style="list-style-type: none"> > Internet communication tools > Face-to-face meetings and regional visits > Corporate reporting and e-bulletins
Port Management and Customs	<ul style="list-style-type: none"> > Fulfillment of required legal responsibilities > Complete and timely submission of documents requiring signature process > Implementation of safety and security protocols > Transparent and accurate information > Operational efficiency and on-time action 	<ul style="list-style-type: none"> > Electronic Data Interchange (EDI) and digital platforms > Face-to-face meetings and representatives > Phone and internet communications
NGOs	<ul style="list-style-type: none"> > Support for corporate social responsibility projects > Increasing environmental and social contributions > Compliance with ethical rules and regulations > Collaboration and development of joint projects 	<ul style="list-style-type: none"> > Joint working groups and meetings > Participation in events and organizations > Social media platforms and online communication > Press releases and announcements

Material Topics and Materiality Analysis

As part of Turkon Line's sustainability strategies, the materiality analysis was conducted based on sector dynamics and international sustainability frameworks. This analysis incorporated studies with stakeholder groups identified in accordance with the **AA1000SES** standard, as well as key environmental, social, and governance (ESG) frameworks such as **GRI (Global Reporting Initiative)**, the WEF (World Economic Forum) Global Risks Report, MSCI (Morgan Stanley Capital International), and SASB (Sustainability Accounting Standards Board). Stakeholder participation in the materiality process reached 71%. The sustainability project team analyzed these efforts' results and submitted them for senior management approval to define strategic priorities. This approach ensured that Turkon Line accurately identified critical sustainability topics in alignment with stakeholder expectations, positioning these material topics to serve as a guiding framework for the company's future activities.

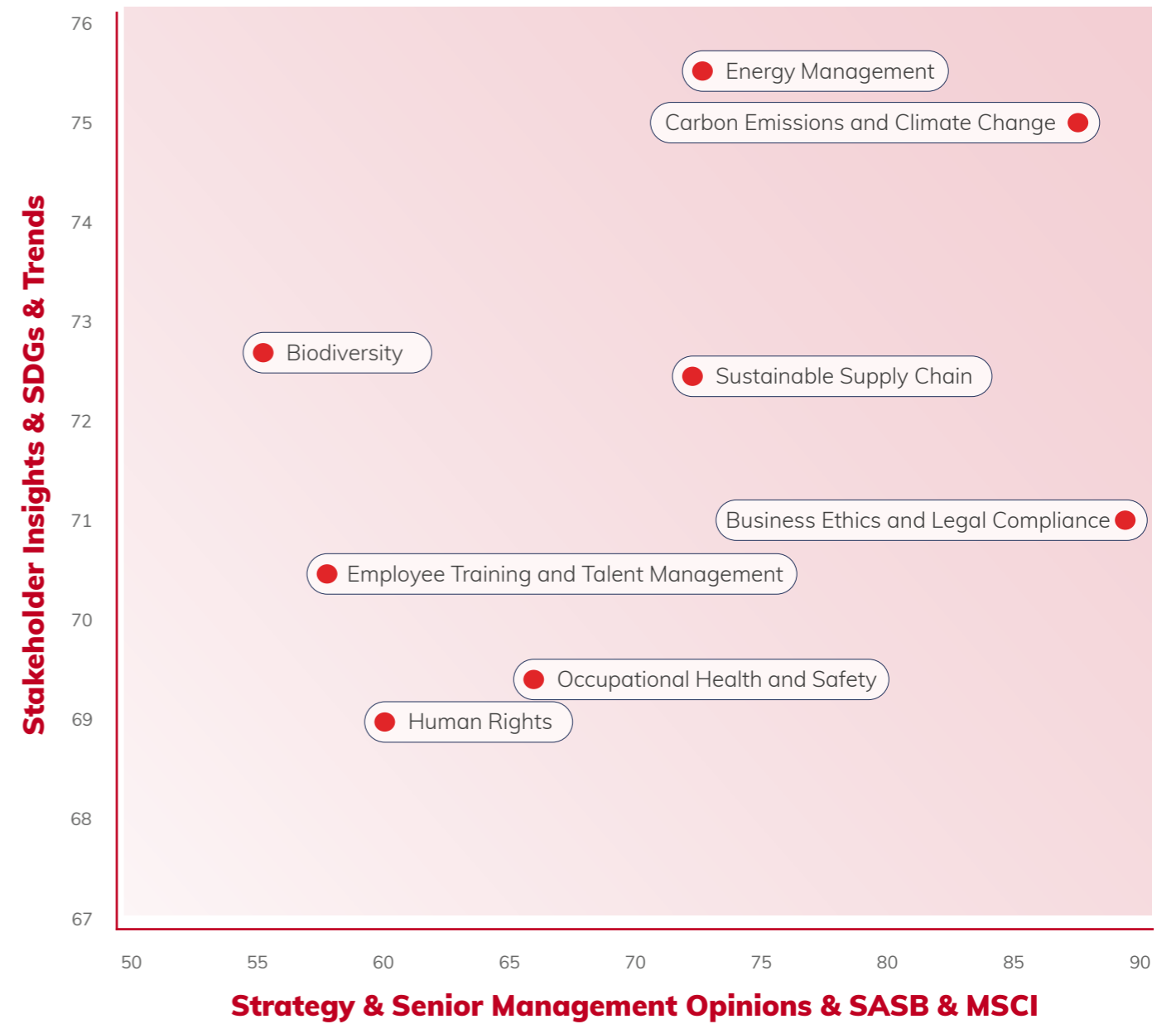


Material Topics

- Carbon Emissions and Climate Change
- Energy Management
- Biodiversity
- Occupational Health and Safety
- Employee Training and Talent Management
- Human Rights
- Sustainable Supply Chain
- Business Ethics and Legal Compliance



Materiality Matrix



Impact for the Planet



Impact for the Planet

Environmental Management and Climate Change

“ As Turkon Line family, we act with an awareness of our environmental responsibilities and aim to adopt eco-friendly practices. ”

The core principles of our environmental policy include minimizing environmental impact, offering sustainable maritime transportation solutions, contributing to pollution prevention, raising environmental awareness, and ensuring consistent compliance with legal requirements. In this context, Turkon Line strives to minimize its negative environmental impacts, particularly emissions, by leveraging environmentally friendly technologies.



We regularly monitor our performance and update our goals while training our employees to enhance environmental awareness. By adhering to the ISO 14001 Environmental Management System requirements, we focus on continuously improving our environmental management practices.

We take specific measures to minimize waste generation and use natural resources efficiently. Additionally, we develop sustainable solutions to reduce the environmental impact of maritime transportation and take steps aligned with international protocols to protect marine ecosystems. At the same time, we remain committed to improving waste management and environmental performance, actively involving our suppliers in this process.

We place great importance on critical issues such as the climate crisis, biodiversity, and ecosystem protection, regularly organizing training programs to enhance our employees' knowledge and awareness in these areas. We aim to foster broader participation and awareness by effectively communicating our environmental commitments to internal and external stakeholders.



As Turkon Line, we remain steadfast in strengthening our environmental commitment and work diligently toward leaving a more sustainable world for future generations.

Energy Management

At Turkon Line, we prioritize energy management across our areas of operation. By optimizing vessel speeds, we reduce fuel consumption and enhance efficiency through regular maintenance. We achieve fuel savings by applying specialized coatings to vessel surfaces and continuously monitoring fuel consumption via sensors as a precautionary measure. We also fulfill our environmental responsibilities by opting for eco-friendly alternatives, such as low-sulfur fuels. Generators on our vessels undergo regular maintenance, and Emergency Generator Tests are conducted every 7 days to ensure operational reliability.



With the introduction of new Reefer containers, fuel consumption is being reduced, and our environmental impact is minimized.

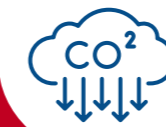
We aim to increase our fleet capacity by 50% with newly designed vessels capable of operating on eco-friendly fuels. Built in Türkiye, these ships will be among the first to operate on 5 different fuel types and will offer greater cargo-carrying capacity with lower fuel consumption.



