SANMAR
SHIPYARDS

2024

SUSTAINABILITY REPORT

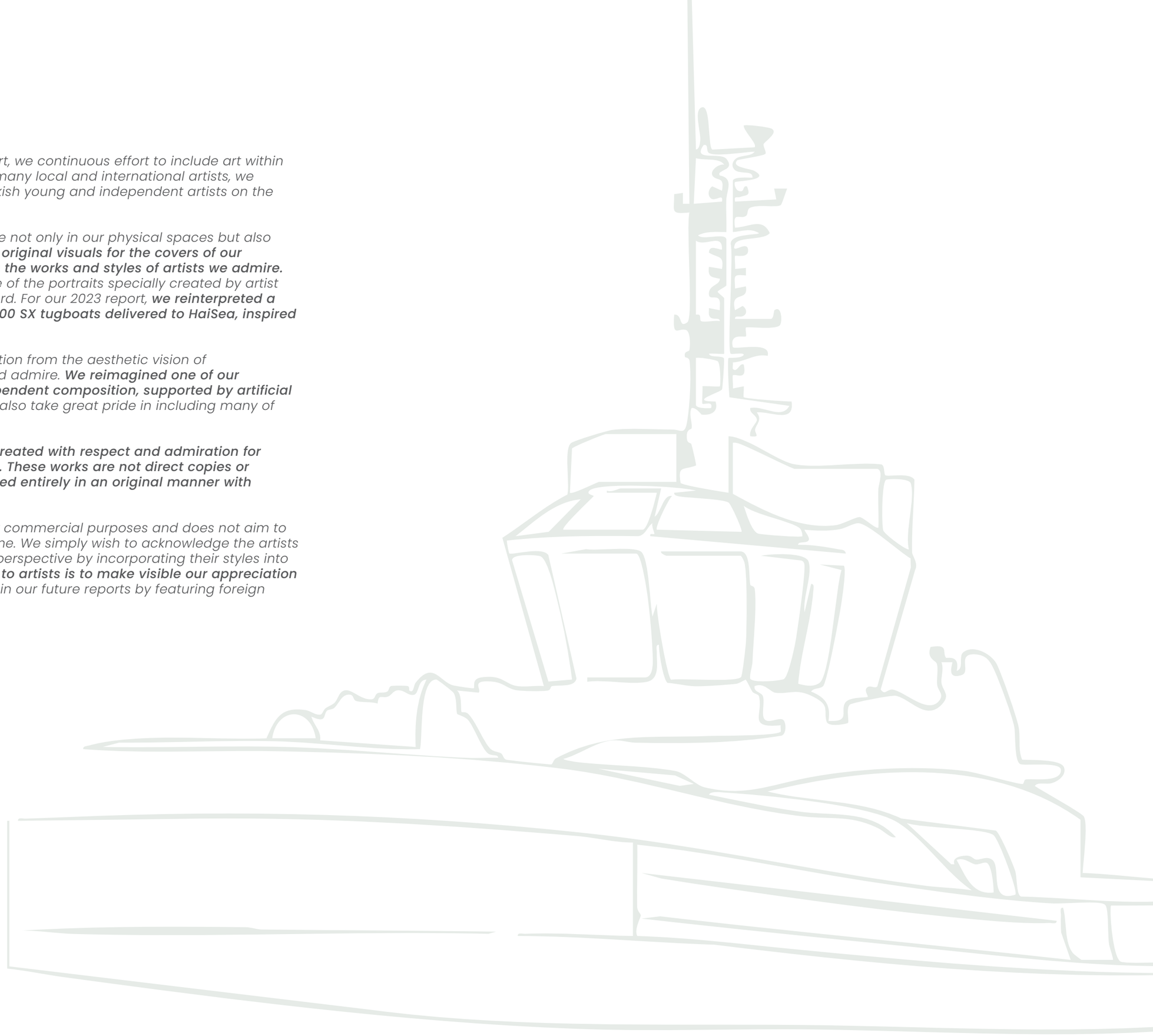
In line with our interest in and appreciation for art, we continuous effort to include art within our workplaces. While our offices host works by many local and international artists, we particularly strive to feature the creations of Turkish young and independent artists on the walls of our Altınova shipyard.

We consider it equally important to keep art alive not only in our physical spaces but also in our corporate identity. Accordingly, ***we create original visuals for the covers of our Sustainability Reports, drawing inspiration from the works and styles of artists we admire.*** *On the cover of our 2022 report, we featured one of the portraits specially created by artist Deniz Sağdıç from waste materials at our shipyard. For our 2023 report,* ***we reinterpreted a photograph of two LNG DF and three ElectRA 2800 SX tugboats delivered to HaiSea, inspired by the style of Van Gogh's Starry Night.***

On the cover of our 2024 report, we drew inspiration from the aesthetic vision of Mustafa Pilevneli, an artist we deeply respect and admire. ***We reimagined one of our electric tugboats through an original and independent composition, supported by artificial intelligence, that pays homage to his style.*** *We also take great pride in including many of Pilevneli's works in our offices.*

The visuals included in our reports have been created with respect and admiration for the artists, drawing inspiration from their styles. These works are not direct copies or adaptations of the artists' works but are designed entirely in an original manner with artificial intelligence support.

This report we have prepared is not intended for commercial purposes and does not aim to copy or distribute any artwork or generate income. We simply wish to acknowledge the artists we admire, honor their art, and offer a different perspective by incorporating their styles into our own tugboats. ***Our primary goal in referring to artists is to make visible our appreciation for their art.*** *We intend to continue this tradition in our future reports by featuring foreign artists one year and local artists the next.*

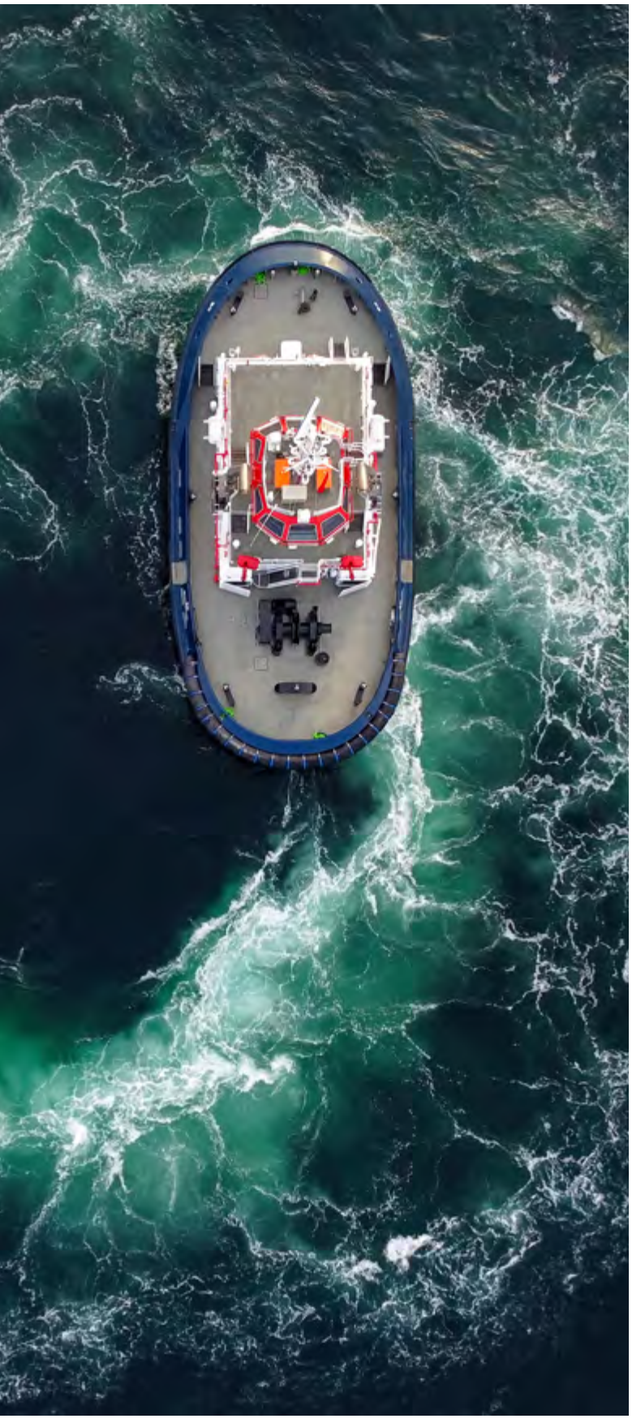


SANMAR
SHIPYARDS

“Navigating Tomorrow,
Preserving Today.”

01

About the Report



About the Report

Purpose

We have almost five decades of deep-rooted experience, based not only on our production, but also on our commitment to environmental responsibility, social contribution and a sustainable economy.

We are pleased to share our 2024 Sustainability Report with you, our valued stakeholders, to highlight the sustainability approach we adopt in our operations.

Unless otherwise specified, the expressions **“Sanmar Shipyards”** and **“Sanmar”** refer to **Sanmar Denizcilik Makina ve Ticaret A.Ş.**

Scope

This report covers Sanmar's activities between **January 1, 2024 and December 31, 2024.** Unless otherwise specified, all financial and non-financial data in the report reflect Sanmar Shipyards' total data in the fields of production and operations. Unless otherwise specified, all financial data in the report are given in Turkish lira (TRY) and US dollars (USD).

Principles and Standards

This report was prepared for the fiscal year between January 1, 2024 and December 31, 2024, and in compliance with the **GRI (Global Reporting Initiative)** Standards. The GRI Content Index can be found in the **"Appendix"** section. As guided by GRI, the principles of materiality, stakeholder engagement, sustainability context and completeness were taken into consideration while identifying the strategic sustainability topics. These principles formed the basis of our sustainability roadmap.

Thanks to the targets we focus on within the scope of the material topics we have identified, we contribute to 12 Sustainable Development Goals (SDGs) of the United Nations. Therefore, we demonstrate our commitment to create a positive impact for global sustainability topics.

Three-year performance trends, including the two preceding years, can also be found in the **"Appendix"** section. We are committed to regularly monitoring the progress of the mentioned targets and keeping our valued stakeholders informed.

Thanks to the targets we focus on within the scope of the material topics we have identified, we contribute to 12 Sustainable Development Goals (SDGs) of the United Nations.

Our report is available at **“https://www.sanmar.com.tr/en/esg-hse-quality”**, and for any questions and requests, you can send an e-mail to **“sustainability@sanmar.com.tr”.**

Navigation Panel

External Stakeholders' Groups

- Supplier
- Advisor
- Civil Society Organizations
- Customers
- Other (Agencies, Business Partners, etc.)
- Government Agencies
- Universities
- Financial Institutions
- National - International Organizations

Internal Stakeholders' Groups

- Employees
- Senior Management

Related Themes

- Highlights

Joint Message from the Board of Directors

2023 was a year marked by serious economic difficulties alongside the devastating earthquake that struck our country. High inflation, rising country risk premiums (CDS) due to global uncertainties, and the resulting difficulty in accessing finance created a challenging situation, especially for export-oriented manufacturing companies. As Sanmar, we adopted a more resilient, agile and conscious approach to production and management in 2024 in order to stay on course in this uncertain environment. Using our resources more strategically, establishing cost-benefit awareness, integrating technology into our processes, and continuing our efforts to reduce our environmental impact were the cornerstones of this year's approach.

After publishing our GRI-approved Sustainability Report for the first time in the sector in Türkiye, we are proud to maintain our commitment to sustainability and our leadership in this field with the third edition of our report this year.

2024 was a year full of intense production activities and significant project deliveries for Sanmar. We delivered 28 tugboats in total, including the world's first Transverse tugboat Svitzer Taurus, Europe's first fully electric tugboat BB Electra, and the world's most environmentally friendly fleet consisting of 3 electrical and 2 LNG dual fuel tugboats that will operate in Canada. Moreover, following the “Tug of the Year” award we won in 2023 with ElectRA 2800 SX HaiSea Wamis model tugboat, we demonstrated our leadership in the sector in two consecutive years in 2024 by winning the ITS “Tug of the Year” award with HaiSea Kermod RAstar 4000 DF model tugboat.

2024 was crowned by our position as Türkiye's leading exporter in the Ship, Yacht and Marine Services Sector. These significant projects further strengthened Sanmar's position in the fields of technical excellence, innovation and environmental sustainability.

In addition, we carried out 845 maneuvers with our Dinamo 2023 tugboat, an ElectRA 2300 SX model that we manufactured for our own fleet in 2024. This electric tugboat was actively used in our operations as a concrete step towards our sustainability targets, giving us the opportunity to directly observe the success of environmentally friendly technologies on site. Dinamo 2023 became a significant milestone supporting our customer satisfaction, high quality standards, and eco-friendly and innovative approach.

In the upcoming period, we will continue to strengthen our sustainable growth strategy with technology- and human-oriented approach. In order to minimize our environmental impact and maintain our leading position in the sector, we will continue our journey with determination by increasing our investments in innovation and digitalization. We would like to thank all our employees and business partners who have contributed to this process, as well as our stakeholders who have placed their trust in us.

Best regards,

Sanmar Board of Directors

2024 Highlights

Environment

100% Renewable Energy

We sourced all the electricity used in our shipyards from renewable energy sources

Europe’s First Electric Tugboat

We delivered Europe's first electric tugboat

Environmentally Friendly Fleeth

We have completed delivery of the world's most environmentally friendly fleet

35% Emission Intensity Reduction

Compared to 2022, we reduced Scope 1 and Scope 2 emissions intensity in the shipbuilding activity by 35%

World’s First Transverse Tugboat

We delivered the world's first Transverse tugboat

Producing Electric Tugboats

We started operating by producing electric tugboats in our fleet

RAstar 4000 DF HaiSea Kermode Honored as Tugboat of the Year

RAstar 4000 DF HaiSea Kermode was selected as the tugboat of the year at ITS 2024

Social

Great Place to Work

We recieved the Great Place to Work Certificate

Customer Recommendation Improved by 14%

Compared to last year, we increased the percentage of customers who recommend our services by 14%

HRPort

We developed the HRPort (IKPort) application that digitizes HR management

90 Person-Hour

We provided over 90 person hour of sustainability training

116 Scholarships

We reached a total of 116 scholarship recipients in primary, secondary and higher education

Governance

300th Tugboat

We delivered the 300th tugboat designed by Robert Allan

100% Resolution Rate

We have resolved all reports received through our Ethics Hotline

Strategy Workshop

We evaluated our future roadmap by organizing a Strategy Workshop

27 Performance Assessment, 4 On-site Audit

We conducted a total of 27 performance assessments and 4 on-site audit visits to operational suppliers

44 Strategic Equipment and Consumables Supplier Audit

We conducted 44 strategic equipment and consumables supplier audits

02

Sanmar Shipyards at a Glance

“Transformation, innovation, sustainability”

About Sanmar

Our Company was founded in 1976 by Orhan Gürün and Gökçen Seven in Istanbul. We have continued to grow in a sustainable manner by building our business approach on the principles of quality, innovation, and continuous improvement from day one. Starting as tugboat operators, we expanded into more comprehensive areas of activity such tugboat manufacturing, leading to the successes we have today. Throughout this growth process, we have become a sector leader by prioritizing sustainability and integrating it into our business operations. Therefore, we proceed in our way by strengthening our transformation and innovation approach, which is at the center of our business manner in the eyes of all our stakeholders, with the vision of **"a more sustainable future".**

In 1990, we started our manufacturing activities by building our first tugboat. **Technology, innovation and high quality** have always been at the core of our priorities since that day. We started as a small team when the Company was founded. Today, we have grown into a brand that operates internationally and represents our country proudly with over 470 employees.

1,000
Subcontractors

3
Facilities

Founded in
1976

33,725 m^2
Production Capacity

Türkiye's Number 1
in Export Sector

500
Employees

Only Shipyard
That Manufactures in End-to-End Indoor Halls

89.5%
Export Rate

6 Continents,
40 Countries,
300+ Sales

Vision, Mission and Values

In 2024, we held a **Strategy Workshop** for mid-level and senior executives, led by an independent external service provider, to define our strategic direction and plan steps to implement our vision. Under the leadership of an independent external service provider, we have updated our vision, mission, and values in line with a methodological approach summarized by the steps **"Analyze the current situation, determine the direction, decide how to proceed, communicate, and evaluate."** We believe these updates will strengthen our corporate culture and enhance the sustainability and efficiency of our business processes.

Vision

To be leading brand that shapes the future of world maritime industry with its trust-inspiring, innovative, and technological solutions for generations to come.

Mission

We develop high quality, safe and reliable engineering products and maritime services that exceed customer expectations, with our people oriented, environmentally friendly, and innovative approach supported by our experienced team.

We are committed to adhering to ethical principles and being trustworthy through clear and transparent communication.

We value nature, people, craftsmanship and safety.

We aim for technical expertise and excellence in all that we do to understand and manage customer expectations.

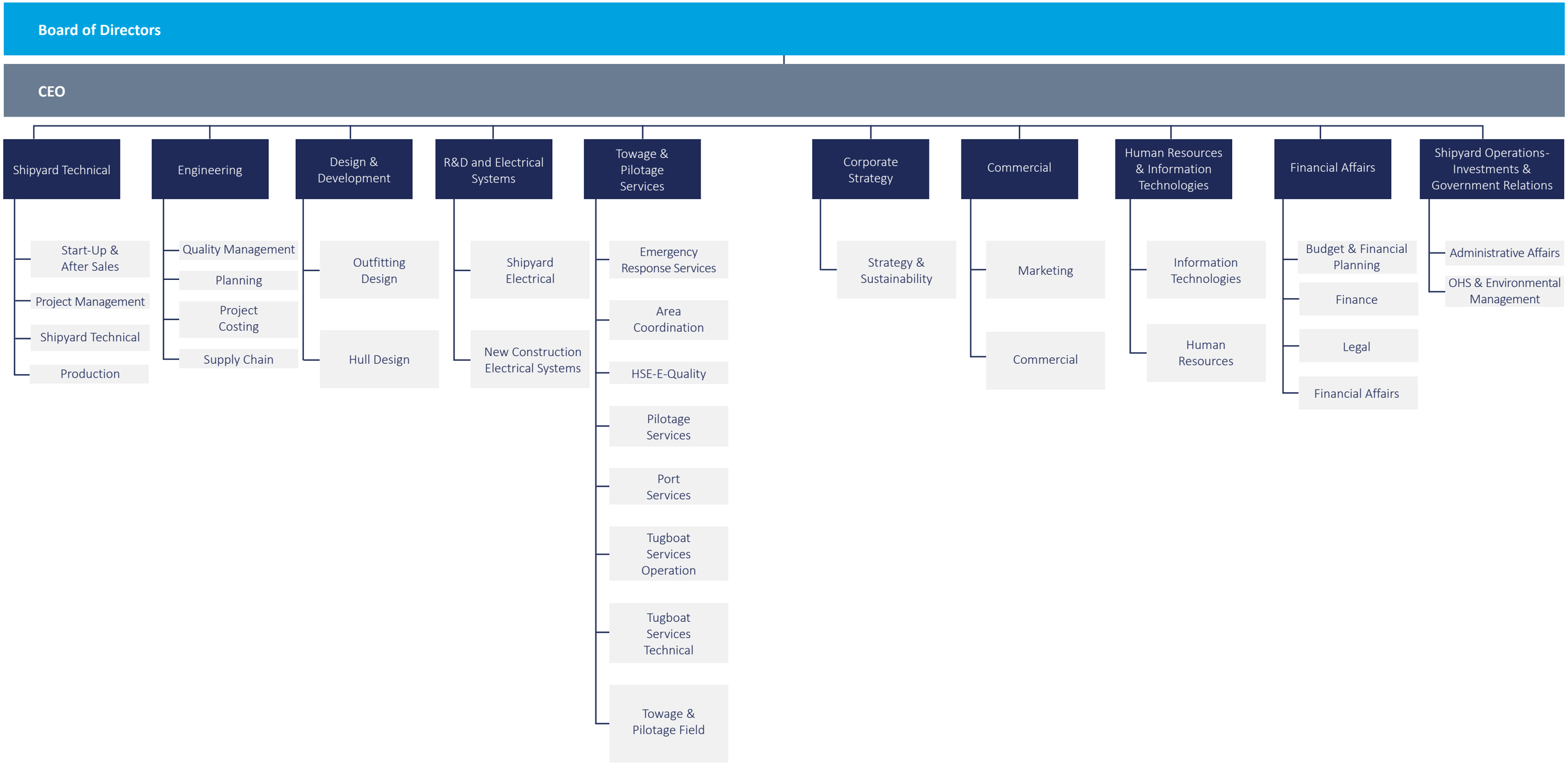
We value everyone's differences, offer equal and fair opportunities, and encourage people to take part in the solution.

We take ownership of our work, act meticulously and foresightedly, and work courageously for the best.

We have the technological vision, pioneering expert staff and motivation to implement what has not been done before.

We are curious, adaptive, and steering trends.

Our Organizational Structure



Products, Services and Quality

1990 — We built and delivered our first 16 tbp tugboat **"Sanmar I"**.

1992 — We built and delivered our second tugboat, **"Sanmar II"** with 34 tbp.

1995 — We built the first Robert Allan Ltd. designed tugboat in Europe.

2014 — We built and delivered the **world's first LNG fueled tugs** to a Norwegian operator.

2017 — We partnership with Rolls-Royce Marine, we delivered the **world's first remote operated tugboat** to Svitzer.

2019 — We built the **world's first hydromechanical hybrid (AVD) tugboat.**

2020 — We completed the construction of our **200th tugboat,** all designed by Robert Allan Ltd..

2021 — We signed a contract with HaiSea Marine for **3 electric and 2 LNG-fueled tugboats.**

2022 — We started building speculative ElectRA tugboats.

2023 — We signed a contract to build the **world's first methanol-fueled tugboats.**

ElectRA 2800 SX HaiSea Wamis was chosen as the "Tug of the Year" at ITS 2023.

2024 — We delivered the **300th tugboat** designed by Robert Allan Ltd.

We delivered **Europe's first electric tugboat.**

We delivered the **world's first Transverse tugboat.**

Haisea Kermode RAstar 4000 DF was chosen as the **"Tug of the Year"** at ITS 2024.

Dinamo 2023 (ElectRA 2300 SX) tugboat joined our fleet.

You can find all the details about our products on **https://www.sanmar.com.tr/**

Product Portfolio

For almost half a century, we have been manufacturing tugboats, pilot tugboats and mooring tugboats for both domestic and international customers. **Our tugboats operate across six continents today.**

We offer a broad portfolio consisting of 25 different types of tugboats, all designed by Robert Allan Ltd. This year, we successfully completed the 300th tugboat designed by Robert Allan Ltd., which was put into service in Norway as Europe's first electrical tugboat. In total, we produced **17 Pilot Boats and 42 Anchor Boats.**

We prioritize customer satisfaction by manufacturing high quality products that meet our customers' unique operational needs. We work in close communication and collaboration with our customers at every stage of the product development process.

We maintain open and effective communication with all stakeholders. With the target of becoming a role model in the sector, we adopt the principle of **"quality everywhere"**, and consider quality as our fundamental value for sustaining customer satisfaction. **We see quality as our standard, and give confidence to our customers with our industry-leading quality approach.**

We are aware that efforts towards our efficiency and high performance targets should be carried out with the **highest level of safety and protection** for all employees from shipyard teams to tugboat crews and support staff. Within this framework, **our safety culture based on high standards is an integral part of our quality approach.**

Export to 14 Countries in 2024

12% Increase in Production Volume Since 2022

Delivery of 30 Tugboats in 2024

Stakeholder Perspectives

Coşar Yıldız,
Senior Production Manager

I have been working at Sanmar Shipyards since 2014. We have set out with the target of becoming a company that shapes the maritime industry, not only in Türkiye but also across the world since our foundation. Today, we take pride in turning this target into reality with our environmentally friendly and innovative projects.

The achievements in tugboat production in a relatively short time have made Sanmar Shipyards a pioneer in environmentally friendly innovation in the global arena. Building the world's first LNG-fueled tugboat marked a significant milestone for sustainable shipping. We then brought an environmentally friendly vision to port operations with our leadership in the field of electric tugboats. Today, we are turning a new page in environmental transition by building the world's first methanol-fueled tugboat.

As Sanmar Shipyards, we see environmental sustainability as not only a target but also a fundamental element of all business manners. We lead the industry in developing alternative fuels, energy efficiency and low-emission solutions. In every project, we work diligently to reduce our carbon footprint, protect marine ecosystems and leave a more livable world for future generations.

Sanmar Shipyards' environmental sensitivity is not limited to reducing emissions. Our respect for the marine ecosystem and marine habitats is at the center of all our operations. We aim to avoid harming the life cycles of sensitive species with our noise pollution reduction measures.

Our customer-oriented approach is one of the most important values that distinguish Sanmar Shipyards. Customers are not just business partners for us. They are our companions, with whom we build a shared future together. The cornerstones of our strategy are to understand our customers' needs in depth, deliver solutions that exceed their expectations and develop innovations that increase their operational efficiency. Their trust in us is the greatest source of motivation in our journey to produce environmentally friendly and high-performance tugboats.

Our employees’ commitment to an environmentally friendly approach makes every project more meaningful. Each member of the Sanmar family acts with the awareness that they are not only building a vessel but also shaping the future of sustainable shipping. This sense of belonging creates value in both our production processes and after-sales services. Working at Sanmar Shipping is more than a job; it is about sharing the responsibility of protecting ports and seas.

Looking ahead, we aim to strengthen our leadership in eco-friendly technologies and sustainable shipping, continuing to develop solutions for cleaner, quieter, and more livable seas.

At Sanmar Shipping, we are not only building tugboats but also honoring our deep respect for the seas and the life they sustain. Together, we work for a greener future and healthier oceans.

Innovative and Environmentally Friendly Products

Dinamo 2023

Throughout 2024, we actively operated the ElectRA 2300 SX series tugboat named Sanmar Dinamo 2023, which we built for our own fleet, at İzmit Port. This tugboat is 23 meters in length, with a bollard pull of 70 tons, and a battery capacity of 1,808 kWh.

Our ElectRA series tugboats are customized to deliver optimal performance according to the operational profile and maneuvering requirements of the ports where our customers operate. Therefore, the data provided here refers exclusively to the Dinamo 2023 operating at İzmit Port. For example, another tugboat from the same series, the ElectRA 2300 SX SAAM Volta, has a battery capacity of 3,616 kWh, configured for a different operational profile, and is currently operating in Canada.

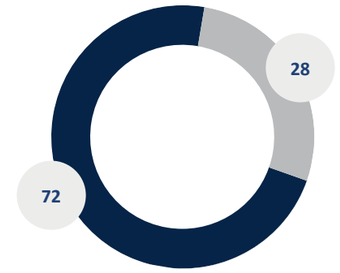
ElectRA 2300 SX Dinamo 2023 was in active service at İzmit Port for 181 days throughout 2024, during which it performed **a total of 845 maneuvers.**

Of these maneuvers:

- **610 maneuvers** (72%) were carried out entirely using battery power charged from the shore electricity supply (100% green operations).
- **235 maneuvers** (28%), were conducted with the support of the backup generators, referred as the “range extender,” due to insufficient charging time between operations or the unexpected consecutive energy demands of back-to-back operations.
- In total, 201,609 kWh of battery consumption was recorded.

The energy performance of our Dinamo 2023 demonstrates remarkable advantages compared to ASD diesel-driven tugboats operating in the same region. When compared with a diesel tug of equivalent bollard pull capacity, up to 46% savings in hourly energy consumption were measured.

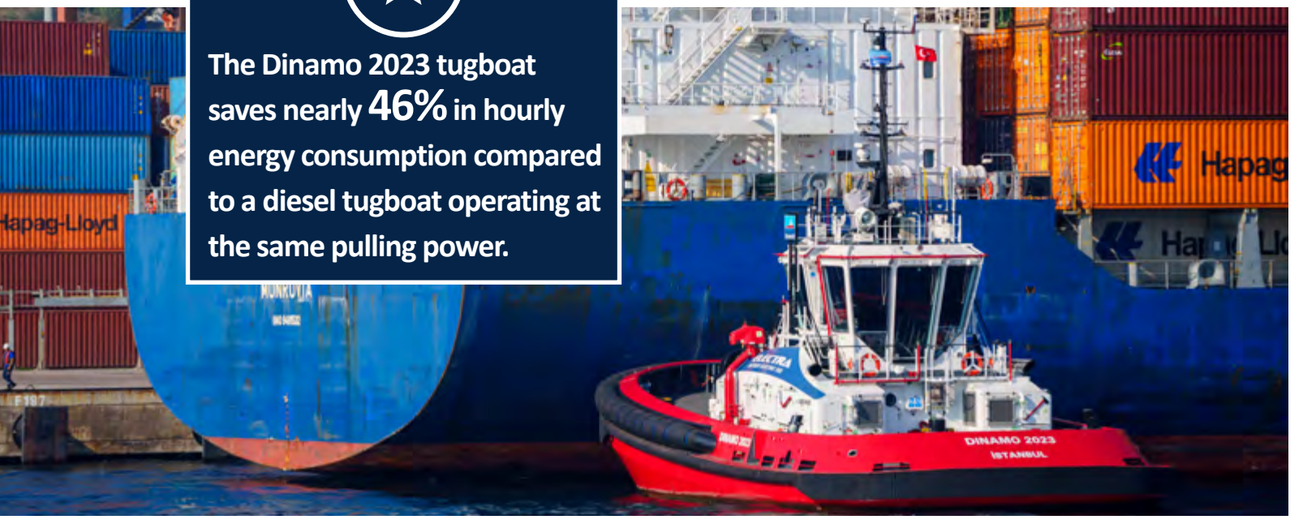
Dinamo 2023 Maneuvers (%)



Powered by Batteries Charged Entirely from Shore Power, 100% Eco-friendly

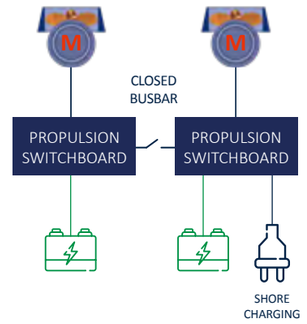
Auxiliary Generator-Supported Battery Charging (Range Extender)

The Dinamo 2023 tugboat saves nearly 46% in hourly energy consumption compared to a diesel tugboat operating at the same pulling power.

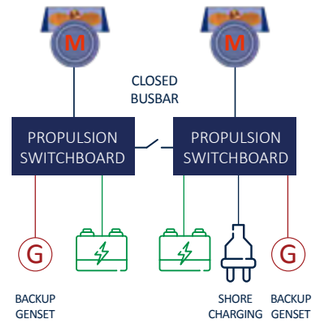


To analyze operational efficiency, the maneuvers were classified under three main profiles. The table below shows the number of maneuvers our Dinamo 2023 tugboat can perform on a single charge.

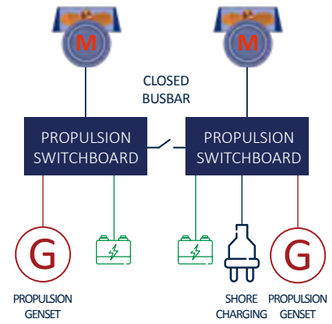
Profile Type	Average Energy Consumption	Number of Maneuvers With a Single Charging
Low	117 kWh / maneuvers	10 maneuvers
Medium	237 kWh / maneuvers	4 maneuvers
High	586 kWh / maneuvers	2 maneuvers



BEV
(Battery Electric Vessel)



BEV + REx
(Battery Electric Vessel + Range Extender)



HEV
(Hybrid Electric Vessel)

The concept of an electric tugboat can encompass different propulsion and energy configurations. Below, the main classifications of these configurations are explained.

BEV (Battery Electric Vessel)

In this configuration, the vessel does not have a diesel engine for charging its batteries; charging is provided entirely via shore power. Since the shore-charged battery pack is the only energy storage on board, this type of vessel can be classified as a plug-in vessel. Battery capacity is calculated according to the operational profile. However, it should be noted that this system, which guarantees 100% electric operation, may pose a risk to port safety and operational continuity if shore charging is not available in unexpected or emergency situations.

BEV + REx (Battery Electric Vessel + Range Extender)

These vessels operate primarily on batteries according to their operational profile, with batteries charged from shore power. In addition to the BEV setup, small backup generator sets are available to charge the batteries during long journeys or in case of malfunctions. Unlike hybrid electric vessels (HEV), these backup generators are not used as the main propulsion power source. The ElectRA series can be classified as BEV + REx. These vessels can operate 100% electrically during standard operational days, while the use of range extenders in unexpected or emergency situations ensures operational continuity and safety. Our ElectRA series is equipped with a BEV + REx system.

HEV (Hybrid Electric Vessel)

This is the basic diesel-electric hybrid configuration; the vessel’s main propulsion power is generated by diesel generators. Batteries are charged and discharged to keep the diesel generators operating in their most efficient fuel consumption range. HEVs have smaller battery capacities and can perform shorter trips on battery power alone.

As a result of these classifications, BEV and BEV+REx vessels have the same battery capacity, because the main purpose is to run these vessels on battery to achieve **100% green energy** target. Therefore, we use different terms to define BEV+REX and HEV types according to their operating principles.

ElectRA series

While diversifying our product portfolio, we prioritize reducing our carbon footprint across all operations and fulfilling our environmental responsibilities. By the end of 2024, we successfully delivered 7 battery-powered electric tugboats from the ElectRA Series. With the ongoing projects on our production line, we will deliver 6 more vessels in 2025, bringing the total number of ElectRA tugboats delivered to 13 by the end of 2025. Today, we are the shipyard that builds and delivers the most electric tugboats in the world, and maintaining this leadership is one of our long-term strategic objectives.

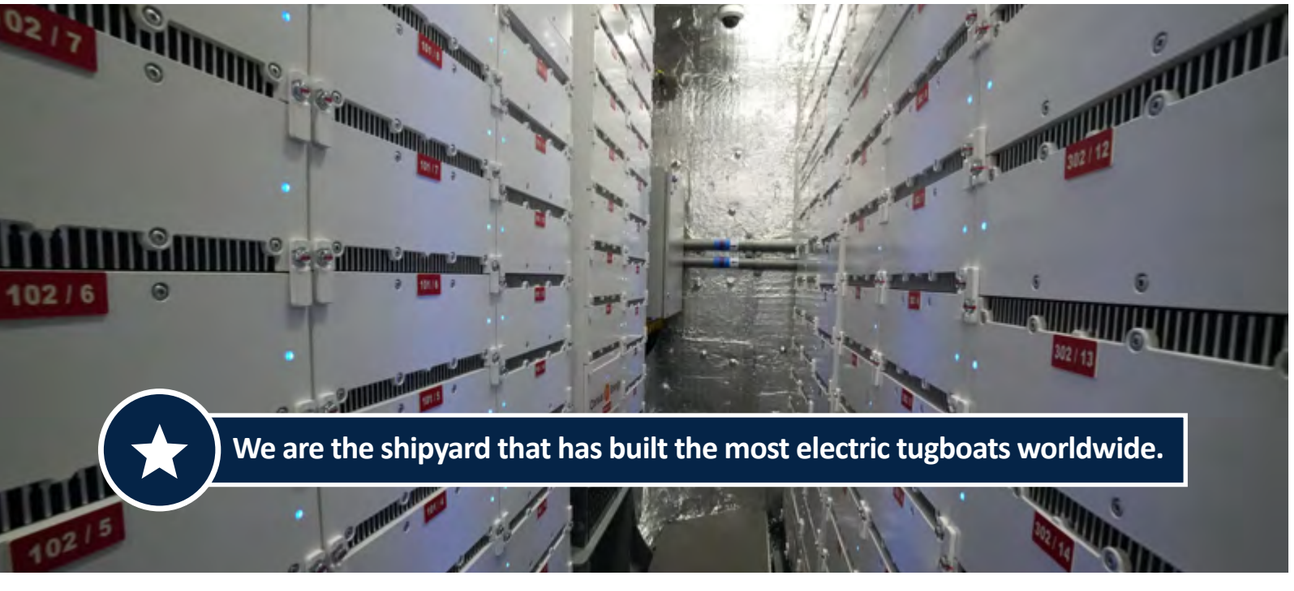
7 units delivered in 2024

- 3 ElectRA 2800 SX – HaiSea
- 2 ElectRA 2300 SX – Saam
- 1 ElectRA 2200 SX – Bukser Og Berging
- 1 ElectRA 2300 SX – Sanmar Filo

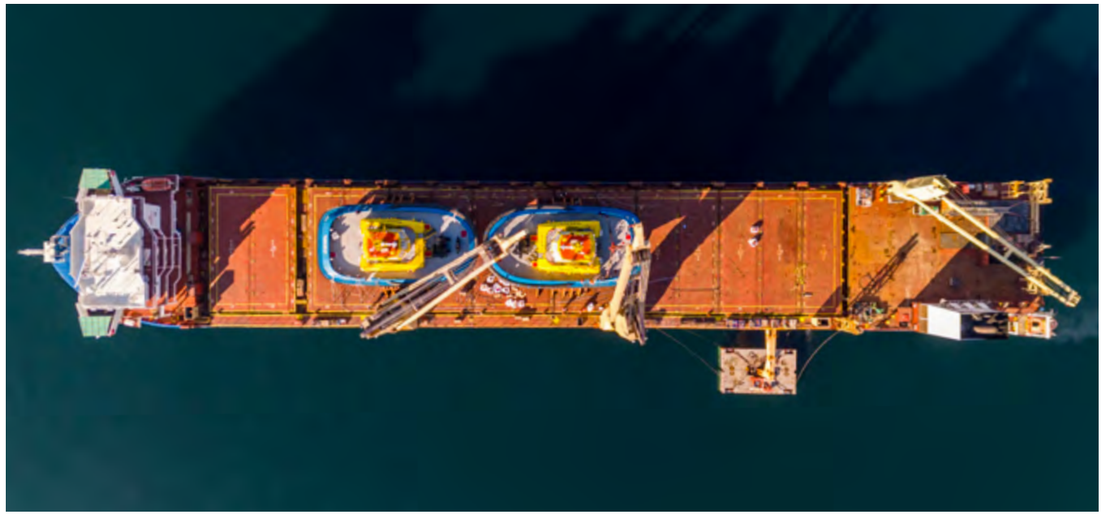
6 units to be delivered in 2025

- 4 ElectRA 2500 SX – Botaş
- 1 ElectRA 2500 SX – SAAM
- 1 ElectRA 2500 SX – Svitzer

A total of 13 ElectRA deliveries by the end of 2025



We are the shipyard that has built the most electric tugboats worldwide.



The World's Greenest Fleet

We completed the **world's most environmentally friendly fleet,** consisting of 2 RAstar 4000 DF model tugboats (LNG dual fuel) and 3 ElectRA 2800 SX tugboats, built for HaiSea in Canada. This five-tugboat fleet operates at LNG Canada's new export facility in Kitimat, British Columbia. One of the electric tugboats, HaiSea Wamis, was recognized as "Tug of the Year" by ITS in 2023. Our dual-fuel RAstar 4000 DF, HaiSea Kermode, received the same award in 2024, further highlighting our international leadership in sustainability and innovation.

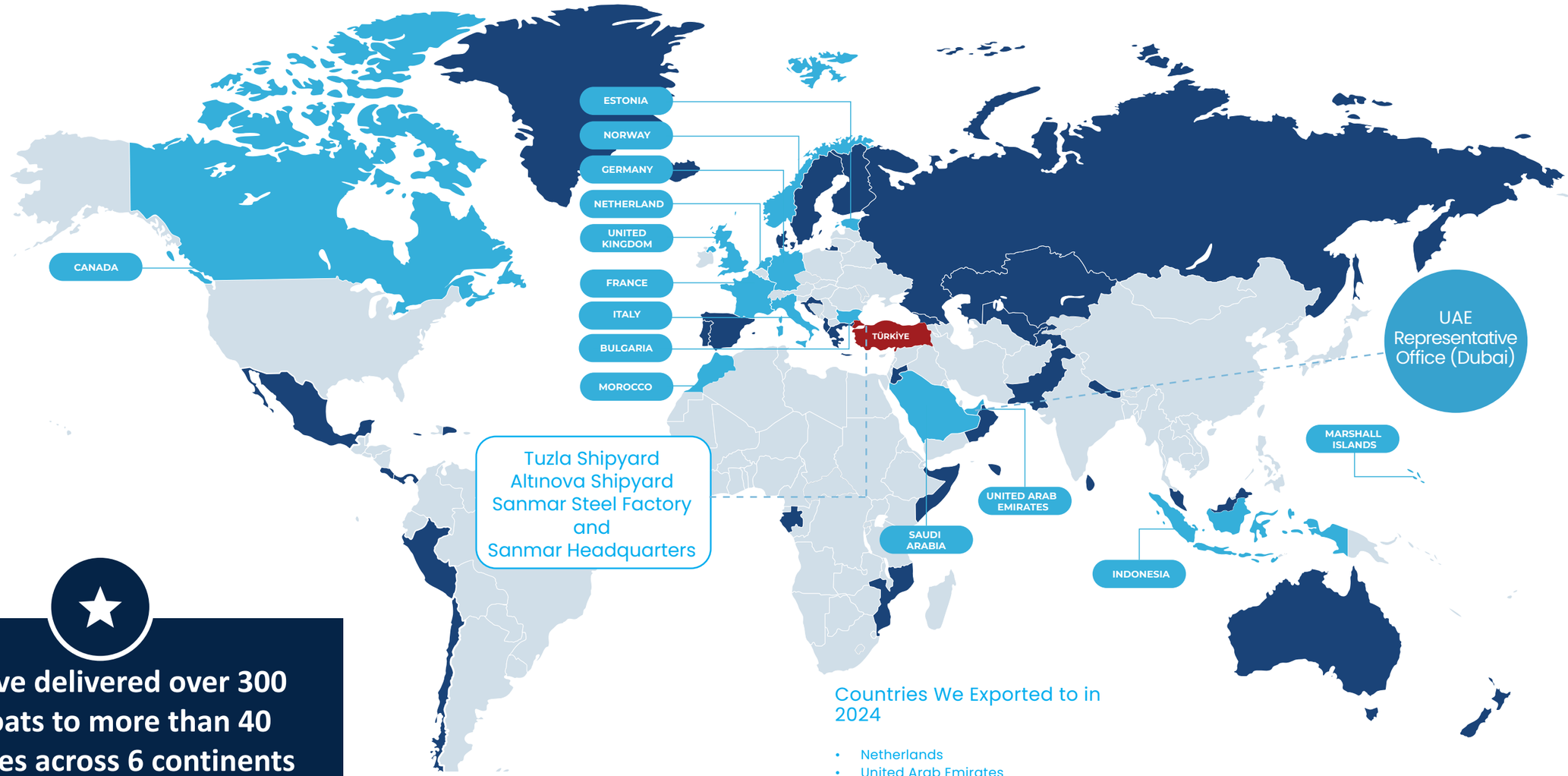
The HaiSea Kermode RAstar 4000 DF, a dual-fuel tug, was selected as the "Tug of the Year 2024" by ITS.

World's First TRAnsverse Tugboat

We started building the world's first Transverse tugboat in 2023, and delivered it to Denmark-based Svitzer company in 2024. The 25.8-meter-long TRAnsverse, with a towing capacity of 60 tonnes, is characterized by having one propeller at the prow and the other at the stern of the tugboat. With this innovative tugboat, we aim to offer higher maneuvering capacity compared to conventional tugboats of a similar size while ensuring a more efficient fuel performance.