We aim to reduce our energy consumption through energy efficiency projects.



At Turkon Line, our investments in energy efficiency enable us to reduce both greenhouse gas emissions and operational costs.



Within the next five years, we aim to complete the evaluation of alternative fuels and reduce our fuel-related carbon emissions.

As in our areas of operation, we implement energy efficiency projects in our offices to reduce energy consumption and minimize environmental impact. Our heating and cooling systems undergo regular maintenance to prevent energy waste, and systems are programmed to shut down automatically at specific times to enhance energy efficiency. Generators are regularly maintained to ensure they activate immediately during power outages. Additionally, we raise awareness among our employees to prevent unnecessary energy use, contributing to a reduction in our carbon footprint.

Emission Management

At Turkon Line, we act with full awareness of our environmental responsibilities and prioritize emissions management in line with our sustainability vision. We take various measures to control emissions generated during our operations and minimize our negative environmental impact. In this context, we adopt a meticulous management approach focused on conserving natural resources, reducing air pollution, and ensuring full compliance with legal regulations.



We aim to calculate the emissions associated with air pollutant particles and report them regularly every year.

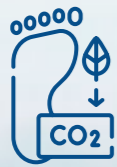
In line with our mission to protect nature and the future, we remain committed to continuous improvement in emissions management through our dedicated efforts.



We prioritize emissions management in our maritime operations as well. Emissions generated from processes such as fuel consumption and oil usage in ship engines are managed in compliance with national and international environmental regulations.

These goals will enable us to closely monitor our environmental impacts and support our improvement efforts with concrete data.

To enhance our environmental awareness and manage emissions more effectively, we regularly provide environmental awareness training to our employees. These training sessions focus on waste management, energy efficiency, and emissions control, aiming to ensure that our employees adopt environmentally conscious practices.



We aim to complete the carbon footprint calculations for 2023 and ensure they are conducted regularly every year.

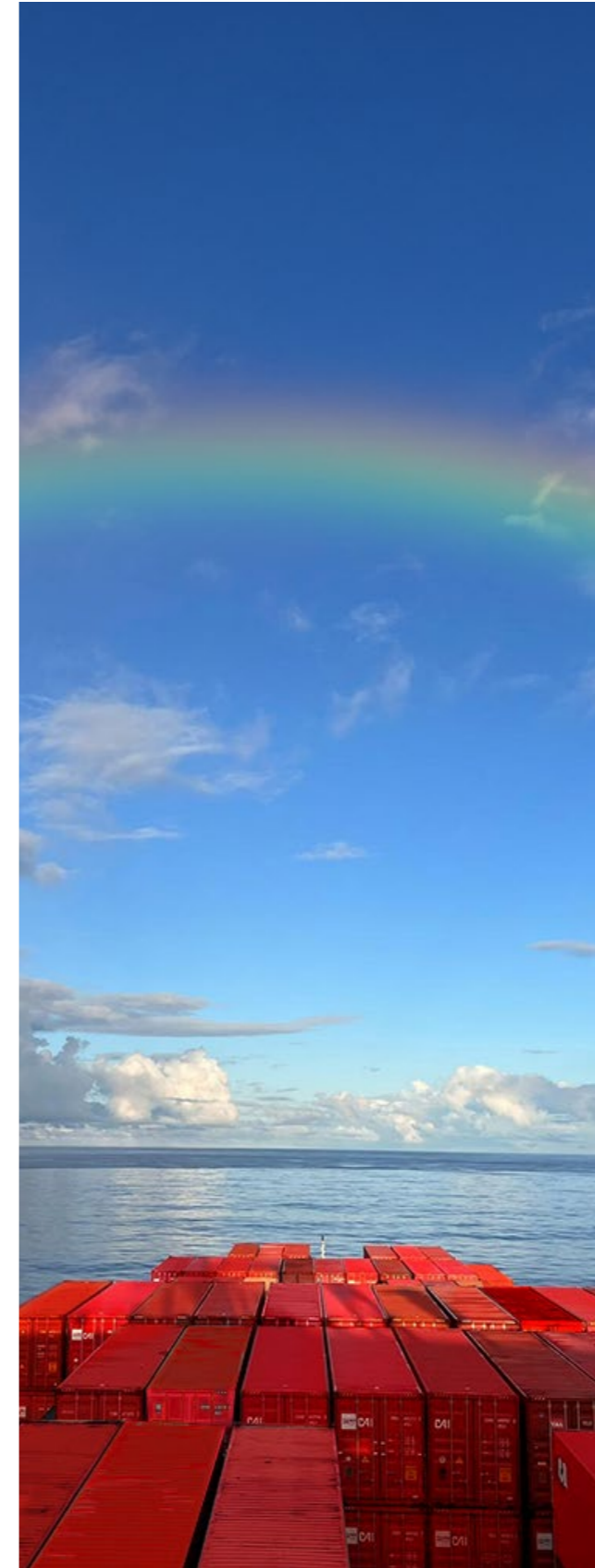
Waste Management

Turkon Line implements an integrated waste management policy in line with the Zero Waste Regulation, ISO 14001 Environmental Management System, and other international standards, as well as national and international legal requirements, agreements, and protocols. In our offices, waste is separately collected and delivered to licensed facilities or municipalities for recycling. Additionally, waste generated from services provided by our suppliers is managed according to the same standards.

Full compliance with the ISO 14001 Environmental Management System is a cornerstone of Turkon Line's environmental management strategies. Digital management systems like QDMS play a key role in continuously monitoring and improving our

processes, as well as evaluating performance. Our processes are planned, reviewed, and continuously improved with a strong focus on environmental compliance. To support this, we provide regular awareness training to our employees to enhance environmental consciousness in line with our sustainability policies.

In this process, the safe storage of both hazardous and non-hazardous waste and compliance with legal requirements remains one of our top priorities. The Innovation and Management Systems Directorate is responsible for documenting environmental and waste management processes, monitoring performance, and implementing corrective actions.



“ During our vessel operations, plastic, domestic waste, food scraps, and waste oils are managed in collaboration with relevant ports and suppliers. The discharge of bilge water and sewage is carried out in compliance with regulations. ”



Measures are taken to limit fuel or hazardous material spills through emergency action plans under the **MARPOL Convention**.

Water Management



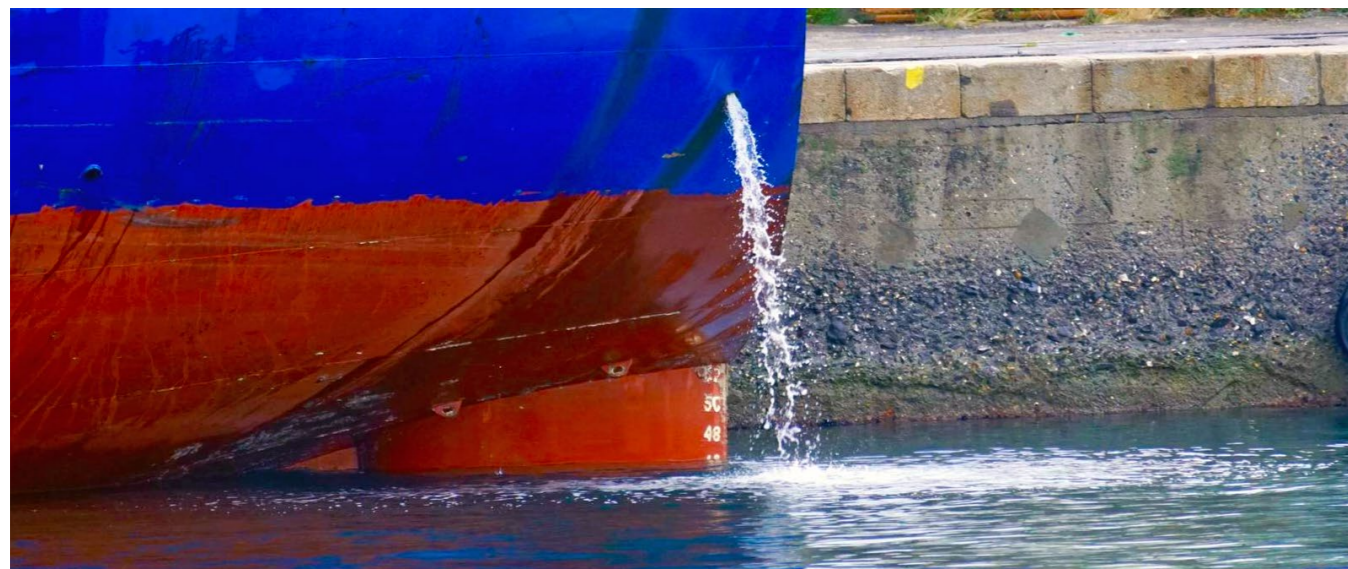
At Turkon Line, we prioritize water and wastewater management with great sensitivity, analyzing and maintaining strict controls over the environmental impacts of our operations to ensure ongoing compliance. In line with our environmental responsibilities, we operate conscientiously to protect marine ecosystems while upholding the highest water and wastewater management standards.