World's First TRAnsverse Tugboat

Local and Global Presence



We have delivered over 300 tugboats to more than 40 countries across 6 continents

Türkiye	71	Morocco	9	Chile	2	Gabon	1
United Kingdom	35	Jordan	7	Denmark	2	Greece	1
Italy	30	Germany	7	Finland	2	Jamaica	1
United Arab Emirates	19	Netherlands	6	Seychelles	2	Liberia	1
Canada	13	Oman	5	Georgia	2	Martinique	1
Norway	12	Somalia	4	Kazakhstan	2	Mexico	1
Australia	10	Costa Rica	3	Mozambique	2	Sri Lanka	1
Pakistan	10	Panama	3	New Zealand	2	Sweden	1
Dominican Republic	9	Peru	3	Portugal	2	Palau	1
Spain	9	Russia	3	Croatia	1	Cook Islands	1
Bulgaria	9	France	3	Saudi Arabia	1		

Countries We Exported to in 2024

- Netherlands
- United Arab Emirates
- Canada
- Italy
- Norway
- France
- Germany
- United Kingdom
- Bulgaria
- Marshall Islands
- Saudi Arabia
- Morocco
- Estonia
- Indonesia

Representative Offices
Countries We Exported to in 2024

Value Chain

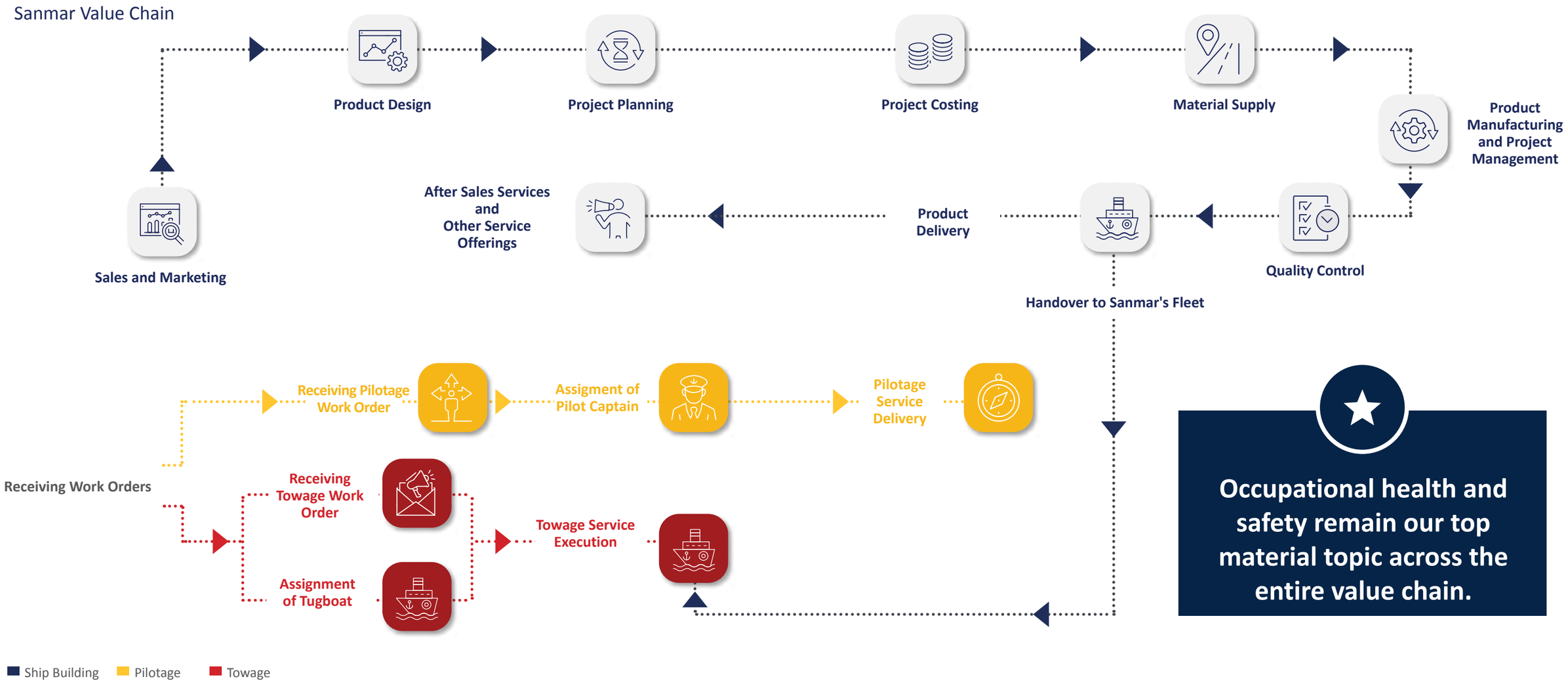
With the responsibility that comes from our leading position in Türkiye, in 2024 we are shaping the future of our industry by adopting a holistic and sustainable approach. Considering our position both nationally and globally, we aim to create positive and lasting impacts across every stage of our value chain.

In our core business areas — shipbuilding, towage, and pilotage services — we analyze the effects of all our stakeholders in detail. By clearly defining stakeholder groups, we regularly assess the environmental, social, and economic impacts of our activities in line with our sustainability strategy.

While prioritizing operational safety, especially in our towage and pilotage activities, we take effective measures to minimize the environmental impacts of our maritime operations.

From the supply chain to after-sales services, we play a key role in achieving our sustainability goals by establishing strong communication and collaboration with our stakeholders. We place quality and customer satisfaction at the center of all stages, including design, planning, production, delivery, and after-sales support, aiming to create long-term, lasting value. With this approach, we continuously reinforce our relationship with our stakeholders and make growth sustainable through common achievement.

Sanmar Value Chain



Occupational health and safety remain our top material topic across the entire value chain.

Global and Sectoral Trends

Global Trends	Material Topics	Relevant Stakeholder Group	Sanmar Approach	Related Risk Category
Climate Change				
As discussed in the World Economic Forum's (WEF) Global Risks Report published in 2024[1], extreme weather events caused by climate change are considered among the most significant short- and medium-term global risks. The year 2024 was the hottest year on record in the 175-year assessment, with the impacts of climate change intensifying even further[2]. This situation also brings about issues such as environmental degradation and biodiversity loss. Moreover, it is observed that greenhouse gas emissions continued to increase in 2024, in parallel with climate change[3].	• Carbon Footprint • Waste Management • Environmental Protection & Environmental Management		• We continue to gradually reduce our emissions. In 2024, we successfully reduced our Scope 1 and Scope 2 emissions intensity by 35% compared to 2022. • By producing environmentally friendly tugboats powered by electricity, LNG, and methanol, we continued to invest in low-emission and innovative technologies.	• Physical - Extreme weather events • Physical - Ecosystem-related environmental pollution • Physical - Chronic climate events
Technology and Innovation				
Next-generation technologies (such as Artificial Intelligence, IoT, and digitalization) are becoming an integral part of both organizations and everyday life. Investments in technologies transform and develop sectors. On the other hand, the widespread adoption of technological advancements also brings cybersecurity challenges. The Global Risks Report published by WEF considers cybersecurity and disinformation among the most important risks[4].	• Innovation • Risk Management • Ethics Management		• To ensure our data remains secure and accessible, we manage all backup and replication operations through a proprietary system. • Digitalizing our processes realistically, smartly, and gradually by using the up-to-date IT tools and applications is among our goals. • In this regard, we keep moving forward step by step in line with our 5-year digitalization roadmap. • We implement preventive security measures against cyber threats by conducting penetration (security) tests. • Our IT department conducts awareness training and sends informational e-mails to promote a secure working environment.	• Transition - Information security and cybersecurity
Macroeconomic Outlook				
The current global economic outlook has become volatile and pressuring for various industries. In recent years, factors with broad impacts, such as the pandemic and geopolitical issues, have posed risk factors to the balance of the global economy[5]. The inflationary environment, as a result of various crises, on the other hand, impacted the global markets seriously and led to price pressures[6].	• Employee Development • Ethics Management • Risk Management		• To mitigate the effects of macroeconomic instability, we implement competitive wage practices within our company. On the other hand, with our compensation approach that upholds the principle of equal pay for equal work, we adopt a fair wage process. We provide various benefits to support our employees.	• Market – Variable macroeconomic conditions/Exchange rate and interest fluctuation

[1]https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf
[2]https://wmo.int/publication-series/state-of-global-climate-2024
[3]https://wmo.int/publication-series/state-of-global-climate-2024
[4]https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf
[5]https://dppa.un.org/en/financial-case-prevention-role-of-macroeconomic-policy-deterring-armed-conflict
[6]https://www.imf.org/en/Publications/WEO

Sectoral Trends	Material Topics	Relevant Stakeholder Group	Sanmar Approach	Related Risk Category
Circularity in the Maritime Industry				
The circular economy aims to keep materials in use for as long as possible and to recover them at the end of their life cycles. The circular economy offers various economic, environmental, and social benefits, such as reducing emissions and increasing resource efficiency[7]. In the maritime industry, processes such as waste reduction strategies and extending the lifecycle of materials are becoming increasingly widespread, and circularity is gaining momentum.	• Material Recycling • Waste Management		• In our warehouses, through our "Recycling Used Materials" project within the scope of circularity, we recycle used materials and utilize our resources more efficiently. • By implementing the “Zero Waste Project” in our shipyards and offices, we recycle the waste generated. • We have increased total recycled material use by 8% compared to 2023. • In 2024, we contributed to the circular economy by recycling over 75,000 tons of waste.	• Technology – Transitioning towards technologies that produce lower emissions • Regulation - Compliance with future regulations
Technologies and Innovation in Maritime Industry				
Maritime industry accounts for 3% of the global greenhouse gas emissions[8]. Therefore, it is essential that sustainable technologies become widely adopted in the maritime industry. Within the scope of environmental goals, there is an increasing use of marine vessels powered by alternative fuels, such as LNG, instead of traditional fossil fuels. Technology is expected to play a decisive role in the maritime industry's decarbonization journey.	• Innovation		• We leverage technology to create products and services with positive environmental impact. Within this scope, we delivered Europe's first electric tugboat as well as the world's first Transverse tugboat in 2024. We completed the world's most environmentally friendly fleet consisting of 2 RAstar 4000 DF model tugboats (LNG dual fuel) and 3 ElectRA 2800 SX tugboats that we built for HaiSea in Canada. In this regard, our environmentally friendly and innovative products, which we have mentioned in detail in our report, can be found in the section on **Innovative and Environmentally Friendly Products.**	• Technology - Transitioning towards technologies that produce lower emissions

Sectoral Trends	Material Topics	Relevant Stakeholder Group	Sanmar Approach	Related Risk Category
Regulations on Sustainability				
The European Union has enacted the Corporate Sustainability Reporting Directive (CSRD) to ensure that sustainability performance is reported using a transparent and comparable methodology. Following the EU’s lead, Türkiye has also taken steps regarding sustainability reporting. With the Türkiye Sustainability Reporting Standards (TSRS) published in 2023, sustainability reporting requirements in Türkiye have been aligned with international standards. Furthermore, sustainability efforts are increasing in the maritime industry. As of 2024, the EU Emissions Trading System (EU ETS) has been expanded to cover carbon emissions of all large ships (5,000 gross tonnes and above) entering EU ports, regardless of their flag[9].	• Environment Protection and Environment Management • Carbon Footprint • Waste Management • Risk Management		• We aim to achieve maximum compliance with international sustainability standards. We position sustainability not merely as a reporting obligation but as a core element of our business strategy. Within this framework, we adopt a transparent, accountable, and impact-measurable approach across environmental, social, and governance areas. We follow international best practices and, by adhering to principles of transparent reporting, continue our efforts with the vision of being a globally exemplary company.	• Regulation - Compliance with current regulations • Regulation - Compliance with future regulations

[7]https://www.europarl.europa.eu/topics/en/article/20151201STO05603/circular-economy-definition-importance-and-benefits
[8]https://www.weforum.org/stories/2025/05/decarbonize-maritime-industry-real-time-emissions-tracking/#:~:text=Co%2DFounder%2C%20Dockflow-,The%20maritime%20industry%20accounts%20for%20around%203%25%20of%20global%20greenhouse,regulations%20and%20improve%20climate%20performance
[9]https://climate.ec.europa.eu/eu-action/carbon-markets/eu-emissions-trading-system-eu-ets_en

Our risk management perspective can be found in the **Risk and Compliance Management** section.

03

Sustainability Approach

Sustainability Approach

Each year, we aim to enhance our sustainability performance and add value to our sustainability initiatives. We consider this year a significant period of impact, during which we have measured our sustainability efforts concretely and achieved meaningful progress. Building on the priority areas identified in 2022, we are advancing our sustainability initiatives and strengthening our strategic approach.

This year, we have made our sustainability approach more strategic and comprehensive. By updating our targets to guide our activities, we have made them more measurable and impactful. We have clearly defined our sustainability risks within a framework informed by the current global and sectoral outlook. Moreover, by strengthening our governance structure, we have ensured that sustainability becomes a shared responsibility across the company.

Once again this year, we have integrated sustainability into every aspect of our operations and continued to comprehensively assess our responsibilities with an ESG (Environment, Social, Governance) focus. The principles of quality, innovation, and continuous improvement, which form the foundation of our way of doing business, constantly encourage us to go beyond the present and achieve better outcomes.

With the motto **"Navigating Tomorrow, Preserving Today"**, we aim to shape our tomorrow while safeguarding our environment, natural resources, and values, contributing to the creation of a sustainable world.

Navigating Tomorrow, Preserving Today

Environment

- Use natural resources efficiently
- Prevent marine pollution
- Increase energy efficiency
- Reduce waste generated from production
- Explore opportunities for a circular economy
- Reduce our carbon footprint

Social Principles and Our Workforce

- Being fair, transparent and considerate
- Ensuring the highest level of occupational health and safety
- Protecting the well-being of our employees
- Providing opportunities for professional development

Society

- Being beneficial to society and making an impact on future generations
- Creating value through our social responsibility and awareness projects

Technology and Innovation

- Prioritizing quality and innovation in all processes
- Continue developing sustainable products through technological advancements

We are committed to internalizing sustainability principles, following up on our environmental impact continuously, and maintaining open communication with our stakeholders with the approach we embrace. We set 3 main strategic priorities last year in line with our sustainability approach:

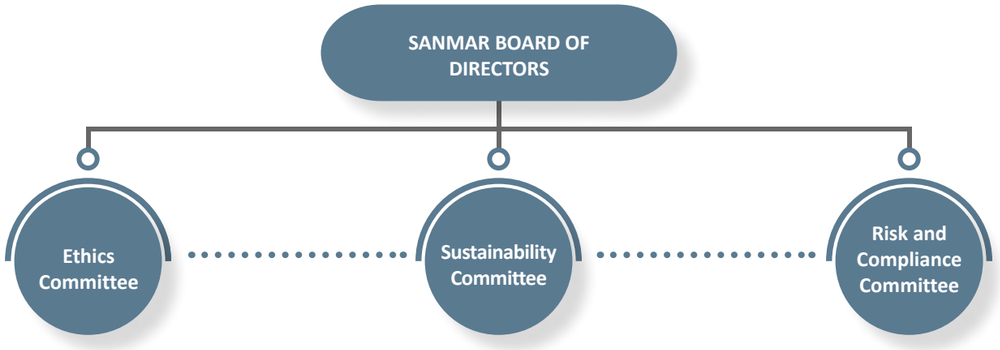
1. We are improving our occupational health and safety measures through innovative methods to guarantee a healthy and safe working environment.
2. To ensure the sustainability and safety of our operations, reduce our environmental footprint, and increase our social impact by using environmentally friendly technologies and developing biodiversity-focused partnerships.
3. We focus on ensuring our experience and quality are sustainable, with a keen emphasis on customer satisfaction.

Environment **Social Principles and Our Workforce** **Society** **Technology and Innovation**

Sanmar Sustainability Governance

In 2022, we established the Sustainability Committee to strengthen corporate governance and embed sustainability across our organization. In 2023, we complemented this with the **Risk and Compliance Committee,** bringing a broader risk perspective to our sustainability management.

The Sustainability and Risk & Compliance Committees collaborate closely to address ESG matters and proactively manage related risks. Through the environmental, social, and sustainable finance sub-groups within the Sustainability Committee, we have further enhanced expertise and impact in these areas.



The Ethics Committee reports regularly to the Board of Directors.

The Sustainability Committee reports regularly to the Board of Directors.

The Risk and Compliance Committee reports regularly to the Board of Directors.

The Ethics Committee ensures the establishment, improvement and maintenance of an ethical culture in which business ethics and rules of conduct are applied without exception.

The Sustainability Committee monitors sustainability targets, performance and projects.

The Risk and Compliance Committee ensures the integration of sustainability-related risks into business risks.

Working groups meet regularly and report their work to the Sustainability Committee.

Working Groups

Working groups collaborate harmoniously and meet at regular intervals.

Environment

This group addresses the subjects of water management, emission management, waste management, and energy management in detail.

Creating refinement works on the relevant subjects, as well as conducting data monitoring and follow-up systematically are among the job descriptions of this Working Group.

Social

This group focuses on subjects including human rights, diversity and inclusiveness, occupational health and safety.

In this context, carrying out work on relevant topics, developing socially responsible practices, and implementing continuous improvement projects are among the responsibilities of the Working Group.

Sustainable Finance

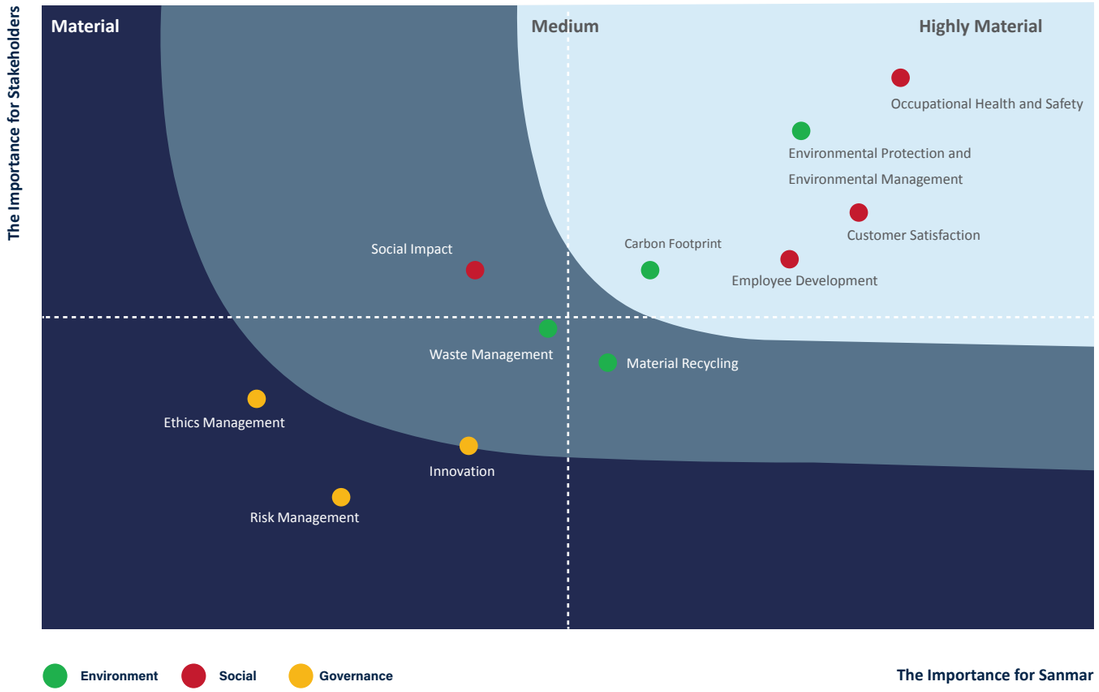
This group evaluates subjects including access to green financing and legal compliance.

It contributes to develop strategies to make financial processes more sustainable and help our company to adopt a financially responsible approach.

Sanmar Materiality Analysis

In our first Sustainability Report published in 2022, we conducted a materiality analysis to identify our strategic materialities and focus areas within sustainability topics. As a result, we defined a total of 11 material topics across environmental, social, and governance focus areas, aligned with Sanmar Shipyard's strategy and corporate approach.

For the 2024 Reporting Year, we reassessed all priority topics in light of current issues within the sustainability ecosystem. This review concluded that the topics identified as a result of our 2022 materiality analysis continue to address our current materialities, and no changes were made to the existing analysis. Details on our materiality analysis steps and process can be found in the **Sanmar Shipyards 2022 Sustainability Report.**



MATERIAL TOPICS	IMPORTANCE FOR SANMAR	RELEVANT STAKEHOLDERS
Occupational Health and Safety	We consider occupational health and safety as essential to every stage of our operations. Thanks to the occupational health and safety procedures we implement sensitively in every stage of our business processes, we present a safe and healthy environment to our employees.	
Environmental Protection & Environmental Management	Being aware of our natural richness, we take care to the effective use of our natural resources in all of our operations. We minimize the impact we cause on the nature by carrying out all of the processes from waste management to protection of water resources, from emission control to energy efficiency in accordance with legislation.	
Customer Satisfaction	We place great importance on customer satisfaction and manage all our operations and processes with it in mind. By working with the best and providing the highest-quality service, we aim to keep our service quality and satisfaction at the highest level.	
Employee Development	We value the development of our employees and invest in our employees by carrying out various projects that will enhance their competencies. We mind for diversity and inclusiveness in the entirety of our operations.	
Carbon Footprint	We develop new projects and applications to decrease our carbon footprint and increase operational efficiency. We carry out several efficiency-oriented projects from the monitoring of environmental performance to energy efficiency projects.	
Waste Management	We aim to decrease source consumption at our production sites and promote effective waste management. We aim to develop projects to improve waste management in every stage of our value chain.	