On our vessels, the evaporation method is used to treat seawater and produce potable water. All water discharges are continuously monitored through sensors to detect and control any potential leaks. Water management extends beyond potable water supply, with significant emphasis placed on environmental sensitivity in ballast water management.



Water consumption and wastewater management are monitored and reported monthly during vessel operations. Additionally, to enhance environmental awareness, Ballast Water¹ Management Training is conducted every 30 days for our personnel.

In our operational areas, reducing water consumption, effectively managing wastewater, and preventing environmental impacts remain among our top priorities.



¹Ballast water is seawater stored by ships during loading and unloading operations to maintain stability. Discharging this water in a different region can introduce organisms into new ecosystems, potentially leading to the spread of invasive species. To prevent this, ballast water management is conducted in compliance with regulations such as the International Maritime Organization's (IMO) Ballast Water Management Convention.

Biodiversity

At Turkon Line, we consider the preservation of species and biodiversity a fundamental responsibility for the sustainability of our planet. To prevent ecosystem degradation, we identify risks that arises from our operations and implement the necessary preventive measures. Protecting biodiversity remains a core focus, particularly in our areas of operation.



We aim to regularly evaluate our ballast water management practices to manage our environmental impact.

Through these efforts, we maintain our commitment to minimizing potential effects on marine ecosystems and ensuring sustainable maritime transportation.




On our America route, we enforce a speed limit of 10 knots during whale season to help preserve the natural habitat of whales. This measure is designed to minimize injuries to whales and reduce the adverse effects of underwater noise, contributing to the protection of endangered whale species.



The number of accidental spills is zero. We aim to ensure the continuity of this.

This not only reflects our commitment to operational excellence but also underscores our strong dedication to protecting the environment and ecosystems.



Impact for Society

Impact for Society

Our Employees

By prioritizing loyalty, we offer our employees opportunities that will contribute to their development, considering best practices in line with the dynamics of our sector.

Our human resources policy has a fair and inclusive structure, and our workforce is managed in a balanced manner according to gender, region, and job type. Our company's workforce management strategy is based on the principle of determining the working conditions of employees according to their legal rights and the nature of their work.



Men



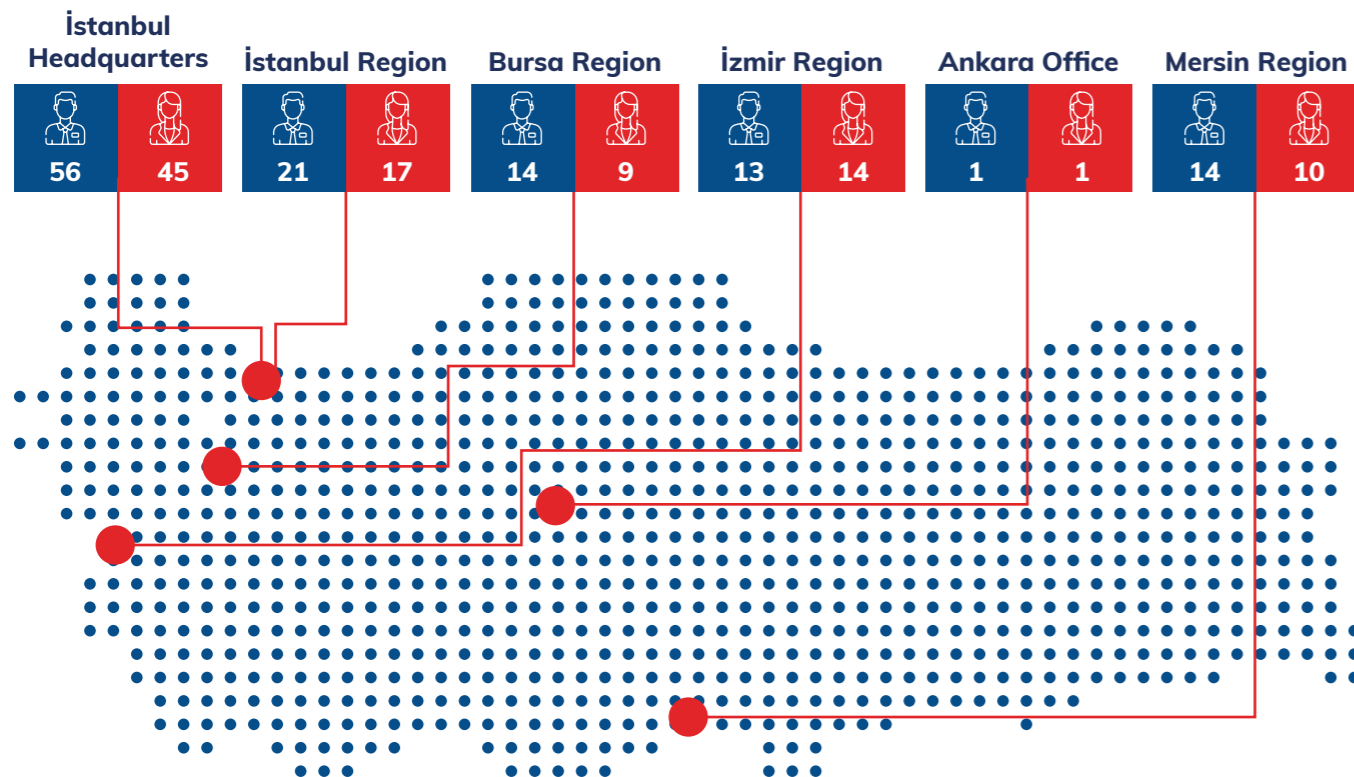
Women

Total
215

119

96

Employment Rates of Women and Men by Region



Remuneration Policy

Our company's remuneration policy is built on a fair and transparent structure. In determining the remuneration of our employees, factors such as the competencies, duties, and the responsibilities required by the position, the level of knowledge and skills related to the activity, and the risk levels related to the position are considered.

This approach ensures that our remuneration system is fair and that employees are remunerated in proportion to their duties and responsibilities. In addition, our company updates its remuneration policies every year by factoring in market trends, inflation rates, and sectoral research to ensure that employees' salaries remain in line with market conditions.

In this way, it is ensured that our employees have a wage structure that is balanced with both their performance within the company and external market dynamics. Thus, efforts are made to increase the motivation and loyalty of our employees.