High Materiality **Medium Materiality** **Material**

MATERIAL TOPICS	IMPORTANCE FOR SANMAR	RELEVANT STAKEHOLDERS
Social Impact	We aim to reach people and provide benefits to society by increasing our participation in social responsibility projects. We aim to create a sustainable social impact through projects we take part in and support.	
Material Recycling	We prioritize reusing materials in production process, contribute to circular economy, and develop projects serving to this purpose.	
Innovation	We advocate that improvement is possible through technological integration and innovative perspectives, make innovation one of our priorities.	
Ethics Management	We pay regard to and implement code of conducts that are in compliance with ethical management principles. We continue the management of ethical topics within the framework of Sanmar Business Ethics and Code of Conducts.	
Risk Management	We create the necessary action plans by monitoring environmental, social, and governance risks with care and evaluate the emerging opportunities. We create roadmaps for the risks detected. In this regard, we strive for minimizing the risks in a controlled way.	

Stakeholder Communication

Strong and transparent communication with our stakeholders guides our sustainable success and allows us to build lasting relationships.

We address stakeholders' needs and expectations in line with our ethical principles and integrate their feedback into our business processes. The value we provide and their importance to our company are detailed in our **Stakeholder Communication Table.** Communication channels and frequency are adjusted based on stakeholders' priorities and needs.

SANMAR SHIPYARDS STAKEHOLDER GROUPS

Internal Stakeholders

- Senior Management
- Employees

External Stakeholders

- Customers
- Government Agencies
- Consultant
- Universities
- Financial Institutions
- Suppliers
- Non-Governmental Organizations
- National-International Organizations
- Other (Agencies, Business Partners, etc.)

Stakeholder Communication Table

STAKEHOLDER GROUP		IMPORTANCE FOR SANMAR	VALUE CREATED	COMMUNICATION CHANNEL	COMMUNICATION FREQUENCY
Internal Stakeholder	**Employees**	Our employees are the driving force behind our operations and the development of high-quality products. We believe that investing in our employees is crucial for the success of our economic and sustainability goals, as well as the growth of our business.	We provide our employees with opportunities for professional and personal development, fair compensation, and benefits. We ensure an inclusive and healthy working environment. We implement opportunities to keep employee satisfaction and loyalty high.	E-mail, Mobile Communication Tools, Announcement Boards, Meetings, Ethical Hotline, Employee Suggestions	Permanently
	Senior Management	Our managers are at the heart of our business and operations. By making timely, important, and accurate decisions, they guide and contribute to our success.	We assign key roles responsibilities and roles to our managers, resulting in successful projects and contributing to their achievements in business world.	Senior Management E-mail, Internal Messaging, Meeting	Periodically
External Stakeholder	**Non-Governmental Organizations (NGOs)**	NGOs provide valuable guidance on social responsibility, environmental solutions, and access to social opportunities for communities.	Social values and environmental benefits obtained as a result of our shared projects strengthen our collaborations.	E-mail, Meeting	Periodically
	Universities	We make a point of shaping our work and the areas of improvement in our production processes by drawing on the insights and expertise of educational institutions, universities, and research organizations that provide new perspectives.	While facilitating collaboration in new areas between universities and research institutions, we also support their development in fields related to our industry.	Career Days	Annually
	Customers	Our customers are one of the most important factors influencing our products and operations. Their preferences directly affect our sales and long-term success. To maintain our success and competitiveness in the industry, it is crucial for us to sustain high levels of satisfaction, earn their loyalty, and actively listen to their feedback.	We continue to produce high-quality and technological products, as well as reliable, innovative, and optimized engineering solutions. With our new designs, features, and technologies, we add value to our customers' lives and provide innovative solutions that enhance their experiences.	E-Bulletin, Meetings, Social Media, Website, Projects, Fairs, Ceremonies, Sanmar Days	Permanently
	Suppliers	Our suppliers are essential for the continuity of our operations and products we manufacture. The healthy and transparent relationships we build with our suppliers ensure not only the continuity of the materials and services required for our production processes but also the quality and adequacy of raw materials and essential supply services.	We encourage strategic partnerships, support fair and ethical practices, maintain quality standards, promote innovation and collaboration, and improve our supply chain relationships by optimizing supply management. We facilitate mutual growth and success while contributing to a sustainable and resilient supply ecosystem.	Meetings, E-mail, Supplier Performance Evaluations, and On-Site Audit	Permanently

STAKEHOLDER GROUP		IMPORTANCE FOR SANMAR	VALUE CREATED	COMMUNICATION CHANNEL	COMMUNICATION FREQUENCY
	Government Agencies	Government institutions are vital for our company to ensure regulatory compliance, access resources, and contribute to sustainable economic development.	We make a point of strictly adhering to the regulations and standards set by government institutions. As a key player in the shipbuilding industry, we actively support relevant regulations and promote compliance within the sector.	Meetings, Social Media	Periodically
	Financial Institutions	Financial institutions facilitate our growth by providing access to financing instruments, investment opportunities, and capital market trading.	We promote mutual trust with our financial stakeholders while maintaining financial stability. Through strong financial discipline, sustainable growth strategies, and our export capabilities, we create long-term value. We maintain relationships built on trust and transparency. In addition, through our environmentally conscious production practices and technological investments, we develop projects aligned with sustainable finance criteria, generating both environmental and economic value with our climate-friendly solutions.	Physical and Online Meetings, E-mails, Phone Calls, Launching Ceremonies (Projects), and Bank Performance Surveys	Permanently
External Stakeholder	**Consultant**	They play a key role in transforming our business processes and stakeholder relations in compliance with regulations while taking resource efficiency into account.	We receive consultancy services from third-party firms, particularly in sustainability reporting and corporate processes.	Meetings, E-mail, Visits	Periodically
	National – International Organizations	National and international organizations ensure that we adhere to high-quality and safety standards, implement environmentally sustainable practices, and comply with ethical and social responsibility norms. They also support our investment in innovation and technology and help us maintain transparency and accountability.	We produce in accordance with the high standards set by international organizations. These standards include adherence to quality and safety standards, implementation of environmentally sustainable practices, consideration of ethical and social responsibility norms, investment in innovation and technology, maintaining transparency and accountability, and participation in international collaboration and networking activities.	E-mail, Mobile Communication Tools, Telephone, Meetings	Permanently
	Other (Agencies, Business Partners, etc.)	The contributions of our agencies and business partners allow us to participate in various activities and projects. In guidance services, operational contributions from partner agencies have a decisive impact on work order and document management.	Our corporate governance approach positively influences the processes we conduct with our business partners.	Meetings, E-mail, Mobile Communication Tools, Visits	Periodically

Sustainability Goals

In line with our sustainability strategy, we updated our targets for 2023 based on the priorities and KPIs* we defined; each target has been made more measurable and trackable.

Status of Implementation in the Relevant Year | **Work on the target is currently in progress**

Contributed SDGs**	Material Topic/ Subtopic	2030 Target	Performance Indicators	2022 Base Year	2023	2024
	Economic	Sustain economic growth	Be among the top 300 companies on the ISO 500 list	429	302	273 ✓
			Taking place in the top 3 in "Ship, Yacht and Services" sector ranking	2nd	4th	1st ✓
	Environmental Protection & Environmental Management	Generating 40% of our new building revenue from alternative-fuel tugboats	Percentage of revenue from alternative-fuel tugboats (%)	0	61 ✓	20
	Carbon Footprint Energy Management	Decreasing energy consumption per product	Energy consumption per product (MWh/gross tonne)	0.95	0.71 ✓	0.67 ✓
		Total energy consumption covered entirely by renewable energy.	Renewable energy share (%)	0	43	41
	Carbon Footprint Water Management	Reduce water consumption per product compared to previous year	Water consumption per product (m3 /gross tonne)	2.54	2.51 ✓	2.74
		Implementing wastewater recycling project	Recycled water per product (m^3/gross tonne)	⏳	⏳	⏳
	Carbon Footprint Emission Management	Reduce greenhouse gas emission intensity	Ratio of the total of Scope 1, Scope 2 and Scope 3 emissions to the production amount (tCO_2e/gross tonne)	0.69	0.62 ✓	0.45 ✓
	Waste Management	Increasing total waste recycled per product compared to previous year	Total recycled waste per product (ton/gross tonne)	11.79	7.73	8.29 ✓
	Material Recycling	Increase use of recycled materials per product by 5%	Recycled material usage rate (%)	3	2	3
	Employee Development	Increasing number of employees supported in professional/personal development	Number of people whose professional and personal development was contributed to	267	194	126
	Occupational Health and Safety	Reducing accident frequency by 10% vs previous year	Accident frequency rate (%)***	1.36	1.97	2.35
		Zero fatal accidents	Number of fatal accidents (#)	0	0 ✓	0 ✓
		Increasing average OHS training per employee by 30%	OHS training per employee (%)	20	32 ✓	24
		Reduce lost time due to accidents by 10% vs previous year	Rate of lost days due to accidents (%)	22.70	34.83	19.98 ✓
		Zero occupational disease rate	Occupational disease rate (%)	0	0 ✓	0 ✓
	Gender Equality	Increase female office employees	Female office employee ratio (%)	8.8	9.6 ✓	10.5 ✓
	Supply Chain	Implementation of a framework aligned with sustainable procurement criteria	Suppliers evaluated based on environmental and social criteria (%)	⏳	⏳	⏳

*Key Performance Indicators.
**Sustainable Development Goals.
***Includes targets related to Sanmar Shipping, excluding Towage and Pilotage Services. A revision of historical data has also been made due to an update in the calculation methodology.

The table below shows the details of our sustainability targets linked to the 17 UN Sustainable Development Goals (SDGs) and 169 sub-targets.

04

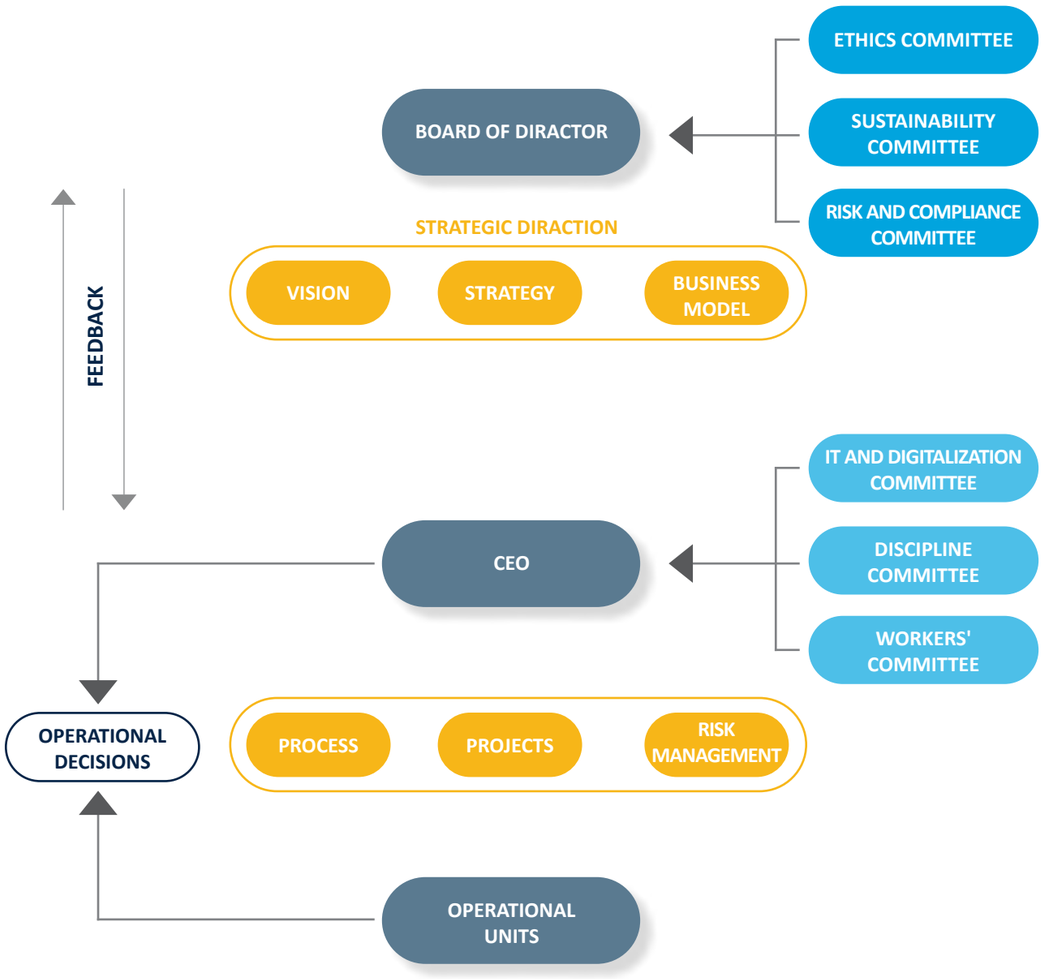
Corporate Governance

Corporate Governance

The Board of Directors, the Company's highest governance body, is responsible for strategic decision-making and guiding the corporate vision. The General Manager (CEO), reporting to the Board, coordinates all operational processes. 10 strategic directorates, reporting directly to the CEO, represent specialized functions across different business units.

These directorates include: Shipyard Technical, Towage & Pilotage Services, Engineering, Design & Development, R&D & Electrical Systems, Corporate Strategy, Commercial, Financial Affairs, Shipyard Operations - Investments & Government Relations, and Human Resources & Information Technologies, covering critical functions.

A total of six committees operate under the Board of Directors and the CEO.



Ali Gürün
Chairman of the Board of Directors

Education:

- Istanbul Technical University – Naval Architecture and Marine Engineering (M.Sc.)
- Istanbul Technical University – Mechanical Engineering (B.Sc.)
- Kadıköy Anatolian High School

He has been actively involved in Engineering, Production, Management & Growth Strategy, and Marketing within Sanmar since 1993.

- The Shipowners' P&I – Board Member
- Turkish Marine Environment Protection Association (Turmepa) – Board Member
- Piri Reis University – Board of Trustees Member
- Turkish Chamber of Shipping – Alternate Board Member and Assembly Member

Cem Seven
Deputy Chairman of the Board of Directors

Education:

- Bilkent University – Faculty of Business Administration
- Istanbul Private Saint-Joseph French High School

Since 1989, he has been working at Sanmar, focusing on defining, developing, and implementing market strategy, business development and market expansion, establishing and maintaining active communication links with bureaucratic relations and regulatory bodies.

- Ship, Yacht, and Services Exporters Association - Chairman of the Board of Directors (2nd term)
- Turkish Chamber of Shipping – Chairman of Professional Committee No. 47

BOARD OF DIRECTORS
"Vision, Strategy and Business Model"

Relevant Committee	Ethics Committee	Sustainability Committee	Risk and Compliance Committee
Working Procedures and Principles	• Prepares the principles and regulations that Sanmar employees and stakeholders to comply with. • Its members are appointed by the Board of Directors, informs and report exclusively to the Board. • Ensures the unconditional implementation of the Code of Ethics and Conduct, the creation of an ethical culture, and the continuous improvement and sustainability of the process.	• Its members are appointed by the Board of Directors, informs and report exclusively to the Board. • Independent experts and consultants may be consulted when necessary. • It works to integrate the Company's existence, growth, and sustainability into Sanmar's way of doing business to enable the BoD to fulfill its duties and responsibilities effectively; develops projects accordingly.	• Its members are appointed by the Board of Directors, informs and report exclusively to the Board. • It reviews the risk management system at least once a year, and is responsible for evaluating whether the Company's risks related to financial, operational, strategic and compliance risks that may endanger the Company's sustainability and growth are effectively managed, whether the practices are functional, and for monitoring the actions taken against these risks.
Frequency of Meeting	At least once every 4 months.	At least twice a year.	At least once every 3 months.
Chairman	Human Resources & Information Technologies Director	Corporate Strategy Director	Financial Affairs Director
Member	• Strategy & Sustainability Manager • Legal Counsel	• Finance Director • Engineering Director • Senior Quality Management Manager • Strategy & Sustainability Manager • Legal Counsel • Process Improvement • Project Manager	• Corporate Strategy Director • Tugboat & Pilotage Services Director • Shipyard Operations, Investment & Public Relations Director • Strategy & Sustainability Manager • Legal Counsel • Process Improvement Project Manager
Meeting Participation Rate*	100%	100%	100%

*Represents the participation rate of committee members in committee meetings.

Ethics Management and Transparency

Ethics management, transparency, and fundamental ethical values form the foundation of our corporate governance approach and guide all our decision-making processes.

In 2023, in order to establish ethics management as a widespread culture across the entire company, we created and shared with all employees the **Code of Ethics and Conduct Policy, Code of Ethics and Conduct Handbook, Code of Ethics and Conduct Reporting Procedure, Ethics Committee Work Procedure, and Ethics Committee Appointment Letter.** The Ethics Committee, which became operational in 2023, regularly reports to senior management.

To ensure a fast and effective response to ethical violations, we established an **Ethics Hotline** in 2023 in cooperation with an independent firm; the identity of whistleblowers is kept confidential, and no retaliation is tolerated.

Ethics Management Principles

- Fairness
- Honesty
- Accountability
- Transparency

• Situations believed to violate legal regulations, Sanmar's Code of Ethics and Conduct, corporate ethical values, and other relevant policies and procedures can be reported within the principles of confidentiality via the **"SpeakHub"** reporting channel.

• If the whistleblower provides personal data, this information is stored in compliance with the PDPL and is never shared with third parties unless explicitly stated.

Our employees can report via "https://www.speak-hub.com/tr".

2024 In the year:

- **Number of reports to the Ethics Hotline: 3**
- **Number of resolved reports: 3**

With Sanmar SpeakHub, we are always there for our employees!

Examples of reportable cases on SpeakHub:

- Acceptance or offering of gifts,
- Superior-Subordinate relations,
- Discrimination,
- Employee-related theft, corruption, fraud,
- Unfair practices regarding working hours and leave rights,
- Physical violence,
- Insults and degrading behavior,
- Supplier-related misconduct,
- Cases that damage the company and brand reputation,
- Failure to comply with company ethical principles, etc.

Risk and Compliance Management

Risk management is a strategic priority for ensuring our Company's sustainability, profitability, reputation, and fulfillment of legal responsibilities. Based on the understanding that an unidentified risk cannot be managed, we identify risks aligned with our company strategy and review them regularly.

We continue to adopt ISO 27001 and PDPL (Turkish Personal Data Protection Law) compliance as integral parts of our business processes. In 2024, we advanced the ISO 27001 Information Security Management System certification process initiated in the previous period and strengthened our corporate competence in information security and data protection. Preparations for ISO 27001 and PDPL compliance included risk analysis, asset inventory, and the creation of related policies and procedures. We also implemented technical measures such as access control and network security, while reinforcing security culture through employee awareness training. These efforts aim not only at certification but also at strengthening corporate trust—one of the core pillars of our sustainability strategy.

To identify and evaluate Environmental, Social, and Governance (ESG) risks, the Risk and Compliance Committee, reporting to the BoD, classified risks according to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines into transition risks (regulatory, technological, market, reputational), physical risks, and other risks. In this regard, climate-related risks were clearly defined, and potential opportunities arising from each risk were also analyzed.

This year, we reviewed climate and sustainability-related risks within the categories of transition, physical, and other risks, identifying a total of 23 risks at high and medium levels in the leadership of the Risk and Compliance Committee, which was founded in 2023. For each of these risks, potential financial impacts were calculated, enabling a more concrete and manageable assessment of their possible impacts. The table below outlines the criteria under which these risks were evaluated.

Detailed table on risks and opportunities can be found in the **Appendix** of the report.

Risk Impact		Possibility of Occurrence of the Risk		Timeline		Potential Financial Impact of the Risk
5	Very High Level Impact	5	Very High Possibility	0-3 Years	Short Term	The potential financial impact of a risk refers to the possible income or expense/cost that a risk could create on Sanmar's financial status if it materializes. This impact may vary depending on the severity (magnitude of impact), likelihood, and the value of the assets exposed.
4	High Level Impact	4	High Possibility			
3	Medium Level Impact	3	Medium Level Possibility	3-6 Years	Medium Term	
2	Low Level Impact	2	Low Possibility	6 Years and Above	Long Term	
1	Very Low Level Impact	1	Very Low Possibility			

Innovation

To achieve our sustainability goals, we prioritize and allocate resources to developing innovative approaches that transform both our way of doing business and our products.

Click here to see the 5-Year Digitalization Roadmap.

Our innovation strategy not only focuses on product development but also includes the digitalization of business processes, redesigning production methods with consideration for environmental impacts, and generating sustainable solutions throughout the entire value chain.

We address our innovation approach **under three main headlines:**

1. Process Innovation and Digitalization

As mentioned in our previous reports, in 2020, we transitioned to the SAP Business One ERP system, enabling us to run all processes end-to-end through this program.

Digital transformation journey of Sanmar in 2024 was chosen as a success story by SAP, and the gains of Sanmar in this initiative were highlighted with a video project.

Click here to watch the video of this transformation journey.

As part of our digital transformation journey, last year we assessed stakeholder expectations and our existing resources, then categorized our digitalization projects according to priority level and developed a **5-Year Digitalization Roadmap.** Our **IT and Digitalization Committee,** ensuring that the process progresses as planned, works in coordination with relevant departments and provides regular reports to the Board of Directors regarding the process.

Our 2024 initiatives for digitalization and process improvement to increase the efficiency of our business processes include:

- With CRM module, we record meetings, track proposal and contract processes in real time to manage our customer relationships more effectively. In 2024, within the scope of Phase 2, we improved this system further, and refined reports which enabled faster decision-making.
- We continued our work on IFRS and management reporting through our Qlik sense business intelligence program.
- Design man-hour tracking processes and reporting requirements were implemented in the system and are now in use.
- A mobile phone application was launched to enable faster access and resolution in the approval process.
- The number of activities in project plans was reduced by consolidating similar tasks in spaces and systems. This prevented errors in man/hour data entry or date updates related to specific tasks or systems.
- A new employee feedback application was introduced, enabling employees to send their feedback (thanks, complaints, suggestions) to the relevant department via the system, and track its stage and outcome.
- In line with the importance we placed on legal compliance, we use Legal Legislation Tracking System with the Lexpera software.
- To manage our HR processes more effectively, efficiently, and in an integrated way, we launched the SAP SuccessFactors project in August 2024. Introduced internally as "İKPORT," this digital transformation project consolidates our HR practices on a central platform, aiming to standardize and accelerate our processes and make them traceable. We deployed the Employee Center, Remuneration, and Performance Management modules in the first phase. We plan to deploy other modules gradually.
- For the first time in the sector in Türkiye, we carried out plan approval and on-site inspections through 3D models. Class approved 3D models enable monitoring of tugboats compliance. This innovation helps us prevent paper waste and support environmental sustainability. We also increased operational efficiency through more effective and flexible inspections.