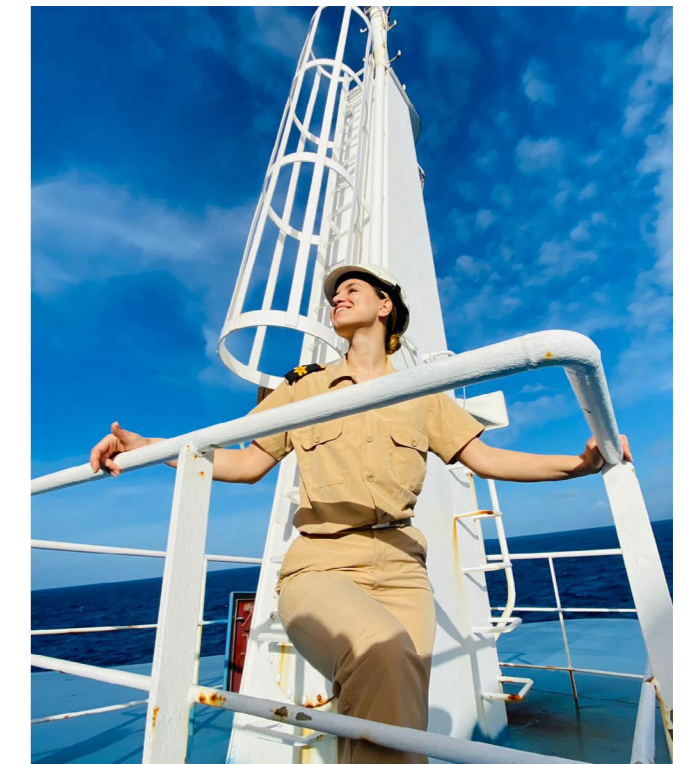
Our company attaches great importance to the principle of gender equality. Wage equality between men and women employees is applied in accordance with the wage management system policy and without gender discrimination. We aim to support this policy with more comprehensive strategies in the coming years.

Benefits

Our employees benefit from a variable wage system if the company's annual profitability target is achieved. In addition, regional employees are provided with meal vouchers.

As Turkon Line, we care about improving the quality of life of our employees and accordingly, we provide private health insurance for our employees. We offer free health check-ups from contracted health institutions once a year for all our employees. In addition, we offer free dietitian services to all our employees.

We offer meals and shuttle service to our employees at our headquarters. With our additional benefit packages, we offer advantages such as company vehicles, fuel support, and corporate phone lines. At our regional locations, we offer meals with a meal card and provide transportation support to our employees.



We support the leadership development of our employees through university collaborations, enabling them to participate in Management Development Programs and granting educational leave to employees pursuing their master's degrees.

Talent Management

At Turkon Line, we attach great importance to developing the talents of our employees and preparing them for the future. With our talent management strategy, we offer a comprehensive career infrastructure to maximize the potential of our employees. With vertical and horizontal career paths specific to each role, we enable our talented employees to excel in different positions. Through our performance management system, we provide training to our employees so that each employee can further develop strengths and receive support in necessary areas.



We aim to increase the hours of training provided to employees.

In addition, we meet with our department managers every year to work together on succession maps for positions and continuously update our planning. After identifying suitable candidates for the internal selection of managers and above, we expect our employees to make a presentation to a committee of relevant managers. We ensure their transition to the next higher role based on the results of the assessment center and the evaluations of the committee members. After their transition to the relevant role, we support their adaptation to managerial roles by providing coaching support.

Employee Engagement and Satisfaction

As Turkon Line, we see increasing the engagement and satisfaction of our employees as one of our main goals. Within the scope of employee engagement, we regularly conduct **Employee Opinion Surveys and Pulse Surveys** to obtain the current and future views of our employees on internal practices and activities. Thus, we take the necessary actions by identifying the development areas that emerge from the surveys.

In 2023,



Overall Satisfaction



Employee Engagement



We intend to organise events to improve employee satisfaction and measure employee loyalty through regular surveys.

Training and Development

Within the scope of Turkon Academy, we support the continuous development of our employees by offering programs to improve their personal development and professional and technical competencies. With our internal training program **Bir de Benden Dinle (Hear It From Me)**, special content specific to the company's field of activity is developed and presented to our employees. In addition, we include our newly appointed managers in the **My Leadership Journey** program and support them with coaching in this process.





There are three main faculties within Turkon Academy: **the Leadership, Sales and Development faculties.** Every year, different programs are organized for all our employees within the scope of these faculties which contribute to their professional development.

In addition, with our internal training program called **Bir de Benden Dinle (Hear It From Me)**, designed for our newly recruited employees and employees in specialty groups, our company-specific training programs are offered to improve the professional and technical competencies of our employees.

Programs for Talent Acquisition

As Turkon Line, we implement the **"Future Team"** long-term internship program, which is a program that enables our entry positions to learn the existing culture of our company and then perform as expected when they start real-time business life. We provide a real work experience environment for students who are in their 3rd or 4th year of university or who are continuing their master's degree program and prepare them for the real business world. We provide tours of ships and ports, comprehensive orientation programs, career programs, and personal development programs by recruiting students who pass the specified evaluation criteria. While our interns within the scope of the program receive mentoring support from experienced professionals in our company, they also have the opportunity to improve themselves and become a part of our company's staff in the future. In this way, we both train our potential future employees and bring a young and dynamic talent pool to our workforce.



We aim to ensure internal talent development through a management development program for key positions.

This strategic approach supports our future leaders and contributes to the sustainable growth of our company.

Target- and Competency-Based Performance Management System

Turkon Line's Performance Management System is positioned as an important tool in the process of realizing the company's strategic goals and vision. With this system, we aim to increase the competitiveness of our company in the sector and make our achievements sustainable by aligning the individual performances of our employees with company goals.

The Performance Management System ensures that individual goals are set in line with Turkon Line's overall strategic plan and that these goals are created according to SMART principles. With the **Balanced Scorecard** approach, performance management is handled under four main headings: finance, customer, process, and learning-development. In this context, Turkon Line monitors performance indicators in key areas such as revenue growth, customer satisfaction, operational efficiency, and employee competency development. The Performance Management System is integrated with Turkon Line's strategic management processes and is seen as a critical element for the company to maintain and improve its competitive advantage. In the target distribution process, under the guidance of the Strategic Planning Team, targets are communicated to all employees, starting from senior management to lower levels, and the realization of these targets is ensured.



At Turkon Line, the performance management process is coordinated by the Human Resources Department. The Performance Management process consists of goal setting, monitoring, and evaluation stages in partnership with department managers and provides a fair and objective evaluation by focusing not only on the business results of employees, but also on how they achieve these results.

The individual target cards of our employees are created in line with inputs such as the company's annual budget, strategic business plans, and the KPI pool. In addition to individual performance, employees' ways of doing business, competencies, and behaviors also play an important role in performance evaluation. This process involves continuous monitoring of employee development and providing immediate feedback when necessary. Performance evaluations are made between employees and managers at interim and year-end evaluation meetings, the reasons for variances are investigated, and development plans are prepared.



Occupational Health and Safety

At Turkon Line, we consider it a fundamental responsibility to ensure the health, safety, and well-being of our employees. Our Occupational Health and Safety (OHS) principles have been established in accordance with international standards and legal regulations and integrated into our business processes. In line with this policy, we offer our employees a healthy and safe working environment.



Our OHS Policy

We shape our processes with the aim of minimizing all kinds of risks in accordance with the risk management activities that we consider to be the basis of our OHS policy. In line with these efforts, we integrate needs such as training, emergency, and personal protective equipment throughout the company into our processes.

Legal compliance processes are monitored daily by our Legal Department within the framework of the “**Legal Compliance Monitoring Procedure**”, and any changes in legislation are quickly reported to the relevant units. This system, which is reviewed at least twice a year, ensures the continuity of our OHS policy and allows the system to be revised in line with current legal requirements.



We aim to maintain uninterrupted operations at all ports by ensuring full legal compliance.

Operational Measures

As Turkon Line, we constantly review our occupational health and safety measures, prioritizing the safety of our employees and taking the necessary measures in our daily operations. To prevent occupational accidents, we regularly check our equipment, conduct frequent inspections in the fields, and make improvements wherever we deem necessary. We provide our employees with personal protective equipment (PPE) and train them on their proper use, maximizing our occupational safety standards. In addition, we make sure that machinery and work equipment are regularly checked and maintained by authorized companies.



By conducting occupational health and safety (OHS) risk assessments, we aim to ensure a healthy and safe working environment both at sea and on land.