Stakeholder Perspectives

Joost Tigealaar
SAP Global Vice President

Sanmar, a family-owned leader in tugboat manufacturing and fleet operations, partnered with SAP Business One and Sentia to transform its operations. By consolidating processes onto a single platform, Sanmar gained real-time analytics, enhanced data visibility, faster compliance, and improved forecasting capabilities.

With streamlined reporting and better interdepartmental communication, Sanmar is now equipped to transition from a family-run business to a modern corporate framework and lead its industry forward.

2. Innovation in Production Methods

We make investments in production technologies that improve energy efficiency, reduce waste generation, and lower our carbon footprint. In this context:

- To prevent marine pollution, all our production processes are carried out within fully equipped enclosed halls.
- We reduce structural element-based manufacturing and maintain a high level of pressed production, minimizing risks for both occupational health and safety (OHS) and the environment.
- With our modern CNC machinery, we carry out 95% of all steel cutting in our shipyard, significantly reducing external dependency.
- By integrating CNC cutting into the Sanmar Connect system, we are able to track and report all steel plates used in projects in real time. This integration also allows for efficient scrap management, ensuring optimized use of planned steel cutting plates for each project. Additionally, since cutting is carried out exclusively for Sanmar projects, transportation and operational costs are minimized.
- At our Altınova shipyard, we are continuing our solar panel installation project. With the investment already made this year and installation scheduled for next year, the solar panels will power our battery-electric tugboats, enabling 100% carbon-free tugboat operations.

3. Product Innovation

Further details on our pioneering projects, and products we manufacture with, advanced engineering solutions and innovative approach can be found in the report sections **"Products, Services, and Quality"** and **"Innovative and Environmentally Friendly Products".**

Economic Performance

2023 was a challenging year for Türkiye, marked by the devastating earthquake, high inflation, depreciation of the Turkish lira against foreign currencies, and increased CDS risk premiums that made access to financing more difficult. These caused pressure on exporters like us. In 2024, however, we focused on enhancing production efficiency, managing costs more effectively, and prioritizing sustainability in resource utilization to reverse the landscape. The strategic actions we implemented have started to yield results in 2024.

In Türkiye's ISO 500 Industrial Enterprises ranking, we made significant progress compared to the previous year, reaching **273rd place in production-based sales and 268th place** in net sales in 2024. This achievement reflects our sustainable growth strategy, quality-oriented production approach, and strong financial foundation.

Stakeholder Perspectives

Reyhan Özlem Öztürk
Türkiye İş Bankası A.Ş.
Altunizade Commercial Branch Manager

At İşbank, we position sustainability at the core of our strategy and work with a holistic approach to support Türkiye's fight against climate change and its transition to a low-carbon economy.

The maritime industry holds significant potential for transformation in terms of emission reduction and energy efficiency. We continue to support the practices for minimizing environmental impacts and sustainability-focused investments of our clients in this sector with our financial solutions.

Sanmar Shipyards is taking concrete steps to reduce the environmental impact of its production processes while implementing practices that improve energy efficiency. Through projects such as electric tugboats, alternative-fuel-powered vessels production, and the use of renewable energy sources to supply all electricity needs at its shipyards, Sanmar is setting an example in adopting a cleaner and more sustainable approach to shipbuilding.

We contribute to the implementation of innovative production processes through long-term investment loans and sustainable financing structures we offer to Sanmar Shipyard's low-emission, LNG, and electric hybrid tugboat projects that aim to reduce the industry's carbon footprint and minimize environmental impacts.

In the Turkish Exporters Assembly (TİM) "Top 1000 Exporters of Türkiye Survey", we ranked **4th** in our sector in export and 157th overall in 2023. In 2024, we rose to **1st** place in our sector.

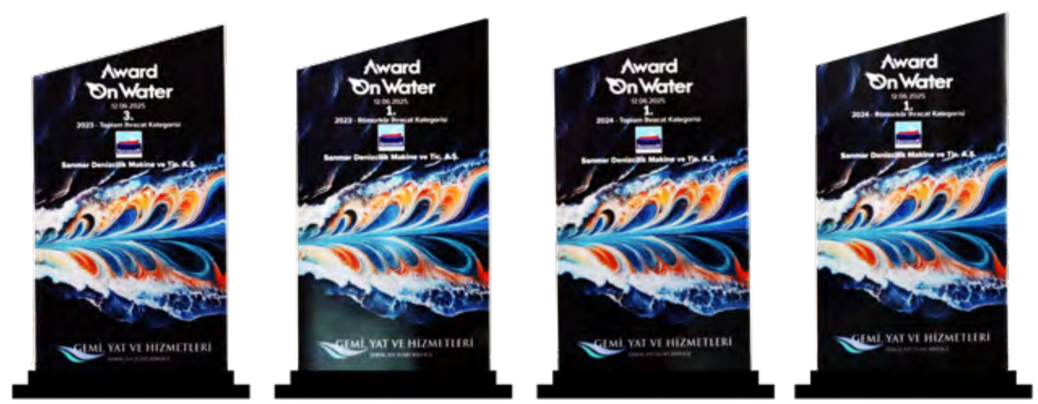
HaiSea Kermode RAstar 4000 DF, the fourth tugboat we built for Canada-based HaiSea Marine, was named Tug of the Year at the International Tug & Salvage Convention (ITS) held in Dubai. Winning this prestigious award for two consecutive years is a source of great pride for us. These prestigious awards are a clear testament not only to our leadership in exports but also to our strong competitive edge at the global level.

At the Ship, Yacht and Services Exporters Association Awards, Sanmar received two distinctions in 2024.

Stakeholder Perspectives

Belit Gültekin BALIM
Akbank Gebze Commercial Branch Manager

At Akbank, we believe in the transformative power of the financial sector in achieving the Sustainable Development Goals. In this context, we support our clients' sustainability-driven initiatives with innovative sustainable finance products. The maritime industry plays a critical role in the transition to a low-carbon economy. With this awareness, we have developed our "blue finance" products, which strengthen investments that contribute to the protection of ecosystems and biodiversity By supporting emission-reducing projects such as electric tugboats, these solutions not only create environmental benefits but also generate economic and social value. We are proud to partner with Sanmar Shipyards, which is taking pioneering steps in the sustainable transformation of maritime operations, and to contribute to the advancement of the blue economy. We will continue to protect today and lead the future with this shared vision.



2023
Total Export Category
3rd Place Award

2023
Tugboat Export Category
1st Place Award

2024
Total Export Category
1st Place Award

2024
Tugboat Export Category
1st Place Award

Such indicators highlight not only the success of our company but also the contribution we made to the national economy. Our export performance continues to drive sectoral growth while contributing positively to both employment and the foreign trade balance.

Supply Chain Management

One of the key steps in ensuring our quality-driven service approach is the strong and healthy relationships we maintain with our suppliers. To effectively manage and monitor our supply chain, since 2020 we have been using the SAP infrastructure across all our critical processes. This ensures traceability, operational efficiency, and process optimization.

In line with our responsible supply chain management approach, we carefully select our suppliers based on criteria such as environmental and social performance factors, including environmental impact, human rights, and occupational health and safety.

In compliance with legal legislation, we certainly avoid collaboration with suppliers that employ workers under the age of 18. As part of our company policy, we conduct an annual **"Supplier System Performance Evaluation"** and **"Supplier Compliance On-Site Audit".**

We continue working with the suppliers that show the highest performance according to our audit criteria including environment and quality management, discrimination, child labor, and forced labor. We continue working with the suppliers that score at least 70 as a result of the regular audits.

In 2024, we conducted a total of 27 performance evaluations and 4 on-site audits for operational suppliers. Meanwhile, we evaluated 44 suppliers among those providing strategic equipment and consumables.

We consider the environmental and social impact of the suppliers during the process of supplier selection.

An important part of our evaluation and audit process is verifying that intermediate products used in tugboat construction are free of asbestos[10] and that our production processes prevent contamination. For this reason, we obtain random samples from our warehouses. These samples are tested at the Scientific and Technological Research Council of Türkiye (TÜBİTAK) laboratories. We then review the independent evaluation reports.

The building process of all tugboats is supervised and certified by international independent classification societies. Accordingly, we prefer the products -in the equipment and materials provided by the suppliers- that are approved by the class institutions.

Our local supplier ratio in 2024 is 87%

We conduct "Supplier System Performance Evaluations" and " Supplier Compliance On-Site Audit" with the suppliers we work with every year.

[10]Asbestos, commercially known as amianthus, is the common name of a group of minerals with a silicate (magnesium silicate, calcium-magnesium silicate, iron-magnesium silicate) composition that has a geologically fibrous crystal structure. It is used for its insulation feature as a result of the physical and chemical features it possesses. Inhaling asbestos fibres may cause various dangerous lung conditions, including mesothelioma, asbestosis, and lung cancer, posing a health and safety hazard.

We evaluate our suppliers in 3 groups:

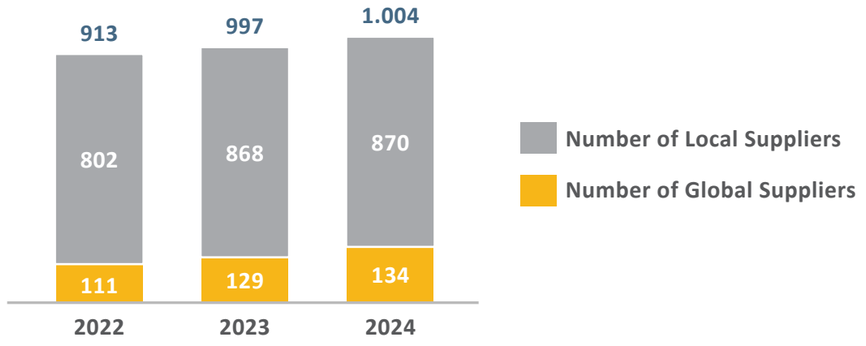
Operational Suppliers — Suppliers with whom we collaborate directly in our production and operation processes, ensuring the sustainability of operational processes.

Strategic Equipment Suppliers — Suppliers with proven reliability from production to after-sales support, as specified in the project specifications and in line with customer expectations (This group provides critical equipment to the project needs).

Consumable Material Suppliers — Suppliers who provide materials regularly consumed during production ensure the uninterrupted continuity of operational processes.

As a company that proudly represents Türkiye on a global scale, one of our most valuable motivations is to contribute to the local economy In this regard, we are prioritizing the procurement of all equipment and materials from local suppliers as much as possible. In 2024, our local supplier ratio among all of our suppliers was recorded as 87%.

Supplier Distribution (Number)



Our Supply Chain

05

Environmental Footprint

"Navigating tomorrow, preserving Our Nature."

Environmental Footprint

Within the scope of our environmental priorities, we continue to take tangible and impactful steps. In this line, to further strengthen our environmental management processes, we work with an expert third-party consultancy firm to develop innovative solutions in line with both national regulations and international best practices. In order to carry out these activities in the field, with the support of our two dedicated **Occupational Health, Safety, and Environment (OHS-E)** teams operating in our business areas, we actively monitor, assess, and improve the implementation of environmental management processes.

Our primary goals are to minimize environmental impacts in all operations and projects, protect biodiversity and ecosystems, and use natural resources efficiently in line with sustainability principles.

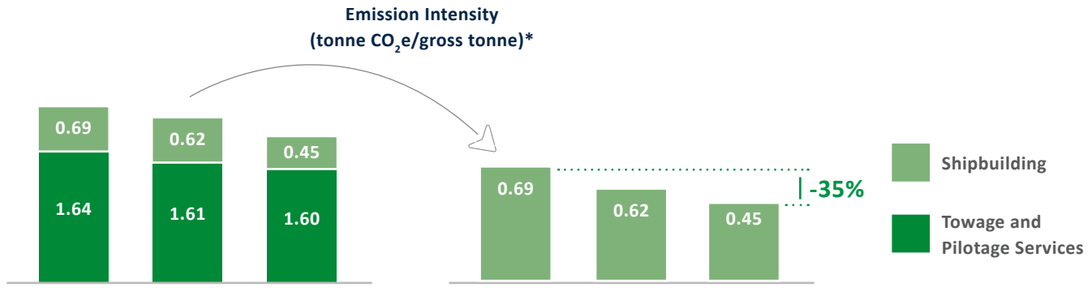
All our activities are conducted under the **ISO 14001:2015 Environmental Management System,** which enables us regularly to take control of our impacts on the environment, ensure traceability, and act with a focus on continuous improvement. In line with the requirements of this system, we clearly define our environmental targets, continuously review our performance, and take corrective measures when necessary.

We also closely follow global sustainability trends and environmental policies, proactively evaluating opportunities to integrate them into our business processes. To minimize our environmental impact, we have implemented many innovative practices in energy efficiency, waste management, and carbon footprint reduction. We also continue to invest in environmentally friendly, high-efficiency production systems to further reduce environmental risks.

Carbon Footprint

We are committed to implementing our action plan to reduce carbon emissions, improve energy efficiency, and minimize environmental impacts in line with our short-, medium-, and long-term targets. To achieve these goals, we develop innovative projects that support the targets we have set. We also put technologies to minimize our environmental impact in our systems. For our next-generation **"TIER III"** engines, we use **SCR (Selective Catalytic Reduction)** systems to particularly reduce NOx emissions. Today, 90% of the tugboats we build are equipped with TIER III engines, ensuring our commitment to environmentally friendly production.

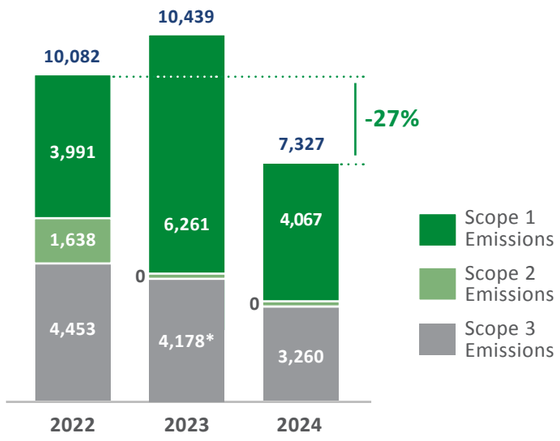
In 2024, our total Scope 1, Scope 2, and Scope 3 emissions were recorded at **15,914.9 tonnes of CO_2e.** Despite a **12%** increase in production volume compared to 2022, we achieved a **35%** reduction in our Scope 1 and 2 greenhouse gas emission intensity in shipbuilding. This reflects our strong environmental responsibility and commitment to sustainability. These results were achieved through improved efficiency, optimized energy use, and the effective integration of ecological technologies across our processes. As a result, we continue to expand our production capacity while significantly reducing our carbon footprint and advancing our sustainability goals.



*Greenhouse gas emission intensity is calculated by dividing the sum of Scope 1 and Scope 2 emissions by the production amount as part of shipbuilding activities. Similarly, the emission intensity regarding the towage and pilotage services is determined by dividing the Scope 1 and Scope 2 emissions by the number of tugboats operating in the port.

Within the framework of Shipbuilding operations in 2024, we calculated that Scope 1 & 2 emissions amounted to **4,067.41 tonne CO_2e,** and Scope 3 emissions amounted to **3,260.07 tonne CO_2e.** Scope 1 emissions decreased by **35%** compared to the previous year. On the other hand, we neutralized Scope 2 emissions by sourcing all electricity consumed for Scope 2 activities from renewable energy. We also reduced Scope 3 emissions by **22%,** strengthening our activities to reduce our environmental impacts in our post-production supply chain. This decrease is due to the improvements we have made in our production processes and the fact that we have optimized our use of resources more efficiently thanks to energy efficiency practices.

Distribution of Scope 1, 2 and 3 Emissions in Shipbuilding (tonne CO_2e)

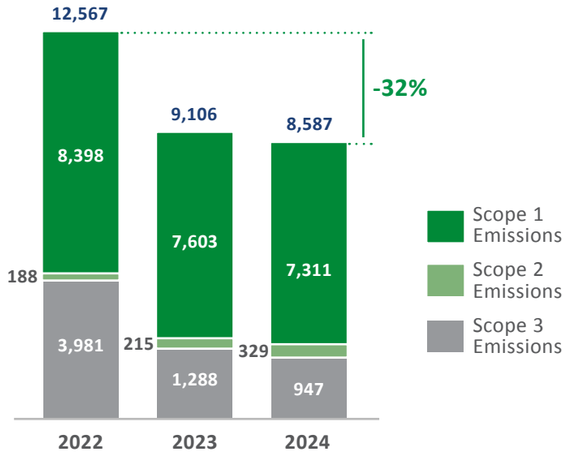


* Data for the previous reporting period has been revised due to an update in the calculation methodology.

Alongside our production activities, in Towage and Pilotage Services, our Scope 1 & 2 emissions in 2024 totaled **7,640 tonne CO_2e.** Scope 1 emissions **decreased by 4%** compared to the previous year. With the addition of the electric tugboat "Dinamo 2023" into our fleet in the same period, Scope 2 emissions calculated as part of Towage and Pilotage Services increased by 53%. The main reason of this increase is the higher electricity use. However, Scope 3 emissions decreased by **26%.**

In this way, we contributed significantly to our environmental sustainability targets by reducing our emissions largely with the operational improvements and renewable energy use.

Scope 1, 2 and 3 Emission Distribution in Towage and Pilotage Services (tonne CO_2e)

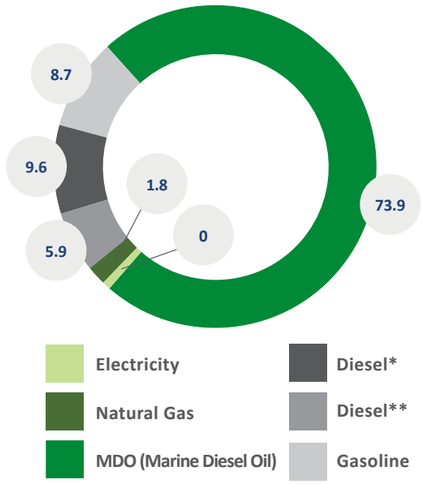


Energy Management

We position efficient energy use among our top priorities and implement a continuous improvement-based energy management system. To reduce emissions and minimize environmental impacts, we develop projects focused on energy efficiency and prioritize the use of renewable energy sources.

We conduct detailed analyses of different energy sources used in our operations, such as natural gas, electricity, LPG, and Marine Diesel Oil (MDO), and carry out projects to optimize overall consumption. In our shipbuilding operations, MDO accounts for the largest share of energy consumption.

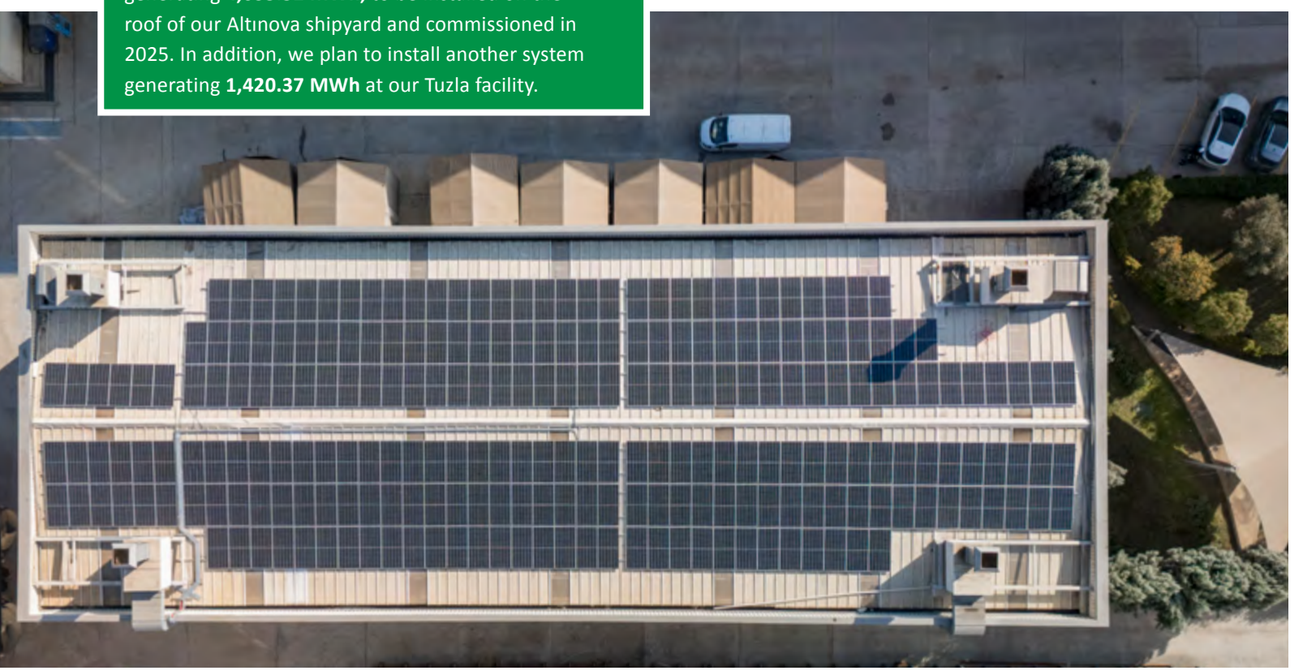
Non-Renewable Energy Consumption Distribution in Shipbuilding (%)



* Includes diesel consumption data for forklifts, trucks, vans, minibuses, and generators.
** Includes diesel consumption data for company vehicles.

Solar Panel Project

One of our most important and high-impact projects is our **"Solar Panel"** project. This year, as part of our commitment to energy efficiency and transition to clean energy, we invested in a solar panel system generating **4,035.52 MWh,** to be installed on the roof of our Altınova shipyard and commissioned in 2025. In addition, we plan to install another system generating **1,420.37 MWh** at our Tuzla facility.



In our Shipbuilding operations, we sourced a total of **4,980 MWh of electricity from renewable energy sources, meeting 41% of our total energy consumption from sustainable sources.**

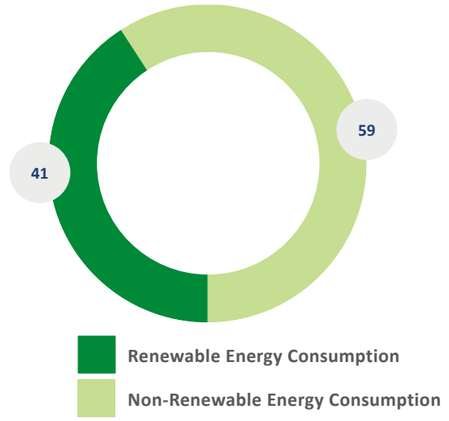
- Renewable Energy Sources: Electricity
- Non-Renewable Energy Sources: Natural Gas, MDO (Marine Diesel Oil), Diesel (Forklifts, Trucks, Vans, Minibuses, Generators), Diesel (Company Vehicles), Gasoline (Company Vehicles), LPG/LNG/CNG

In 2024 we continued to source all the electricity used in our shipyards from renewable energy sources as part of our strategy. Thanks to this practice, which we have maintained uninterruptedly since 2023, we achieved a **7%** reduction in total energy consumption in our Shipbuilding operations compared to 2023. Improvements aimed at enhancing energy efficiency, optimizations in production processes, and saving-oriented practices were the key factors contributing to this significant achievement.

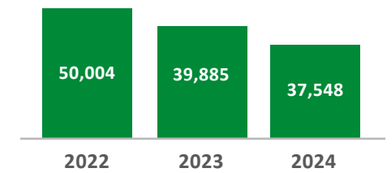
In our Towage and Pilotage Services, we reduced MDO consumption per product by **5%** through efficiency improvements and operational optimizations. As of 2024, we achieved a **6%** reduction in our total energy consumption compared to the previous year. As of 2024, we achieved a 6% reduction in total energy consumption in our Towage and Pilotage operations compared to the previous year. This decrease is the result of optimizations in our operational processes and the implementation of efficiency and saving-oriented practices.

We continue to support our energy conservation and efficiency targets with various projects, including improvements in lighting systems. Since 2012, we have been using a **Ship Launching System** that converts braking energy generated during ship launching into electricity, covering part of the shipyard's energy demand. The System ensures savings equal to the daily average electricity consumption of a house by providing approximately 10 kWh energy recovery. In addition, the heat pump system installed in our administrative building uses seawater temperature for cooling, reducing our dependence on traditional cooling systems.

Renewable Energy Distribution in Shipbuilding Operations (%)



Total Non-Renewable Energy Consumption (MWh)*



*Consolidated data for shipbuilding, towage and pilotage operations.

Energy Recovery from Load Testing Project

The Load Recovery Test Project, launched in 2023 with fully controlled load testing, has provided significant energy savings during each vessel's testing phase. Previously, approximately 200 kWh of energy was consumed during generator load tests using step-load bank systems, and with the new test unit, capable of synchronizing with the grid, this energy is now reused within the shipyard. As a result, the shipyard achieved an energy saving of **400 kWh.** In 2024, with the integration of converter systems in the ongoing project, energy efficiency during load testing processes improved significantly, delivering both economic and environmental benefits at the shipyard.

Ship Launching System ensures savings equal to the daily average electricity consumption of a house by providing approximately 10 kWh energy recovery.

Material Recycling

We adopt a resource-efficient and environmentally responsible approach to improve material use efficiency and minimize waste generation in our production processes. With this approach and in collaboration with our Design and Engineering teams, we aim to increase the use of cold-pressurized structural components, ensuring resistance, instead of welded ones. By developing our pressurized production methods, we reduce emissions of harmful gases, such as carbon dioxide (CO_2), carbon monoxide (CO), nitrogen oxides (NOx), and ozone (O_3), from welding operations. In this line, instead of treating sheet metal scraps generated during production as waste, we recycle these into equipment and outfitting products through our third-party partners.

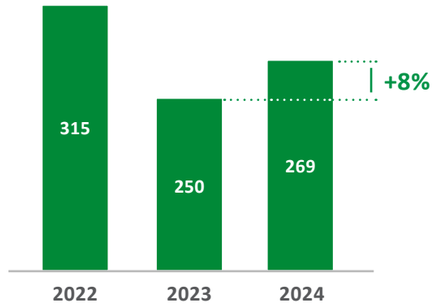
By integrating cold-pressing techniques into our processes, we shape materials without high-temperature heating, ensuring more efficient use of energy and raw materials. In this way, we show care to use steel, one of our main materials in our projects, in the most efficient way.

In this line, we collaborate with our Design team to ensure that sheet plates used in production are included in the production with minimum scrap.

Additionally, we start our scrap management process with cutting sheets prepared by the Design team. These are evaluated once more before being sent to CNC cutting workshop. In this way, we foresee the sheet metal scraps that may occur during cutting and manage these effectively.

We also re-evaluate the scraps that emerge during cutting at different production stages. Additionally, we use the remaining pieces from the material that is sent to production after cutting as much as possible. The resulting scrap pieces are used effectively for shipyard maintenance (e.g., garbage and scrap containers, or keel blocks production) and for the production of cradles for tugboats upon customer request. Through these practices, we reduce material waste and maximize resource efficiency across our operations.

Total Recycled Material Utilization (tonne)



Through all the initiatives we undertake, we extend our recycling-oriented approach beyond production to our warehouse and office areas, implementing projects to enhance resource efficiency across all operations.

Under our **"Recycling of Used Materials"** Project, we reintegrate equipment and materials that can be reused into the production cycle, thereby preventing unnecessary waste generation. As of 2024, we increased the use of recycled materials in our production processes by **8%** compared to the previous year.

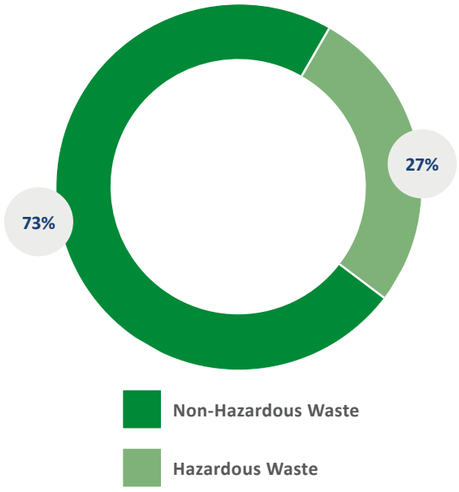
As of 2024, we increased the use of recycled materials in our production processes by 8% compared to the previous year.

Waste Management

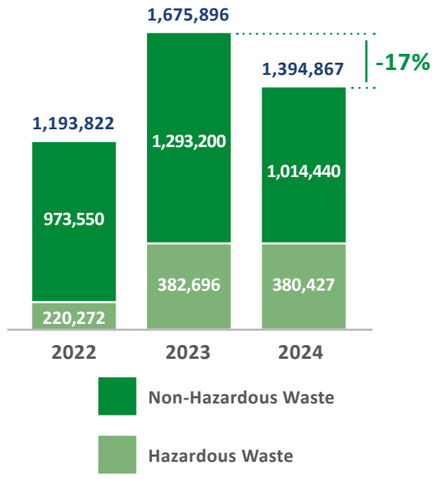
We effectively manage waste generated in our production processes to minimize negative environmental impacts. Thus, we not only focus on reducing the volume of waste but also on ensuring that the waste produced is disposed of in the least harmful way possible.

We carefully classify and manage waste generated in our offices, production areas, and storage facilities according to type, content, and disposal method. And we include these to production processes. In line with our waste management strategy, we achieved a **17%** reduction in total waste compared to the previous year. We also reduced non-hazardous waste by **20%**, and achieved a **6.5%** reduction in waste per product. In 2024, the breakdown of waste types showed that **27% of our total waste was hazardous and 73% was non-hazardous.** Our non-hazardous waste ratio **decreased by 5%** compared to the previous year in terms of its share in the total waste amount.

Total Waste by Type in 2024 (tonne)



Distribution of Disposed Waste (tonne)



Thanks to the **"Zero Waste Project"** that we carry out at all of our facilities with the same sustainability and environmentally friendly understanding, we separate wastes in offices and working areas and bring back in the recycling processes.

Our waste management efforts are not limited to land-based activities; we also carry out effective projects to protect marine ecosystems. In cooperation with the Tuzla and Altınova Shipbuilders' Associations, we implement the **"Combatting Marine Pollution"** project to provide services aimed at reducing pollution in our shipyard waters. These services are:

Services Aimed at Combating Marine Pollution

- Standby
- Audit
- Intervention to pollution and cleaning the pollution
- Coastal cleaning
- Coastal and marine areas rehabilitation
- Waste transfer
- Personnel training
- Execution of drill liabilities
- Revision of the Coastal Facility Emergency Response Plan
- Other services

In this regard, we remain on standby to respond to potential oil/oil-based spills and other harmful discharges, and we intervene immediately in the event of leaks or spills. We also conduct two (2) emergency response drills per year. We always have a **"Marine Pollution Response Kits"** and **"Emergency Response Personnel"** at our shipyards and tugboats in case of possible marine pollution.

With these practices, we not only prevent marine pollution but also make significant contributions to waste management and recycling projects. Thus, we move step by step toward our target of realizing a more sustainable production understanding.

Coffee Pulp Recovery Project

Within the framework of coffee-oriented micro waste management, we have been carrying out a shared project with Wastespresso since June to evaluate coffee wastes through sustainable methods to protect the environment. In this process, 205 kilograms of coffee waste were collected between June and December and subjected to up-cycling processes. With this practice, 229 kilograms Co_2e greenhouse gas emissions were prevented and a significant contribution was made to reduce carbon footprint. We regard this project as a valuable step towards developing innovative and environmentally friendly solutions in waste management, while also contributing significantly to the achievement of our Company's sustainability targets.

Environmental Protection and Environmental Management

We shape our environmental management approach with a strong sense of responsibility toward nature and carry out our activities in line with ISO 14001 standards. Thanks to this approach, we effectively manage environmental risks, seize opportunities, and continuously enhance our performance.

We closely monitor national and international environmental regulations and ensure full compliance with the requirements of organizations such as the IMO (International Maritime Organization), MARPOL[11], and the Turkish Maritime Administration. Prior to new projects, we obtain Environmental Impact Assessment (EIA) opinions from the Ministry of Environment, Urbanization, and Climate Change, and when necessary, prepare EIA reports to fulfill our legal obligations. In project areas, we diligently implement measures aimed at protecting natural habitats and marine ecosystems.

As part of the compliance process with these regulations, we provide regular training to our employees and conduct environmental drills twice a year. Furthermore, by collaborating with Gisaş and Most Denizcilik, we carry out Marine Pollution Prevention Drills, strengthening our preparedness for emergencies. By closely following developments in environmental legislation, we design our activities around the principle of continuous improvement.

In addition, with the authorization granted by the Directorate General of Maritime Affairs under the Ministry of Transport and Infrastructure of the Republic of Türkiye, we have the capacity to respond to oil and hazardous substance spills at sea. In this regard, we make preparations with training, seminars, and drills on a continuous basis.

Painting Applications for Tugboats Prior to Launch

In our project management plan, painting applications conducted before the tugboat launch are defined as a key milestone and managed with great precision. In this context, we carry out paint applications for all atmospheric tanks, external coatings, outer living quarters, and superstructures of our projects inside our enclosed halls, using airless spray pumps. Taking all required safety and environmental measures indoors, we apply spray-coating techniques with paint guns, enabling us to complete 95% of tugboat painting operations in a controlled environment. For the limited applications that must take place outside enclosed halls, we use our floating dock "Sanmar Usta", which belongs to our Altınova Shipyard, along with our SPMT (Self-Propelled Modular Transporter) system, to move projects back into enclosed areas.

In this way, we minimize weather-related disruptions and environmental risks. We also enhance paint quality, minimize adverse environmental impacts, and strengthen our occupational safety standards. Moreover, conducting painting operations in enclosed halls significantly prevents the spread of paint dust and chemical vapors into the environment. In doing so, we prevent marine and air pollution while contributing to our sustainability goals.

[11]The International Convention for the Prevention of Pollution from Ships, signed in 1973 and amended in 1978.

Biodiversity

We are committed to ensuring full compliance with legal regulations aimed at protecting the oceans and natural habitats, and we strive to continue our activities in line with this commitment. As part of our commitment to protecting biodiversity, we aim to minimize environmental impacts by using the ABS ENVIRO+ notation in the five tugboat projects we have developed for HaiSea Marine (3 Electra 2800 SX, 2 RAstar 4000 DF). This notation indicates the use of equipment and technologies that meet high standards for preventing marine pollution.

As our shipyards are located along coastal zones, we carry out sanding, washing, scraping, painting, and welding operations in enclosed areas to prevent any discharge into the sea and thereby avoid harm to natural habitats. We collect wastewater generated during the production process in large, leak-proof containers and deliver it to licensed chemical treatment facilities in accordance with the **Waste Management Regulation.** In this way, we prevent waste from being directly discharged into seas or wetlands.

We continuously monitor the impacts of our activities on biodiversity and take all the necessary measures to prevent any adverse impacts that may arise. We plan our efforts meticulously considering the sustainability of marine ecosystems.

With this awareness, we continued the **"Sustainable Marine Tourism"** initiative in 2024 as part of our collaboration with TURMEPA, which has been ongoing since 2022. Through our vessel Tekirova 1, we collect waste from yachts and tourist boats in Bodrum, with the aim of providing clean habitats for marine life In this regard, we collected 229,155 liters of waste in total, with 797 within the scope of the project we carry out with TURMEPA, and contributed to keeping approximately 2,835 million liters of seawater clean.

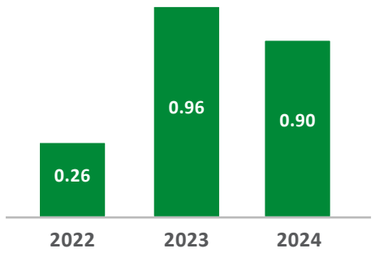
Within the scope of the project we carried out with TURMEPA, we collected a total of 229,155 liters of waste from 797 boats, contributing to the cleanliness of approximately 2,835,000 liters of sea water.

Water Management

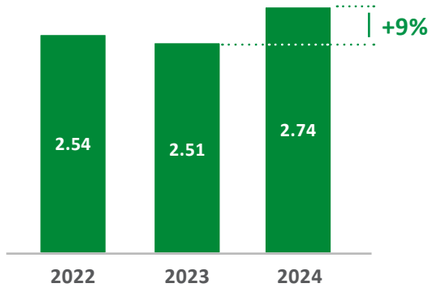
We fulfill our responsibilities meticulously to protect the water resources and manage them sustainably.

In 2024, an increase in annealing processes on sheets[12], the use of water fountains more intensively, and the supply of running water to tugboats during the shipyard production process, resulted in our water consumption per product increasing by 9% compared to the previous year. This reflects the growth in water demand due to production, and relevant processes are monitored regularly. In our Towage and Pilotage services, we achieved a **6%** reduction in water consumption per product, thereby enhancing our operational efficiency. This progress shows itself as the concrete reflection of our sustainable resource use and environment-friendly service approach. On the other hand, we decreased our mains water consumption in the operation area of Shipbuilding by **2%** with the measures we took at our administrative buildings. We prevent redundant water consumption by using armatures with photocell sensors in the toilets of our Altınova and Tuzla shipyards.

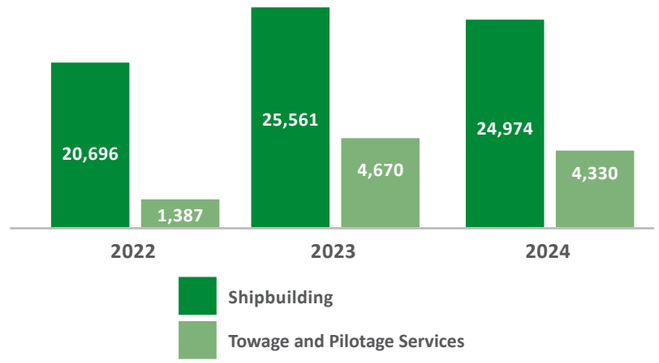
Total Consumption Per Product in Towage and Pilotage Services (m³/gross tonne)



Total Consumption Per Product in Shipbuilding Activities (m³/gross tonne)



Total Water Consumption (m³)



[12]Annealing is a type of heat treatment in which metals are heated to a specific temperature, held at that temperature, and then cooled in a controlled manner.

06

Social Impact

"Navigating Tomorrow, Preserving Employee Welfare and Equity."

Employee Development

With the aim of a developed and inclusive society, we reinforce our employees to create a diverse and capable workforce. We provide a safe working environment by prioritizing their well-being and improvement. With our HR strategy, we make important investments in employee equality and well-being with the aim of increasing our social impact. In line with our five governance principles, we manage our social impact and support our mission, which prioritizes customer focus, innovation, and entrepreneurship, in harmony with our core values. Together with our employees, we strive to sustain our vision of being sensitive to nature, human, and occupational safety.

Our Governance Principles

Inclusivity | Transparency | Diversity | Accountability | Ethics

Details of our core values can be found in the **Sanmar Shipyards at a Glance** section.

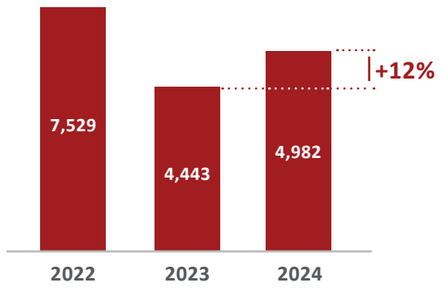
We are entering a new era in talent management. To manage our HR processes more effectively, efficiently, and in an integrated manner, we launched the **"IKPORT"** (HR-Port) project this year. IKPORT is a digital transformation initiative based on the SAP Success Factors human resources application software. With this project, we aim to consolidate our HR practices on a centralized platform, standardize processes, accelerate operations, and ensure traceability. Within the scope of the project, we plan to implement modules including Employee Center, Organization, Compensation, Recruitment and Offboarding Management, Orientation, Performance, Goal and Training Management. In the first phase, we actively launched the Employee Center, Organization, Compensation, and Performance Management modules. We will gradually integrate the remaining modules into the system. With this project, we make the talent management more sustainable and effective.

Sustainability training over 90 person/hours

In this context, we run various development programs and provide regular training to support the talent development of our 474 employees. Since 2023, we have increased the total number of training hours delivered to our employees by **12%**. In 2024, total training hours we provided to our employees reached **4,982.**

In addition this year we provided over 90 person-hours of sustainability training.

Total Number of Training Hours Provided for Employees (Person*hours)



Our Training Categories Covering 6 Different Areas

Orientation

Training where we introduce the company to the new employees and inform them about the operation of the company.

Technical

It varies depending on the function worked

PMP, ISO training, Resource, MS Excel, STCW Training, Payroll Training, IFRS, Vocational Qualification Certificate, Fire Training, Fundamental First Aid Training

Competence - General

These are the training that we aim for all our employees to receive within the scope of the determined competency set.

For everyone (Fundamental): Effective Communication, Relationship Management and Emotional Intelligence, Time Management, Conflict and Stress Management, Presentation Techniques.

Competency - Leadership

These are the training provided for managers (First Steps to Leadership Certificate Program, Holistic Management, Business Leadership Certificate Program, Leadership and Management).

Language

These are English language training courses provided in response to requests from our employees or managers.

Cambly

Personal Coaching

These are the training that we provide through professional coaches in line with the demands from managers and as foreseen by Human Resources for employees.

Through Development Center initiatives, we assess the potential of our employees, identify their needs in the performance evaluation process, and transform the areas identified as development priorities into training subjects. When determining training topics, we also consider requests from managers and employees.

We conduct performance evaluations twice a year, mid-year and year-end. Our performance system is structured as 180 degrees, focusing on supporting both the relationship and development between managers and employees. By increasing the number of employees included in the performance evaluation process, we significantly expanded our contribution to talent development. **Compared to 2023, we increased the proportion of evaluated employees by 35%.** By identifying our employees' strengths and development areas, we provide them with personalized feedback and promote a culture of continuous learning. In this way, we aim both to strengthen competencies at the individual level and to improve organizational performance.

Investing in young people is one of our most valuable commitments. In this regard, we develop internship programs for high school and university students. In line with our collaborations with various universities, particularly Istanbul Technical University (ITU), Yıldız Technical University (YTU), and Piri Reis University, we provide internship opportunities for students and aim to enhance their sectoral competencies. **This year, we welcomed 61 interns at our company and onboarded 2 of them by year-end.**

As a testament to the importance we attach to employee well-being, we obtained the Great Place to Work® certification in 2024. This certificate underlines our commitment to creating positive experiences in the workplace. We will continue to prioritize our employees and develop projects that increase their satisfaction.

We obtained Great Place to Work® certificate in 2024.

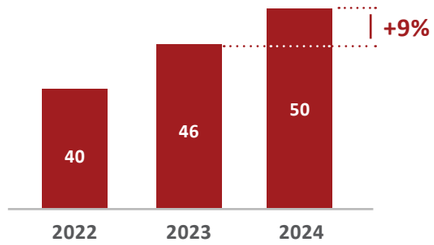
Equality and Diversity

We are committed to equality, diversity, and fostering a work environment that promotes well-being and a positive culture. In a sector where female representation is generally low, we attach importance to taking steps that will increase the presence of women in the workforce. We strive not only to raise the proportion of women employees within our company, but also among our subcontractors.