Within the framework of comprehensive emergency management, which is vital for our operations in the field, Emergency Action Plans (such as the one prepared for our Leyla Kalkavan vessel) have been specially designed to ensure readiness against various emergencies such as collisions, fires, explosions and man overboard. The units in this plan, such as firefighting and rescue teams, are organized to respond quickly and effectively to possible emergencies. We ensure that safety is maintained at the operational level by training our employees through various drills such as fire drills, lifeboat instructions, and rescue from confined spaces, which are regularly conducted on board the vessels.



Our lost-time injury rate is zero, and we aim to maintain this record.



Our fatality and life-altering injury rate is zero, and we aim to maintain this record.

Education and Awareness

The active participation of our employees and their commitment to these processes are vital to the success of our OHS processes. Our employees directly contribute to the continuous improvement of the safety level by communicating the hazards they encounter in the workplace to OHS experts through the **OHS Hazard and Risk Reporting Form**. We ensure that our employees are aware of occupational health and safety through onboarding and basic OHS training, and their safety information is kept up-to-date through regular awareness-raising activities. In this way, we ensure that Occupational Health and Safety working principles are an important part of the operations managed by our employees.

In addition, OHS committees that meet regularly at our head office are conducted in accordance with the requirements of the Occupational Health and Safety Regulation, and the active participation of all our employees is ensured through employee representatives.

In 2023,



6
employees
received first aid training,



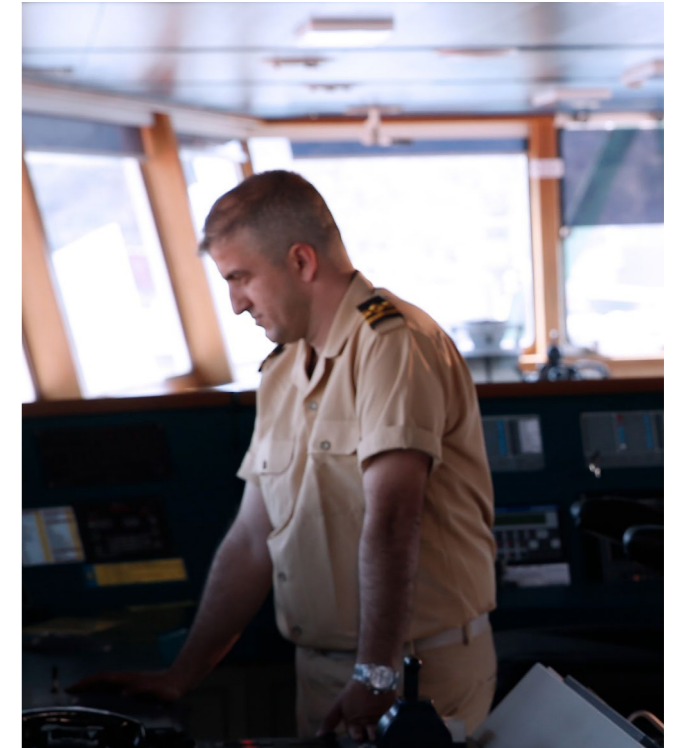
17
employees
received onboarding training,



19
employees
received basic OHS training.

In our field operations, we implement a comprehensive OHS training program that aims to maintain the highest level of safety. With this program, we prepare our employees for various emergency scenarios that may be encountered in ship operations. Thus, we aim to ensure both their safety and the safety of our operations.

The drill and test procedures that we regularly apply on our ships are fully compliant with **SOLAS** and **MARPOL** rules, and we conduct them at certain intervals and in a planned manner on each ship. Thus, it is ensured that all our employees have a clear understanding of their job descriptions and are equipped against all emergencies that may be encountered. Within the scope of our OHS training program, we cover in detail possible emergency situations such as collision, grounding, fire, and explosion, as well as rescue operations to be carried out in such emergencies.



We also focus on the actions to be taken in cases such as machinery and rudder malfunctions, unwanted reactions of dangerous cargoes, and cargo shifting. In addition to this, our training program also includes what to do in case of fire, the steps to be followed in situations requiring first aid, intervention in chemical leaks, and the critical steps in abandoning the ship.

As Turkon Line, we also implement the ISPS Training Plan in a comprehensive manner. This training is prepared to ensure international ship and port security standards and includes topics such as current security threats, recognition of hazardous materials, and recognition of the characteristics of people who may pose security threats.

Human Rights

For maritime transportation and global trade to contribute positively to society and economic development, respect for human rights in our operations and logistics services is one of our material topics at Turkon Line. Considering the expectations of all our stakeholders, we review our ethical values and take the necessary measures in our regional directorates and field operations.

At Turkon Line, we ensure equal pay and opportunity in our operations. In this context, a wage management system is implemented to eliminate wage differences between men and women employees. This system is implemented without gender discrimination based on the scale of each position and is reviewed and updated every year.



In terms of working conditions, Turkon Line has set fair and ethical standards for its suppliers. We adopt the principle of zero tolerance for forced labor, use of child labor, discrimination and indebted labor, and strict procedures are applied. We expect our suppliers to provide their employees with a safe working environment based on the same principles.



We adopt a zero-tolerance policy on child labor, forced labor, and debt bondage, and we aim to establish a hotline where ethical violations related to human rights can also be reported.

Impact for
the future



Impact for the Future

Innovation



As Turkon Line, while minimizing environmental risks in our operations, we also create innovative solutions by making efficient use of opportunities.

In this context, to comply with IMO regulations, our company has installed a Scrubber System on all its vessels, marking a first in the sector in Türkiye. With this system, we were able to reduce the sulfur emissions in the vessels not just to the legally prescribed

**0,5%, but to
0,1% on our own
initiative.**



With this innovative approach, we not only fulfilled the legal requirements, but also minimized the negative impacts on nature and brought a new perspective to an environmentally friendly transportation approach.

Innovation manifests itself not only in Turkon Line's technological infrastructure, but also in its corporate culture and ways of doing business. Accordingly, an Innovation Management System infrastructure is being created to build a culture of innovation within the company. In this respect, we participated in the "InoSuit Program", which is based on University - Private Sector collaboration. We completed the **InoSuit Preparatory Program**, which was developed to sustainably increase innovation management competence, to create innovation management infrastructure, and to design and implement corporate innovation systems in line with the goals of the organization.



We aim to establish an Innovation Management System.

Through Innovation Management System, our employees' creative solutions will directly contribute to our operations and support our sustainable business processes.

Our Investments



Turkon Line makes strategic investments in line with its goals of sustainable growth and increasing its global competitiveness. Our company takes part in the **Turquality Brand Support Program** and aims to strengthen its branding infrastructure with this program. Turquality's Brand Support Program aims to support brands in global markets and accelerates investments in target markets and activities to increase brand awareness.

Investments in Ships, Equipment and Technology



Turkon Line provides services in maritime transportation with **6 modern vessels** as its own property.

The average age of our fleet is 16 years old, and with our modern vessels, we are making a significant difference in global maritime transportation by providing direct service from Türkiye to America.



As of 2023, we have started the construction of two new vessels to increase the capacity of our fleet. These vessels will be new examples of environmentally friendly transportation due to their ability to operate with **5 different fuel types (LNG, MGO, HFO, VLSFO, ULSFO)** and will increase the capacity of our fleet by 50%. These vessels also have the capacity to carry more cargo while consuming less fuel with the **eco-ship** concept.