We have a **Code of Business Ethics and Conduct Policy** that reflects our approach to diversity and inclusion. Guided by this Policy, our human resources processes are carried out without discrimination based on gender, language, religion, age, nationality, beliefs, or assets. Moreover, we apply the principle of equal pay for equal work in our remuneration processes. We use the Hay/Korn Ferry structure in our remuneration policy.

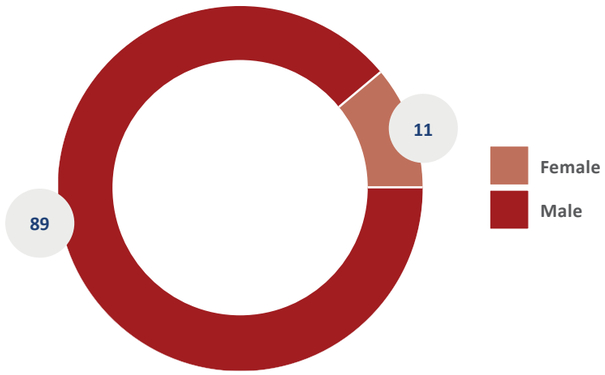
In 2023, we had a total of **46 female employees, and in 2024 this figure increased to 50, corresponding to a 9% rise.** Looking ahead, our aim is to further increase this number and contribute positively to the representation of women in the maritime industry.

Number of Female Employees by Year



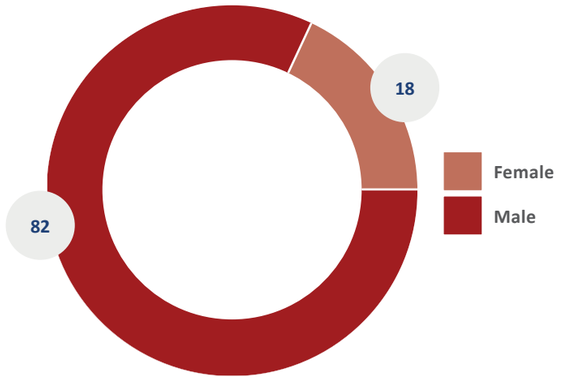
On the other hand, in 2024, when evaluating the gender distribution across our total workforce, we measured the share of women employees at 11%.

Gender Distribution Across Employees in 2024 (%)



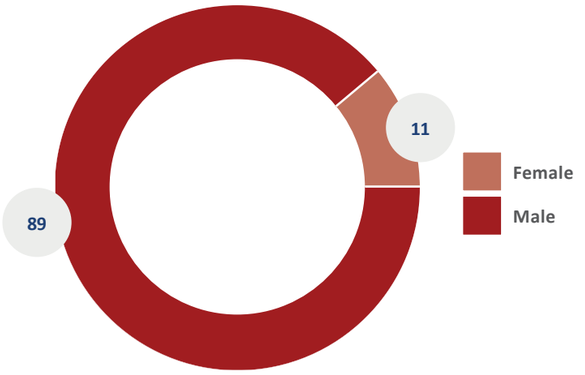
From 2023 to 2024, we increased the proportion of women among new hires from 16% to 18%.

Ratio of New Hires in 2024 (%)



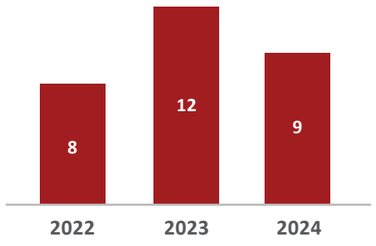
This year, the proportion of women in Director and Manager positions was recorded at 11%. We aim to increase the number of women in managerial roles in the coming years.

Distribution of Employees in Director and Manager Roles (%)



We also achieved significant progress by reducing our employee turnover rate from 12% last year to 9% this year. Additionally, while 7 women employees left the company last year, this number decreased to only 3 in 2024.

Employee Turnover Rates (%)



Human Rights

We conduct business processes in line with human rights in all of our activities. We always abide by this principle in our employees, customers, and suppliers, and expect the same approach from our business partners.

Our **Code of Business Ethics and Conduct Policy** defines the compliance with human rights clearly and guides all of our business processes accordingly. We regard respect for human rights as a fundamental responsibility, which we uphold end-to-end, from our recruitment processes to supplier selection. We conduct regular inspections across our suppliers in terms of compliance with human rights and laws. We work with determination to create a fair, ethical, and respectful working environment throughout our entire value chain. No reports related to human rights violations were received through the Ethics Hotline we established last year.

We respect and actively support our employees' right to unionize. We offer our employees the opportunity to join a union with membership fees covered by our company. With this application, we secure the legal rights of our employees and aim to create an atmosphere where they can improve working conditions together.

As of 2024, we have 69 employees who are members of the union. This reflects our concrete commitment to enhancing our employees' social rights and ensuring stronger representation in working life.

Alongside the technical measures, increasing the awareness of our employees on information security is also among our priorities. In this line, we share spam and virus reports from a third-party company with our employees and aim to increase employee awareness by developing scenario-based drills over this content.

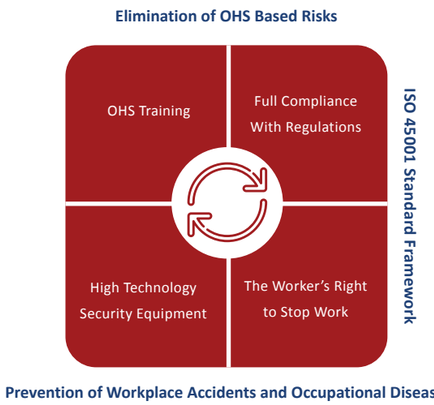
Occupational Health and Safety

Health and safety of our employees is one of the most important factors of our corporate culture. In the evaluation processes we carry out with our shareholders, we give the top priority to the occupational health and safety. With this awareness in mind, we meticulously implement the highest level of safety measures in all of our operational areas. We provide service with our expert teams in the area of occupational health and safety. At our shipyards where we carry out shipbuilding activities, we have workplace physicians, healthcare personnel, and fully equipped infirmaries.

We structure our Occupational Health and Safety (OHS) Management System in line with **ISO 9001, ISO 14001,** and **ISO 45001** standards, while implementing it meticulously within the framework of established methods, processes, and systems. The main purpose of the work we carry out in coordination with our relevant teams is to reduce OHS-related risks to acceptable levels and eliminate risks at their source whenever possible, thereby preventing workplace accidents and occupational diseases.

To ensure effective evaluation of OHS risks and timely intervention, our **OHS Committee** meets regularly every month with its members and representatives of subcontractor companies, and immediately in case of extraordinary incidents or emergencies. These meetings comprehensively address workplace accidents, near misses, field nonconformities, the reward-penalty system, and OHS activities. They provide a critical platform for accurately identifying risks and implementing preventive measures without delay.

In risk analyses, we use the **Fine Kinney** method to calculate risk severity rates and classify risks accordingly. Based on the results of these analyses, we create and implement necessary action plans effectively.



This year, **we provided our employees with over 53,000 hours of OHS training.** These trainings not only raise awareness among our employees but also contribute to spreading our occupational safety culture across the organization. Through all these efforts, we are moving forward with determination to prevent workplace accidents and minimize near misses.

This year, we provided our employees with over 53,000 hours of OHS training.

Thanks to the accident classification system we implemented during last year's reporting period, we categorize accidents as critical, very high, high, medium, or low risk. This allows us to take more effective and targeted steps in risk management.

In 2024, as in the previous year, we maintained a zero fatal accident rate and zero occupational disease rate among our subcontractors. Meanwhile, the number of very high-level accidents was recorded as 1, and high-level accidents as 6.

Through root-cause analyses of past years' accidents and subsequent improvements, we have further strengthened our OHS culture. As a result, we significantly reduced our lost day rate caused by accidents.

The accident frequency rate and lost day rate are presented in the **Appendix** section of the report.

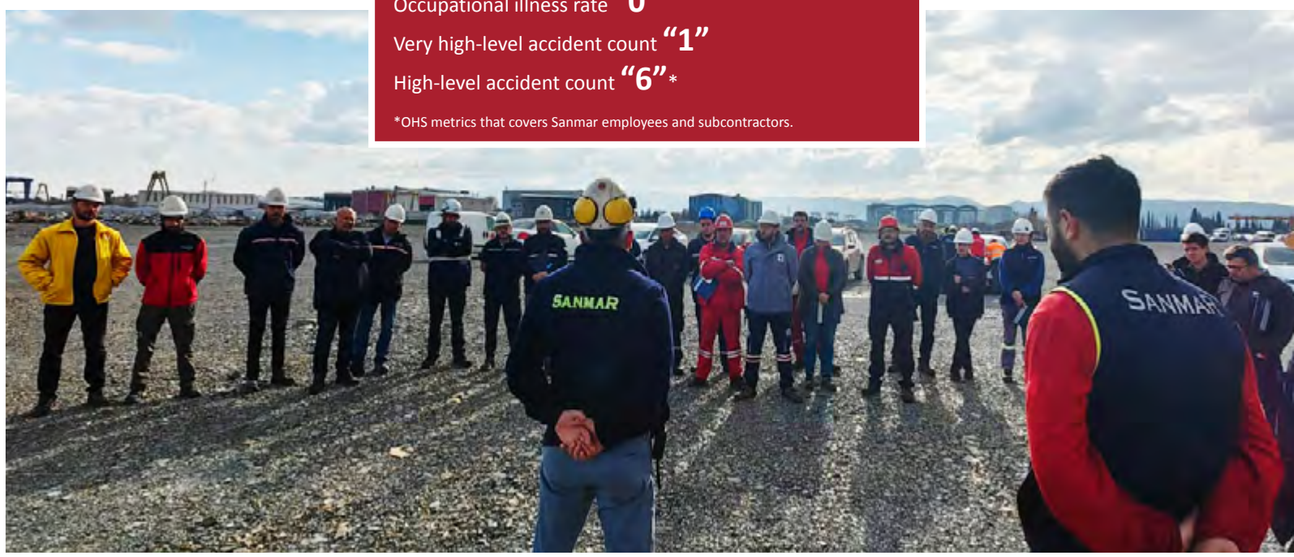
Fatal accidents rate **"0"**

Occupational illness rate **"0"**

Very high-level accident count **"1"**

High-level accident count **"6"***

*OHS metrics that covers Sanmar employees and subcontractors.



Social Impact

We aim to make a positive contribution to society and increase our social impact, primarily in the regions where we operate. In this regard, while achieving economic growth, we also continue to enhance our community-focused projects.

Aligned with the importance we place on our employees, we carry out various initiatives to support them during their special life events. For example, when an employee gets married, we make a donation to the Turkish Education Volunteers Foundation (TEGV) to support the education of three children in the name of the newlyweds. Similarly, when an employee has a new child, we donate three saplings to TEMA Foundation to contribute to nature. With this approach, we both stand by our employees in their special moments and aim to increase social benefit.

We prioritize contributing to education with a focus on social impact. We sponsored the 50th school built in collaboration with the Turkish Red Crescent as part of the 81 Kindergartens in 81 Provinces project. **This year, we supported 116 scholarship students at both university and primary/secondary school levels, expanding our impact** and helping young people in their education.

As part of our contribution to education, we collaborated with **Piri Reis University** to provide Cadmatic training for Marine Engineering students, delivered by our own employees. The program, combining theory with practice, took place in the university classrooms and at our Sanmar Tuzla facility. Intending to strengthen students' sectoral competencies, the program contributed concretely to university-industry collaboration, and we provided future maritime professionals with hands-on experience.

Stakeholder Perspective

GÖKÇEN SEVEN KIZILAY KINDERGARTEN
Uzunköprü, Edirne

Our kindergarten is the 50th school built under the "81 Kindergartens in 81 Provinces" project led by Mrs. Semiha Yıldırım in cooperation with the Turkish Red Crescent (Türk Kızılayı). It was built with the contributions of Cem SEVEN, board member of Sanmar Shipyards Company. Construction began in 2021, and the school opened for education in February 2022. Our kindergarten comprises four classrooms, a playroom, a kitchen, administrative offices, an outdoor playground, and a traffic training area. We extend our deepest gratitude to our beloved donor, Cem SEVEN, and Sanmar Shipyards for their continuous support and valuable contributions to our school. We are lucky to have you...

With 160 students, we eagerly look forward to meeting our children again in the 2025–2026 academic year...

Our sponsorship of the **Turkish Indoor Rowing Championship and Masters Races** reflects our belief in the unifying power of sports and reinforces our commitment to supporting young talent development. As the official sponsor of Turkish Rowing Federation, Fenerbahçe Medicana Women's Volleyball Team, and Fenerbahçe Rowing Team, we are happy to support the development of team sports.

Additionally, as part of our commitment to industry events, we provided official sponsorships for major gatherings such as **Wista's 100th Anniversary Ball, DEFAV's 27th Solidarity Night, the ITU Maritime Congress, and the Marmara University Maritime Law Congress.** These supports contribute to the development of the maritime industry while encouraging collaboration and information sharing in this area. In line with our social responsibility and sustainability targets, we will continue to take an active role in such projects.

We participated in an event at the 2024 Dubai ITS Fair to promote the traditional Turkish art of marbling (Ebru). This initiative, which brought together our tugboats and culture, highlighted our continuous support for the arts.

Similarly, through our sponsorship of art publications, we supported both sector-related content and works outside our field. We sponsored two books, one directly related to our industry and another focusing on a different discipline, strengthening our contribution to culture and knowledge.

Stakeholder Perspective

FENERBAHÇE SPORTS CLUB

As Fenerbahçe Sports Club, we take great pride in our partnership with Sanmar, one of our country's rooted and pioneering companies.

Since 2022, Sanmar has been the back-of-jersey sponsor of our Fenerbahçe Medicana Women's Volleyball Team, providing valuable support not only to sports but also to the empowerment and success of women in athletics.

This collaboration contributes to the achievements of our athletes on both national and international stages while also inspiring future generations of athletes.

As the Fenerbahçe family, we look forward to celebrating many more victories together, thanks to the strong support of Sanmar.

Customer Satisfaction

Customer satisfaction is at the heart of the solutions we offer by giving priority to quality in every step. We remain flexible in addressing our clients' diverse needs and focus on delivering high-quality service under the ITP (Inspection and Test Plan) framework by carefully planning production processes. With internal control mechanisms and structured processes such as ITP, we ensure both production safety and transparent, timely information flow to our customers. By carrying out production in enclosed halls, we safeguard against external factors while acting in an environmentally conscious manner. Thanks to the high production standards at our shipyards and our integrated quality management systems, we aim to meet international quality requirements in every project, demonstrating the importance we place on customer satisfaction.

To maximize customer satisfaction, we pursue excellence in product quality and after-sales services. At the heart of our customer-focused approach is the development of environmentally friendly and innovative products with a strong sense of social responsibility. By pioneering eco-friendly tugboats powered by alternative fuels (LNG, methanol) and electricity, we have become a preferred choice for environmentally conscious operators. Alongside these sustainable products, we also offer a wide range of solutions to meet customer needs. We attach importance to working in close communication and collaboration with our customers at every stage of the product development process.

To better understand customer requirements and foresee potential issues, we use the e-browser program during the 3D modeling phase. This enables our clients to virtually explore the inside of tugboats during design and modeling, making it easy for them to provide feedback.

Total Number of Customer in 2024	**17**
Total Number of Global Customer in 2024	**12**
Total Number of Local Customer in 2024	**5**

We attach importance to working in close communication and collaboration with our customers regarding product quality and after-sales services to keep customer satisfaction at the highest level. Our After-Sales Services department plays an active role in responding quickly to client requests during the warranty period of delivered tugboats. This structure fosters continuous communication, ensuring that all operational requirements are met seamlessly and enhancing customer satisfaction. We aim to maintain customer satisfaction not only at the point of delivery but also by building long-term partnerships through proactive communication and support processes.

We increased our local customer number while **providing service to 17 customers** in total in 2024. Among the products sold this year, **we delivered 13 tugboats from the Ramparts 2400 SX - Boğaçay series to our customers.**

We work in close collaboration with our customers and conduct surveys after each delivered project to measure their satisfaction and gather feedback. **In 2024, the response rate to our surveys was 83%.** Developing environmentally friendly technologies and innovative solutions strengthens our brand image and reliability. This strong stance directly translates into customer satisfaction and leads to a steady increase in the number of customers who recommend us. Indeed, **compared to 2023, we increased the rate of customers recommending our services by 14% this year.**

We have increased the rate of customers recommending our services by 14% since 2023.

07

Appendix

List of Association and Initiative Memberships

Sanmar Shipping Memberships	
1	Gisbir - Turkish Shipbuilders' Association
2	DTO - IMEAK Chamber of Shipping
3	GYHİB - Ship, Yacht and Services Exporters' Association
4	ETA - European Tugowners Association
5	Turmepa - Turkish Marine Environment Protection Association
6	Yater - Yalova Shipyard Association
7	BTA - British Tugowners Association
8	MBF - Maritime Battery Forum
9	IHMA International Harbour Masters Association
10	Port Management Association of Eastern and S. Africa
11	BIMCO - Baltic and International Maritime Council
12	Maritime Battery Hybrid
13	Aküder - Accumulator and Recycling Industrialists' Association

Awards

Sanmar Shipyards 2024 Awards	
1	ITS Awards - 2024 Tug of the Year Award (HaiSea Kermode RAstar 4000 DF model tugboat)
2	Ship, Yacht and Services Exporters' Association - 1st Place Award in Tugboat Export Category
3	Ship, Yacht and Services Exporters' Association - 1st Place Award in Total Export Category
Sanmar Shipyards 2023 Awards	
1	ITS Awards - 2023 Tug of the Year Award (The First Tug of the ElectRA 2800 SX Series)
2	3rd Turkish Maritime Summit - Shipyard Award for Building the Most Environmentally Friendly Ship
3	Turkish Ship, Yacht, and Marine Services Exporters' Association - 1st Place in Total Exports Category*
4	Turkish Ship, Yacht, and Marine Services Exporters' Association - Tugboat Export Category 1st Place Award*
Sanmar Shipyards 2022 Awards	
1	2nd Turkish Maritime Summit - Shipyard Award for Building the Most Environmentally Friendly Ship

*Since the award was granted in 2024, it has not been included in the 2023 Sustainability Report.

Sanmar Shipyards Risk and Opportunity Table

Natural Risk Level: High Risk / Medium Risk / Low Risk
Timeline: Long Term / Medium Term / Short Term
Climate-Related Risk

Transition Risks

Risk Category	Major Risk/Opportunity Subject	Natural Risk Level	Risk Term	Opportunity	Potential Financial Impact	Climate-Related Risk
Regulations	Compliance with Existing and/or New and Emerging National, International and Legal Regulations	●●●	○●●	• Non-payment of legal non-compliance penalty • Being a global player • Increase in competition advantage	• Increase in expenses (Consultancy, system development, etc.) • Provisions (Balance sheet)	
Technology	Technological Developments (Digitalization)	●●○	●●○	• Minimizing the level of human-related errors in business processes • Reaching the correct and complete information quickly • Operating data-driven and sound decision-making mechanisms	• Capital expenditures (Balance sheet - Intangible fixed assets • Increase in depreciation • Decrease in workforce cost	
Technology	Transition to Lower Emission Technology	●●●	●●○	• Construction of low-cost domestic (alternative-fueled vessels) products • Standing out as a company and a country by contributing to general ship regulations through the accumulation of knowledge • Having competent and experienced personnel during the diversification of the product portfolio through low-emission technology	• Increased enterprise and/or capital costs • Decreasing/Increasing income	●
Technology	Information Security and Cyber Security	●●○	○●●	• Ensuring data integrity, privacy, and security	• Increase in investments and expenses • Loss provisions in case of a cyber attack (Balance sheet) • Potential turnover loss (Customer trust loss)	
Market	Raw Material Cost Fluctuations	●●○	●●○	• Acquisition of strategic procurement opportunities • Gaining competitive advantage in price fluctuations • Creating flexible planning opportunities	• Costs of sales • Inventory valuations (Balance sheet) • Price difference losses/gains	
Market	Crisis Management	●●○	○○●	• Ensuring the continuity of operations without interruption through early risk detection and the rapid and effective management of potential crisis scenarios • Enabling the increase of market share	• Post-crisis restructuring expenses • Business interruption - Turnover decline	
Market	Macroeconomic Conditions	●●●	●●○	• Achieving transaction-based financial gains through the diversification of our business partners and instruments in line with market conditions	• Financing expense • Foreign exchange gain/loss	

Natural Risk Level: High Risk / Medium Risk / Low Risk | Timeline: Long Term / Medium Term / Short Term | Climate-Related Risk

Transition Risks

Risk Category	Major Risk/Opportunity Subject	Natural Risk Level	Risk Term	Opportunity	Potential Financial Impact	Climate-Related Risk
Market	Highly Competitive Environment	●●●	○●●	• Decreasing manufacturing costs and gaining a competitive advantage through the government incentives for sustainable manufacturing and green energy	• Decrease/Increase in gross profit margin • Increase in revenue through sales volume growth • Increase/Decrease in market share	●
Market	Promotion and Aids	●●●	○●●	• Ensuring cost optimization • Creating the opportunity of developing new business models • Creating a competitive pricing atmosphere	• Other incomes (Received government incentives) • Cash inflow (Cash flow)	
Market	Customer and Supplier Portfolio Diversity	●●●	○●●	• Gaining the opportunity for an uninterrupted raw material supply process through supplier diversification • Decreasing regional risks through a geographically distributed portfolio • Providing protection against demand fluctuations through customer portfolio diversification	• Sales income • Cost control • Reduction of inventory risks – Balance sheet efficiency	
Market	Customer Merges	●●●	●●○	• Gaining greater order volume • Achieving strong references and enhanced reputation	• Market share impact – Increase or decrease in sales • Price pressure (Margin compression)	
Reputation	Increased Shareholder Expectations	●●○	○●●	• Increasing know-how and becoming a preferred choice through green tugboats • Increasing sales volume	• Increased expenditure for ESG compliance • Potential of income increase	
Reputation	Environmental Effects: Degradation Risk and Sustainability Opportunities	●●○	○●●	• Ensuring increased market access through certifications • Getting financial incentives through decreasing carbon footprint • Ensuring cost-efficiency through waste reduction	• Environmental investment expenses • Environmental penalty provisions (Balance sheet) • Potential of income increase	●
Reputation	Business Ethics	●●○	●●○	• Achieving a strong reputation and trust • Ensuring risk reduction and legal compliance	• Compliance program investment expenses • Management and internal control costs	