Turkon Line has a large fleet of containers to meet the diverse logistics needs of our customers. This diversity ensures the most efficient transportation of different cargo types. Our container types are as follows:



20' Dry Van:
Suitable for general cargo and heavy loads



40' Dry Van:
Large in volume, ideal for general cargo transportation



40' Dry Van HC:
Suitable for higher volume loads than standard containers



40' Pallet Wide HC:
Used for high volume and large pallet loads



40' Pallet Wide:
Suitable for general cargo transportation, high carrying capacity and allows the use of Liner Bag for bulk cargo transportation



45' Pallet Wide HC:

Since its length and width are longer than other 40' containers, its transportation weight and transportation volume are higher. It allows two Europallets to fit side by side



20' Open Top:

Suitable for tall loads that cannot be transported with standard 20' containers



40' Open Top:

Suitable for transportation of tall and heavy loads



40' Open Top HC:

Suitable for loads that cannot be transported with standard 40' high cube containers



40' Reefer:

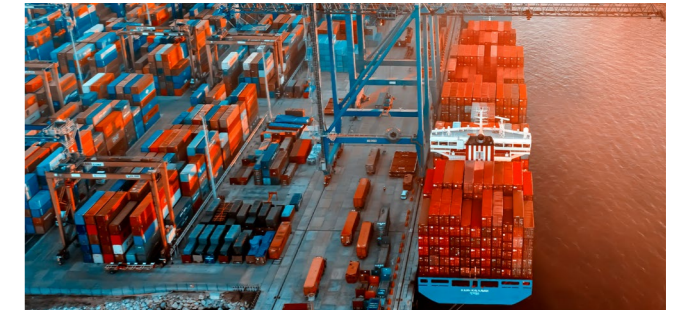
Designed for loads requiring stable temperature



40' Flat Rack:

Specially designed for heavy and long loads that can be loaded from the top and side and do not fit in standard containers

This container diversity meets the logistics demands of our customers in various sectors, making their transportation processes more efficient. In particular, we increased our refrigerated transportation capacity by adding **100 new Reefer containers** to our fleet in 2023. With this investment, we have reached the capacity to offer a wider range of services in cold chain logistics.



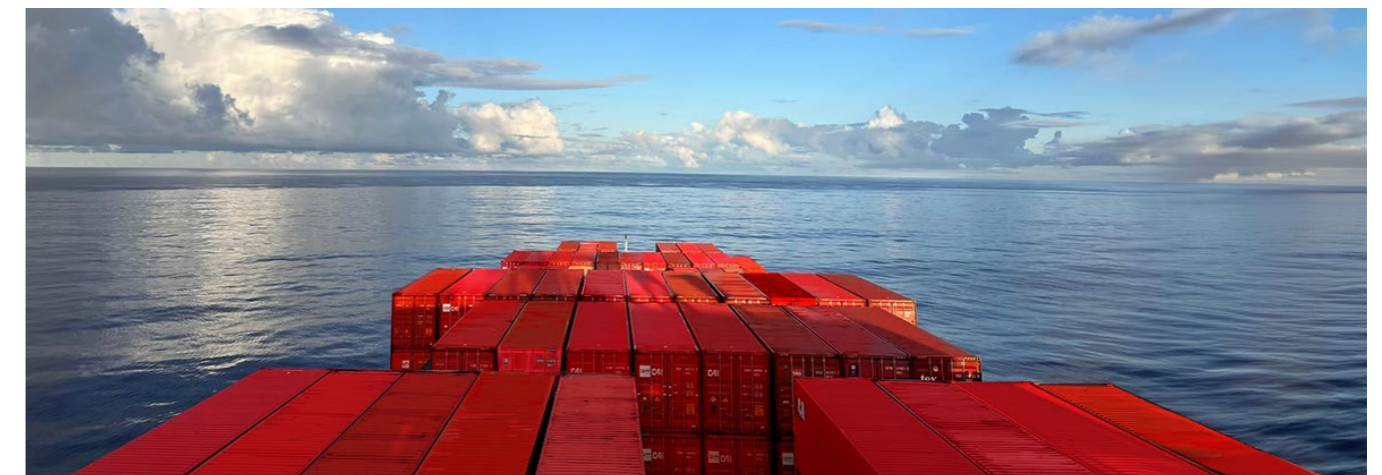
We also make significant investments in our digital infrastructure to optimize our logistics processes. We have digitalized our processes through **Electronic Data Interchange (EDI)** and similar digital platforms and integrated new technologies into our port and warehouse infrastructures. These investments increase our operational efficiency and enable us to offer faster and more flexible solutions to our customers. In addition, the online platforms that we offer allow our customers to easily monitor their operations and have taken our service quality to higher levels.

Services and Lines

Turkon Line attaches great importance to the use of local resources. We aim to add value to the sector by effectively utilizing Türkiye's local, natural, human, and economic resources in the construction of the vessels in our fleet. This approach both contributes to the national industry and reduces foreign dependency in our operations. We also contribute to regional economic development by developing expertise in sustainable maritime transportation with local human resources. With the services we offer with one hundred percent local resources, we continue to increase Türkiye's

competitiveness in global markets in the field of maritime transportation.

As Turkon Line, we provide regular and reliable maritime transportation services between Türkiye and the USA, Türkiye and the Mediterranean, Türkiye and Europe, and Türkiye and the Black Sea. We provide quality, uninterrupted services to our customers using 100% local resources with short transit times and regular weekly services. Our investments are not only limited to vessels and technology, but also new services are being developed to meet regional needs.



Our Governance Approach

Our Governance Approach



Business Ethics

Turkon Line recognizes sustainability and ethical values as an integral part of its business processes and conducts its operations in accordance with the principles of transparency, responsibility, and honesty. As a company, we are not only focused on commercial success, but also aim to fulfill our responsibilities towards society, the environment, and our employees.

The principles in the Turkon Line Code of Ethics Handbook cover various topics such as

- » **Protection of Corporate Assets**
- » **Protection of Turkon's Reputation**
- » **Sustainable Fair Working Environment**
- » **Honesty and Justice in Our Services**
- » **Equal and Healthy Working Environment**



We inform every new employee about the Code of Business Ethics and Conduct and Ethics Committee Procedures. All our employees and managers are responsible for acting in accordance with the Code of Ethics.



The Turkon Line Code of Ethics handbook has also been shared with all relevant parties through our [websites](#).

Competition Policies and Commitments

Turkon Line adheres to the principles of fair competition in all markets in which it operates and carefully integrates these principles into its business processes. To ensure compliance with competition requirements, strict internal audit procedures are in place, and corrective actions will be initiated immediately if any competition violation is detected. Our company has adopted the principles of improving service quality and contributing to market development in all sectors in which it operates.

While Turkon Line provides a fair competitive environment for its stakeholders, it is also committed to not entering any relationship that may create a conflict of interest. In this context, in all relations with suppliers and business partners, we act in line with ethical principles, and partnerships are established by considering market conditions. A zero-tolerance policy is applied against behaviors that disrupt competition.

Anti-Corruption and Transparency

Turkon Line bases its activities on anti-corruption and transparency. To prevent corruption, bribery, and conflicts of interest, a strict audit system has been established within the company, and all processes are subject to the audit system. Regular training is provided to prevent corruption, and employees are made aware of this issue.



Ethical Behavior Training

We have established the Ethical Behavior Training program to strengthen our managers' and employees' awareness of the company's business ethics culture and to learn and adopt Turkon Line Ethical Values and the attitudes expected to be shown in possible suspicious situations that may be encountered. In addition to general business ethics principles, we also include legal compliance, anti-corruption and anti-bribery, and fair competition issues within the relevant training program.

orientation period. In addition to the training we provide, we aim to raise employee awareness through internal communication activities.



We aim for all employees to successfully complete the mandatory training on ethics and legal compliance.

Reporting Violations “REDLINE ETHICS HOTLINE”

The RedLine Ethics Hotline has been established to enable our customers, suppliers, employees, and all stakeholders to report any transactions that they believe are not in compliance with the law or Turkon Line Ethical Principles to the Ethics Committee. This hotline plays an important role in supporting the culture of transparency and accountability within the company by ensuring that unethical situations are reported.

The Ethics Committee works to ensure that Turkon Line Ethical Principles are internalized and implemented throughout the company. They can confidentially report their concerns about unethical situations, violations of the law, or business processes through the RedLine Ethics Hotline. RedLine serves as a platform based on the principles of confidentiality and impartiality where any concerns can be safely communicated. The Ethics Committee carefully evaluates all reports made through the RedLine Ethics Hotline and takes necessary actions.

Legal Compliance

At Turkon Line, a legal compliance monitoring process has been established to regularly monitor the legal requirements that we are bound by in all our processes and services we provide and to ensure full compliance with these requirements.

The legal compliance process is designed to ensure that our company acts in accordance with international conventions, laws, regulations, and other legislation, to ensure rapid compliance with legal changes, and thus to minimize the risks that may arise from possible non-compliance.



We aim to follow up on the reports received by RedLine and ensure the continuity of this process.

The Ethics Hotline can be reached via the contact information below.



Telephone Number:
0850 260 03 43



Mail address:
redline@turkon.com



We aim to conduct regular internal audits and reporting to ensure full compliance with tax and legal regulations in the markets in which we operate.

In accordance with our legal compliance monitoring procedure prepared in this direction, tracking legal requirements and monitoring changes are ensured with the close cooperation of all departments in our company. The legal compliance requirements received from the relevant departments are monitored daily by our legal department, and in case of any changes, the relevant departments are informed of the changes so that the necessary actions are taken and integrated into the processes of our company.



In addition to OHS requirements, our Innovation and Management Systems Unit supports the legal department in listing and monitoring the binding legal requirements within the scope of the Environmental Management, Information Security, Quality, and Customer Satisfaction Management Systems.



Training and awareness also play an important role in the legal compliance process. With this in mind, changes in legal regulations are communicated to all our employees through relevant procedures, training, and awareness-raising activities. Our legal compliance tracking list is updated.

Sustainable Supply Chain Management

Turkon Line aims to manage its supply chain processes in line with sustainability principles and to use environmental, labor, and economic resources efficiently. Within this framework, we aim to create more robust and sustainable business models in the future by fulfilling both our environmental and social responsibilities. This approach aims to create a sustainable business structure together with our stakeholders in our supply chain.

Our company carries out its operations through an extensive supply chain network, utilizing warehouses, ports, agencies, shipyards, and various operational service providers. In this context, services such as fuel supply, maintenance services, waste management, occupational health and safety services, and cloud solutions in the field of information technologies (IT) are provided. In addition, catering and shuttle services are provided at the head office, and services such as car rental and advertising services are outsourced. This multi-layered structure ensures that operations run smoothly and efficiently.



It is of great importance for our company that our service providers adopt sustainability principles and comply with this policy. Our suppliers are expected to fully comply with ISO 9001 Quality Management System, 14001 Environmental Management System, ISO 27001 Information Security Management System standards and Occupational Health and Safety laws.



We aim to identify our critical suppliers by conducting supplier social risk assessments.

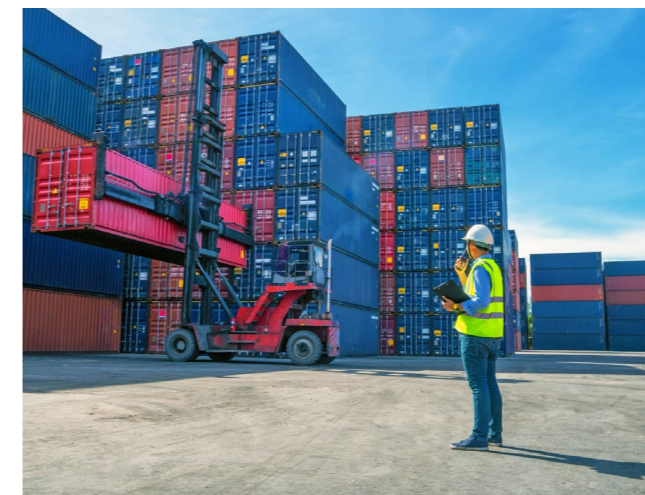
In addition to these requirements, which are part of our Supplier Selection and Evaluation procedure, **we plan to include additional sustainability-related protocols** in our supplier contracts.



In the coming years, we aim to incorporate environmental impact assessments into our agreements with suppliers.

These goals will make environmental and social sustainability an integral part of our supply chain.

In supply chain processes, Turkon Line is based on full compliance with legal regulations. Competition law and zero tolerance for bribery and corruption form the basis of these policies. The company acts in accordance with local and international laws and ethical principles and expects all stakeholders to comply with these rules.



In terms of working conditions, Turkon Line has set fair and ethical standards for its suppliers. Strict procedures are in place regarding practices such as forced labor, use of child labor, and discrimination. We expect our suppliers to provide their employees with a safe working environment based on the same principles.



We aim to terminate the contracts of suppliers identified as being involved in human rights violations and cease working with them.

Information Security

As Turkon Line, we carry out our processes in compliance with all requirements of ISO 27001 Information Security Management System, the Turkish Personal Data Protection Law (KVKK), and GDPR. The risk assessment studies we conduct in this context constitute the basis of our efforts to identify our current information security risks. We determine the necessary security measures in our processes according to the outputs of this basic study. We conduct these studies together with the Information Security Management System Committee and follow up with a comprehensive team.

Within the scope of these studies, we are aware that ensuring the continuity of security controls is one of the most important factors. In this context, business continuity is an important part of our Information Security Management System, and the relevant data is continuously monitored by our expert team.



Our Information Technology department aims to regularly conduct business continuity drills and penetration tests.

With our technological infrastructure investments in information security, we develop effective solutions to defend our systems against cyber threats.



For information security risks, we aim to regularly conduct risk assessments and implement risk mitigation efforts.



We aim to make Information Security Training mandatory for all employees, ensuring that they complete this training as part of their orientation process.

Information security is a process that we carry out in full partnership with our employees. To support this partnership, we aim to foster an information security culture among our employees.

Keeping personal and corporate data confidential and using these data only for defined purposes is one of Turkon Line's fundamental commitments and is also among our ethical principles. In this regard, we ensure that information is stored securely and protected from unauthorized access in all processes that we manage by fully complying with both national and international legislation.

Within the framework of the ISO 27001 Information Security Management System, we expect full compliance with information security standards from our suppliers. Information security is considered as a supplier evaluation criterion, especially in IT services, outsourcing, cloud solutions, and other digital services. We conduct our activities by entering into confidentiality agreements with our suppliers and all stakeholders with whom we share information.



We aim to prioritize the information and data security of all our stakeholders, especially our customers.

We aim to realize projects based on data privacy and security integrated into the innovation process.



Appendices



Appendices

Environmental Performance Indicators

Energy Consumption 2023	
Electricity Consumption (kWh)	633,076
Natural Gas (m ³)*	31,171

*Provided for head office only.

Fuel Consumption (mt)	Diesel Oil	Light Fuel Oil (LFO)	Heavy Fuel Oil (HFO)
Ships	4,879	641	45,944

Amount of Waste in Offices (metric tons) 2023	
Total Amount of Hazardous Waste	0.66
Total Amount of Non-Hazardous Waste	1.21
Total Amount of Recycled Waste	1.25

Emissions (metric tons) 2023	
Scope 1 Greenhouse Gas Emissions	150,090
Greenhouse gas emission intensity ratio* (g/(mt x nm))	31.77
Nox	3,659
Sox	1,976
Particulate matter (PM)	329

*Scope 1 emissions from our ship operations.

**The Energy Efficiency Operational Indicator (EEOI) value is calculated.

Amount of Waste on Ships (m3) 2023	
Plastic Waste	18.68
Food Waste	19.64
Household Waste	41.78
Cooking Oil	2.50
Incinerator Ashes	3.76
Operational Waste	8.21
Electronic Waste (E-waste)	0.45
Total Solid Waste (m3)	95.02
Bilge Water	212.99
Sludge	780.30
Dirty Water	85.50
Total Liquid Waste	1,078.79

Social Performance Indicators

Number of Employees	2021	2022	2023
Women	85	104	96
Men	107	124	119
<30	49	60	59
30-50	133	159	142
>50	10	9	14
Total*	192	228	215

* All employees are white-collar workers.