Natural Risk Level: High Risk / Medium Risk / Low Risk | Timeline: Long Term / Medium Term / Short Term | Climate-Related Risk

Other Risks

Risk Category	Major Risk/Opportunity Subject	Natural Risk Level	Risk Term	Opportunity	Potential Financial Impact	Climate-Related Risk
Social Risks	Employee Engagement and Satisfaction	●●○	●●○	• Gaining a continuous development and learning culture • High efficiency and performance increase • Strengthening the employer brand	• Increase in workforce efficiency - Decrease in manufacturing costs • HR training and motivation expenditures	
Social Risks	Performance Evaluation	●●○	●●○	• Reinforcing compliance through targets • Providing proper guidance for education and talent development • Gaining the opportunity for performance-based rewarding • Increasing the accountability	• Premium and performance remuneration expenses	
Social Risks	Talent Recruitment or Retainment	●●●	○●●	• Being positioned among the top choices in the industry • Creating a strong employer brand • Ensuring competitive advantage	• High salary, fringe benefits, and training costs	
Social Risks	Occupational Health and Safety	●●●	●●○	• Ensuring a strong OHS culture • Increased productivity through the reduction of workplace accidents • Achieving international certification and competitive advantage • Prevention of legal risks and penalties • Increasing the trust of employees, customers, and suppliers	• OHS investment - expense or fixed asset • Occupational accidents - compensation provisions, legal expenses (Balance sheet)	
Social Risks	Supply Chain Standards and Management	●●○	○●●	• Sustainable and ethical supply practices • Ensuring compliance to regulations and risk reduction	• Cost control • Reduction of inventory risks (Improvement in inventory turnover and Cash flow)	
Governance Risk	Corporate Risk Management	●●○	○●●	• Building a corporate structure through effective management of risks and controls • Preventing financial loss and increasing efficiency • Creating sound decision-making mechanisms • Availability of transparent and reliable control environment	• Financial profit/loss possibility • Decrease in the need for provisions • Better decision-making - Increase in investment efficiency	

Physical Risks

Risk Category	Major Risk/Opportunity Subject	Natural Risk Level	Risk Term	Opportunity	Potential Financial Impact	Climate-Related Risk
Acute/Urgent	Extreme Weather Events	●●○	○○●	• Ensuring business continuity through production in enclosed hangars	• Asset damages (Balance sheet) • Insurance claim revenues or loss provisions (Balance sheet)	●
Acute/Urgent	Ecosystem-Based Environmental Pollution Risks and Ecological Innovation Opportunities	●●○	○○●	• Developing environmentally-friendly product • Inceasing competitiveness through innovative ecological certifications • Establishing strategical partnerships in fight against climate crisis	• Turnover increase in green products • Environmental investments*	●
Chronic	Chronic Climate Events	●●○	○○●	• Advancing climate-resilient product development processes	• Capital expenditure • Impact of inventory and costs of sales	●

*Income Statement: Balance Sheet, Fixed Assets, Depreciation

Social Performance Indicators[1]

General Employee Demography		Unit	2022	2023	2024
Total Number of Employees		#	451	477	474
	Female	#	40	46	50
	Male	#	411	431	424

Employee Demographics- Age		Unit	2022	2023	2024
Under 30 years old		#	80	93	72
	Female	#	18	20	16
	Male	#	62	73	56
30-50 (inclusive) years old		#	298	293	308
	Female	#	20	24	31
	Male	#	278	269	277
Over 50 years old		#	73	90	94
	Female	#	2	2	3
	Male	#	71	88	91
Manager and above - under 30 years old		#	2	1	1
	Female	#	1	1	1
	Male	#	1	0	0
Manager and above - 30-50 (inclusive) years old		#	24	24	25
	Female	#	3	3	3
	Male	#	21	21	22
Manager and above - over 50 years old		#	10	10	12
	Female	#	0	0	0
	Male	#	10	10	12

New Hires Demographics		Unit	2022	2023	2024
Total number of newly recruited employees		#	53	31	44
	Female	#	7	5	8
	Male	#	46	26	36
Under 30 years old		#	30	17	14
	Female	#	6	4	5
	Male	#	24	13	9
30-50 (inclusive) years old		#	22	13	29
	Female	#	1	1	3
	Male	#	21	12	26
Over 50 years old		#	1	1	1
	Female	#	0	0	0
	Male	#	1	1	1
Number of interns hired in one year		#	104	80	61
	Female	#	27	20	12
	Male	#	77	60	49

[1]Unless otherwise specified in the social performance indicators, the relevant data have been consolidated for the business areas of Shipbuilding, Towage and Pilotage.

Talent Development		Unit	2022	2023	2024
Number of employees subject to performance evaluation		#	219	206	279
	Female	#	32	27	42
	Male	#	187	179	237

Maternity Leave		Unit	2022	2023	2024
Number of employees on parental leave		#	13	8	0
	Female	#	2	1	0
	Male	#	11	7	0
Number of employees returning to work after parental leave		#	13	8	0
	Female	#	2	1	0
	Male	#	11	7	0

Employee Training		Unit	2022	2023	2024
Average training hours per employee		hours	14	9.2	10.5
	Female	hours	13.21	10.3	2.5
	Male	hours	0.8	13.63	8
Total hours of training provided to employees		hours	7,529	4,443	4,982
	Female	hours	1,743	967	1,189
	Male	hours	5,786	3,476	3,793

Gender Diversity	Unit	2022	2023	2024
Percentage of female employees in total workforce	%	9	10	11
Percentage of women in all management positions, including middle and senior management	%	5	1	1
Percentage of female employees among managers	%	12	12	11.5

Age Diversity	Unit	2022	2023	2024
Percentage of employees under the age of 30 in managerial positions and higher levels	%	5	2.7	2.6

Sub-contractors	Unit	2022	2023	2024
Number of fatal accidents	#	0	0	0
Occupational disease rate (ODR)	#	0	0	0
Number of very high-level accidents	#	N/A[1]	2	1
Number of high-level accidents	#	N/A	5	6

[1]Not available

Sanmar[2]	Unit	2022	2023	2024
Number of accidents[3]	#	4	6	6
Number of fatal accidents	#	0	0	0
Number of occupational diseases	#	0	0	0
Accident frequency ratio	%	1.36	1.97	2.35
Lost day ratio	%	22.70	34.83	19.98

[2]The reason for not disclosing the number of very high and high-level accidents in this table is that no accidents in these categories occurred in 2024.

[3]Includes all accidents related to Sanmar Shipping, excluding Towage and Pilotage services.

Suppliers	Unit	2022	2023	2024
Total number of suppliers	#	913	997	1,004
Total number of local suppliers	#	802	868	870
Total Number of Foreign/Global Suppliers	#	111	129	134
Total number of new suppliers	#	97	84	67
Percentage of Local Suppliers	%	88	87	87
Number of suppliers assessed for environmental and social impacts	#	50	42	44
Percentage of suppliers assessed for environmental and social impacts	%	5	4	4

Customers	Unit	2022	2023	2024
Total number of customers	#	17	18	17
Number of foreign customers	#	12	15	12
Number of local customers	#	5	3	5

Environmental Performance Indicators

Metrics	Unit	2022	2023	2024
Amount of production	gross ton	8,138	10,172	9,115
Vessels operating in the port	gross ton	5,251	4,859	4,786

		Shipbuilding			Towage and Pilotage Services		
Non-Renewable Energy Consumption	Unit	2022	2023	2024	2022	2023	2024
Electricity[1]	kwh	3,723,737.49	-	-	427,297.00	489,534	747,891
Natural gas	kWh	123,467	132,667[2]	132,333	-	-	-
MDO (Marine Diesel Oil)	kWh	3,337,810	6,408,130	5,314,910	41,868,000	31,610,242	29,447,160
Diesel (Forklift + Truck + Van + Minibus + Generator)	kWh	523,350	214,238	692,717	-	44,279	44,383
Diesel - Company Vehicles Total[3]	kWh	-	376,172	424,784	-	-	74,871
Diesel - Company Vehicles (Rental)	kWh	-	226,171	298,783	-	73,875	74,871
Diesel - Company Vehicles (Owned)	kWh	-	150,001	126,001	-	-	-
Gasoline - Company Vehicles Total[4]	kWh	-	562,932	627,709	-	46,183	40,114
Gasoline - Company Vehicles (Rental)	kWh	-	562,932	627,709	-	46,183	40,114
LPG/LNG /CNG	kWh	345	544	1,260	-	-	-
Total Non-Renewable Energy Consumption	kWh	7,708,709	7,694,682	7,193,713	42,295,297	32,190,239	30,354,419
Non-Renewable Energy Consumption Per Product[5]	kWh/ ton	947.25	756.46	789.22	8,054.71	6,625	6,342.34

[1]In 2023 and 2024, all electricity consumption was sourced from renewable energy.

[2]2023 natural gas data was revised retrospectively.

[3]Diesel and diesel + hybrid consolidated data.

[4]Gasoline and gasoline + hybrid consolidated data.

[5]Total consumption of company vehicles for 2022 has not been included in the total energy consumption data. Therefore, comparisons regarding energy consumption have been made based on 2023 data. Due to the updated methodology and internal data collection processes, consumption data for company vehicles for 2022 could not be reflected in the report.

		Shipbuilding			Towage and Pilotage Services		
Renewable Energy Consumption	Unit	2022	2023	2024	2022	2023	2024
Total Renewable Energy Consumption[3]	kwh	N/A[4]	5,455,890	4,979,657	N/A	N/A	N/A
Total Renewable Energy Consumption Per Product	kWh/ ton	N/A	536.36	546.31	N/A	N/A	N/A

[3]In 2024, all electricity consumption was sourced from renewable energy.

[4]Not available

		Shipbuilding			Towage and Pilotage Services		
Energy Consumption	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Direct energy consumption	MWh	3,985	7,695	7,194	41,868	31,700	29,606
Indirect energy consumption	MWh	3,724	0	0	427.30	489.53	747.89
Total energy consumption	MWh	7,709	7,695	7,194	42,295	32,190	30,354
Energy consumption per rroduct (energy consumption per ton)	MWh/ gross ton	0.95	0.76	0.79	8.05	6.62	6.34

		Shipbuilding			Towage and Pilotage Services		
Energy Saving	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Energy savings achieved as a result of improvements	kwh	1,840	14,744	5,758	374,727	415,115	589,169
Cost savings resulting from improvements	TL/USD	180,000 TL	2,442,400 TL	2,411,241 TL	36,656 USD	37,750 USD	53,579 USD
Energy savings resulting from improvements per product	kWh/ gross ton	0.23	1.45	0.63	71.36	85.43	123.10

		Shipbuilding			Towage and Pilotage Services		
Emissions	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Scope 1 Emissions	ton CO_2e	3,991	6,260	4,067	8,398	7,603	7,311
Scope 2 Emissions	ton CO_2e	1,638	0	0	188	215	329
Scope 3 Emissions[4]	ton CO_2e	4,453	4.178[5]	3,260	3,981	1,288	947
Greenhouse gas emission intensity[6]	ton CO_2e / gross ton	0.69	0.62	0.45	1.64	1.61	1.60

[4]All electricity consumption in 2023 and 2024 was generated from renewable sources.

[5]Greenhouse gas emission intensity was calculated by dividing the total of Scope 1 and Scope 2 emissions by the amount of production.

[6]Data revised retrospectively.

		Shipbuilding			Towage and Pilotage Services		
Water Consumption	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Mains water consumption	m^3	20,696	25,561	24,974	1,387	4,670	4,330
Total fresh water consumption	m^3	20,696	25,561	24,974	1,387	4,670	4,330
Water consumption per product	m^3/gross ton	2.54	2.51	2.74	0.26	0.96	0.90

Waste Consumption[7]		**Unit**	**2022**	**2023**	**2024**
Raw material		ton	8,138	6,575	7,086
	Raw material per product	ton/ gross ton	1	0.65	0.78
Auxiliary materials		ton	2,550	3,480	2,980
	Auxiliary materials per product	ton/ gross ton	0.31	0.34	0.33
Total material usage		ton	10,688	10,055	10,066
	Total material usage per product	ton/ gross ton	1.31	0.99	1.10

[7]This is consolidated data for the Shipbuilding, Towage and Pilotage Services business areas.

Use of Recycled Material[8]		**Unit**	**2022**	**2023**	**2024**
Raw material		ton	315	250	269
	Raw material per product	ton/ gross ton	0.04	0.02	0.03
Total use of recycled material		ton	315	250	269
	Total use of recycled material per product	ton/ gross ton	0.04	0.02	0.03

[8]This is consolidated data for the Shipbuilding, Towage and Pilotage Services business areas.

Waste Amounts By Disposal Types[9]	Unit	2022	2023	2024
Hazardous waste	ton	220,272	382,696	380,427
Hazardous waste amount per product	hazardous waste ton/ gross ton	27.067	37.622	41.736
Non-hazardous waste	ton	973,550	1,293,200	1,014,440
Non-hazardous waste amount per product	non-hazardous waste ton/ gross ton	119.63	127.13	111.29
Total waste disposed	ton	1,193,822	1,675,896	1,394,867
Total amount of waste disposed per product	ton/ gross ton	147	165	153

[9]This is consolidated data for the Shipbuilding, Towage and Pilotage Services business areas.

Recycled Solid and Liquid Waste[10]	Unit	2022	2023	2024
Paper	ton	24,510	44,360	31,420
Paper per product	ton/ gross ton	3.01	4.36	3.45
Metal	ton	71,450	34,260	44,150
Metal per product	ton/ gross ton	8.78	3.37	4.84
Total amount of recycled waste	ton	95,960	78,620	75,570
Total amount of recycled waste per product	ton/ gross ton	11.79	7.73	8.29

[10]This is consolidated data for the Shipbuilding, Towage and Pilotage Services business areas.

Solid and Liquid Wastes[11]	Unit	2022	2023	2024
Total amount of waste (Disposed + Recycled)	ton	1,289,782	1,754,516	1,470,437
Total amount of waste per product - Disposed + Recycled	ton/gross ton	158.49	172.48	161.32
Recycled waste ratio	%	0.07	0.04	0.05
Disposed waste ratio	%	0.93	0.96	0.95
Waste reduction amount	ton	-156,298	464,734	-284,079
Waste reduction amount per product	ton/gross ton	-19.21	46	-31.17

[11]This is consolidated data for the Shipbuilding, Towage and Pilotage Services business areas.

GRI Content Index

Statement of use:	Sanmar Shipyards has reported in accordance with the GRI Standards for the period 1 January 2024 and 31 December 2024.
GRI 1 use:	GRI 1: Foundation 2021
Applicable GRI Industry Standard(s):	-

GRI STANDARD	DISCLOSURE	LOCATION OF STATEMENT
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, page 10
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 10
	2-3 Reporting period, frequency and contact point	About the Report, page 10
	2-4 Restatements of information	Occupational Health and Safety, page 102-103, Environmental Performance Indicators, page 121-124, Social Performance Indicators, page 118-120
	2-5 External assurance	Sanmar Shipyards did not engage external assurance services for its 2024 Sustainability Report.
	2-6 Activities, value chain and other business relationships	Sanmar Shipyards at a Glance, page 17-41, Value Chain, page 36-37, Our Organizational Structure, page 22-23, Products, Services and Quality, page 24-25
	2-7 Employees	Employee Development, page 98-99, Social Performance Indicators, page 118-120
	2-8 Workers who are not employees	Supply Chain Management, page 78-79
	2-9 Governance structure and composition	Corporate Governance, page 62-65
	2-10 Nomination and selection of the highest governance body	This information is not disclosed due to confidentiality constraints.
	2-11 Chair of the highest governance body	Corporate Governance, page 62-65
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, page 62-65
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, page 62-65
	2-14 Role of the highest governance body in sustainability reporting	Sanmar Sustainability Governance, page 46
	2-15 Conflicts of interest	Corporate Governance, page 62-65
	2-16 Communication of critical concerns	Corporate Governance, page 62-65
	2-17 Collective knowledge of the highest governance body	Corporate Governance, page 62-65
	2-18 Evaluation of the performance of the highest governance body	This information is not disclosed due to confidentiality constraints.
	2-19 Remuneration policies	This information is not disclosed due to confidentiality constraints.
	2-20 Process to determine remuneration	This information is not disclosed due to confidentiality constraints.
	2-21 Annual total compensation ratio	This information is not disclosed due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	Sustainability Approach, page 44-45
	2-23 Policy commitments	Corporate Governance, page 62-65, Ethics Management and Transparency, page 66-67, Risk and Compliance Management, page 68-69
	2-24 Embedding policy commitments	Ethics Management and Transparency, page 66-67, Risk and Compliance Management, page 68-69
	2-25 Processes to remediate negative impacts	Corporate Governance, page 62-65, Ethics Management and Transparency, page 66-67
	2-26 Mechanisms for seeking advice and raising concerns	Ethics Management and Transparency, page 66-67
	2-27 Compliance with laws and regulations	Corporate Governance, page 62-65, Ethics Management and Transparency, page 66-67, Risk and Compliance Management, page 68-69
	2-28 Membership associations	List of Association and Enterprise Memberships, page 110
	2-29 Approach to stakeholder engagement	Stakeholder Communication, page 50-55
	2-30 Collective bargaining agreements	Human Rights, page 102
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Approach, page 44-45, Sanmar Materiality Analysis, page 47-49
	3-2 List of material topics	Sustainability Approach, page 44-45, Sanmar Materiality Analysis, page 47-49
	3-3 Management of material topics	Sustainability Approach, page 44-45, Sanmar Materiality Analysis, page 47-49
Ethics Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49,, Ethics Management and Transparency, page 66-67
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics Management and Transparency, page 66-67, Risk and Compliance Management, page 68-69
	205-2 Communication and training about anti-corruption policies and procedures	Ethics Management and Transparency, page 66-67, Risk and Compliance Management, page 68-69, Human Rights, page 102
Carbon Footprint		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Environmental Protection and Environmental Management, page 83-85
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, page 86-87, Environmental Performance Indicators, page 121-124
	302-2 Energy consumption outside of the organization	Energy Management, page 86-87, Environmental Performance Indicators, page 121-124
	302-3 Energy intensity	Energy Management, page 86-87, Environmental Performance Indicators, page 121-124
	302-4 Reduction of energy consumption	Energy Management, page 86-87, Environmental Performance Indicators, page 121-124
	302-5 Reductions in energy requirements of products and services	Energy Management, page 86-87
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Carbon Footprint, page 83-85, Environmental Performance Indicators, page 121-124
	305-2 Energy indirect (Scope 2) GHG emissions	Carbon Footprint, page 83-85, Environmental Performance Indicators, page 121-124
	305-4 GHG emissions intensity	Carbon Footprint, page 83-85, Environmental Performance Indicators, page 121-124
	305-4 GHG emissions intensity	Carbon Footprint, page 83-85, Environmental Performance Indicators, page 121-124

GRI STANDARD	DISCLOSURE	LOCATION OF STATEMENT
Material Recycling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Material Recycling, page 88-89
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Material Recycling, page 88-89
Environmental Protection and Environmental Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Environmental Protection and Environmental Management, page 92
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	Environmental Protection and Environmental Management, page 92 Biodiversity, page 93
Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Waste Management, page 90-91
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, page 90-91, Environmental Performance Indicators, page 121-124
	306-2 Management of significant waste-related impacts	Waste Management, page 90-91, Environmental Performance Indicators, page 121-124
	306-3 Waste generated	Waste Management, page 90-91, Environmental Performance Indicators, page 121-124
	306-4 Waste diverted from disposal	Waste Management, page 90-91, Environmental Performance Indicators, page 121-124
	306-5 Waste directed to disposal	Waste Management, page 90-91, Environmental Performance Indicators, page 121-124
Employee Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Employee Development, page 98-99
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Equality and Diversity, page 100-101 Social Performance Indicators, page 118-120
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Development, page 98-99 Social Performance Indicators, page 118-120
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development, page 98-99
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Development, page 98-99

GRI STANDARD	DISCLOSURE	LOCATION OF STATEMENT
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Occupational Health and Safety, page 102-103
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, page 102-103
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, page 102-103 Social Performance Indicators, page 118-120
	403-4 Worker participation, consultation, and communication on occupational health and safety	Social Performance Indicators, page 118-120
	403-6 Promotion of worker health	Occupational Health and Safety, page 102-103
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, page 102-103
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, page 102-103
	403-9 Work-related injuries	Occupational Health and Safety, page 102-103 Social Performance Indicators, page 118-120
Social Impact		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Social Impact, page 104-105
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Impact, page 104-104
	413-2 Operations with significant actual and potential negative impacts on local communities	Social Impact, page 104-105
Customer Satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Customer Satisfaction, page 106-107
Risk Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Risk and Compliance Management, page 68-69
Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sanmar Materiality Analysis, page 47-49, Innovation, page 70-71

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Unless otherwise specified, in this report, the terms “Sanmar Shipyards”, “Sanmar”, “the Company”, “we”, and “our” refer to Sanmar Denizcilik Makina ve Ticaret A.Ş.

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