Number of Employees by Location	2023
Istanbul Headquarters	101
Istanbul Regional Office	38
Izmir Regional Office	27
Mersin Regional Office	24
Bursa Regional Office	23
Ankara Regional Office	2

Number of Employees by Education Level	2021	2022	2023
Elementary School	3	3	0
High School/ Middle School	20	19	17
University and Higher Education	169	206	198

Number of Newly Hired Employees	2021	2022	2023
Women	10	23	13
Men	11	24	22
<30	16	29	25
30-50	5	18	10
>50	0	0	0
Total	21	47	35

Total Employee Turnover	2021	2022	2023
Women	22	30	48
Men	13	13	21
<30	9	17	27
30-50	11	9	18
>50	11	20	27
Total	35	43	69

Employee Turnover Rate (%)	2023
Total	21.7%

Social Performance Indicators

Parental Leave	2021	2022	2023
Number of employees entitled to parental leave	16	20	15
Women	10	11	6
Men	6	9	9
Number of employees taking parental leave	16	20	15
Women	10	11	6
Men	6	9	9
Number of employees returning to work after parental leave	15	19	15
Women	9	10	6
Men	6	9	9
Number of employees still employed 12 months after parental leave	14	19	14
Women	8	10	5
Men	6	9	9
Return rate of employees who took parental leave (%)	94%	95%	100%
Women	90%	91%	100%
Men	100%	100%	100%
Retention rate of employees who take parental leave (%)	88%	95%	93%
Women	80%	91%	83%
Men	100%	100%	100%


Average Hours of Training	2021	2022	2023
Women (day)	1.15	1.15	1.82
Men (day)	1.45	1.37	2.25
Total (hour)	20.8	20.16	32.56

Performance Review	2021	2022	2023
The number of individuals subject to performance evaluation	192	228	215

Training	2021	2022	2023
Training Budget	150,800	317,687	799,286
Training Cost per Employee	785	1,393	3,718

GRI Content Index

Content Index - Essential Services, GRI Services evaluated that the GRI content index is consistent with the reporting requirements in accordance with the GRI Standards and that the information in the index is clearly presented and accessible to stakeholders. The service was performed on the Turkish version of the report.

Statement of use	Turkon Konteyner Taşımacılık ve Denizcilik A.Ş. has reported in accordance with GRI Standards for the period 1 January - 31 December 2023	 CONTENT INDEX ESSENTIALS SERVICE	2025
GRI 1 used	GRI 1: Foundation 2021		

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/REASONS OF OMISSION
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	2 -1 Organizational details	Turkon Line at a Glance	12- 13	
	2 -2 Entities included in the organization's sustainability reporting	About the Report	7	
	2 -3 Reporting period, frequency and contact point	About the Report	7	
	2 -4 Restatements of information			Since this is the first sustainability report, it is not available.
	2 -5 External assurance			No external audit has been conducted within the scope of the report.
	2 -6 Activities, value chain and other business relationships	Company Profile, Sustainable Supply Chain Management	12- 17, 76- 77	
	2 -7 Employees	Our Employees	50	
	2 -8 Workers who are not employees	Our Employees	50	
	2 -9 Governance structure and composition	Our Sustainability Committee	26-29	
	2 -10 Nomination and selection of the highest governance body			Confidentiality constraints: This information cannot be shared due to the confidentiality of the nomination process.
	2-11 Chair of the highest governance body	Our Sustainability Committee	26	

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/ REASONS OF OMISSION
GENERAL DISCLOSURES				
GRI 2: Genel Açıklamalar 2021	2 -12 Role of the highest governance body in overseeing the management of impacts	Our Sustainability Committee	26-29	
	2 -13 Delegation of responsibility for managing impacts	Our Sustainability Committee	26-29	
	2 -14 Role of the highest governance body in sustainability reporting	Our Sustainability Committee	26-29	
	2 -15 Conflicts of interest	Business Ethics	73	
	2 -16 Communication of critical concerns	Our Sustainability Committee	26-29	
	2 -17 Collective knowledge of the highest governance body			Necessary briefings have been provided to the company's highest governance body, and Sustainability Essentials Training has been delivered to the manager and senior executives.
	2 -18 Evaluation of the performance of the highest governance body	Talent Management	52	
	2 -19 Remuneration policies	Our Employees	51	
	2 -20 Process to determine remuneration	Our Employees	51	
	2 -21 Annual total compensation ratio	Our Employees	51	
	2 -22 Statement on sustainable development strategy	Message from the CEO	8- 9	
	2 -23 Policy commitments	Our Sustainability Policy's Core Principles	22- 25	
	2 -24 Embedding policy commitments	Our Sustainability Policy's Core Principles, Our Sustainability Committee, Sustainable Supply Chain Management	24- 25, 26- 28, 76- 77	
	2 -25 Processes to remediate negative impacts	Risk Management, Business Ethics	30, 74- 75	
	"2 -26 Mechanisms for seeking advice and raising concerns"	Business Ethics	74	

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/ REASONS OF OMISSION
GENERAL DISCLOSURES				
GRI 2: Genel Açıklamalar 2021	2-27 Compliance with laws and regulations	Legal Compliance	74	
	2 -28 Membership associations			The company does not hold any memberships related to sustainability.
	2 -29 Approach to stakeholder engagement	Stakeholder Engagement	31- 33	
	2 -30 Collective bargaining agreements			There are no employees covered under a collective bargaining agreement.
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics and Materiality Analysis	34	
	3-2 List of material topics	Material Topics and Materiality Analysis	34	
Sustainable Supply Chain				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Sustainable Supply Chain Management	76- 77	
GRI 204: Procurement Practices 2016	204 -1 Proportion of spending on local suppliers	Our Investments	69	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Management	76- 77	
	414 -2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management	76- 77	
Business Ethics and Legal Compliance				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Our Governance Approach	72- 75	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anticorruption policies and procedures	Business Ethics	73	

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/ REASONS OF OMISSION
Business Ethics and Legal Compliance				
GRI 206: Anti-competitive Behavior 2016	"206 -1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices"	Business Ethics	73	
GRI 207: Tax 2019	207 -1 Approach to tax	Legal Compliance	74	
Energy Management				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Energy Management	40- 41	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators	82	
Carbon Emissions and Climate Change				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Environmental Management and Climate Change	38- 43	
GRI 303: Water and Effluents 2018	303 -1 Interactions with water as a shared resource	Water Management	46	
	"303-2 Management of water dischargerelated impacts"	Water Management	46	
	303-3 Water withdrawal	Water Management	46	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators	82	
	305-4 GHG emissions intensity	Environmental Performance Indicators	82	
	"305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions"	Environmental Performance Indicators	82	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	44- 45	
	306-2 Management of significant waste-related impacts	Waste Management	44- 45	
	306-3 Waste generated	Environmental Performance Indicators	83	

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/ REASONS OF OMISSION
Biodiversity				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Biodiversity	47	
GRI 304: Biodiversity 2016	304 -1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	47	
Employee Training and Talent Management				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Impact for Society	52- 59	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators	85	
	401 -3 Parental leave	Social Performance Indicators	86	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators	87	
	404 -2 Programs for upgrading employee skills and transition assistance programs	Talent Management	52- 55	
	404-3 Percentage of employees receiving regular performance and career development reviews	Target- and Competency-Based Performance Management System	55	
Occupational Health and Safety				
GRI 3: Material Topics 2021	3 -3 Management of material topics	Occupational Health and Safety	56- 59	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety	56- 59	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	56- 57	
	403 -3 Occupational health services	Occupational Health and Safety	56- 57	

GRI STANDARD	DISCLOSURE	SUBJECT HEADING	PAGE NUMBER, SOURCES AND/OR DIRECT ANSWERS	ADDITIONAL INFORMATION/ REASONS OF OMISSION	
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	58- 59		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety	58- 59		
	403-6 Promotion of worker health	Occupational Health and Safety	51		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	56- 57		
	403 -8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	All employees are included in the occupational health and safety system.		
	403-9 Work-related injuries	Occupational Health and Safety	57		
	403-10 Work-related ill health	Occupational Health and Safety	57		
	Human Rights				
	GRI 3: Material Topics 2021	3 -3 Management of material topics	Human Rights	60- 61	
	GRI 405: Diversity and Equal Opportunity 2016	405 -2 Ratio of basic salary and remuneration of women to men	Our Employees	51	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights	61		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights	61		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights	61		

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