

ESG Policy

2023



Applies to all YILPORT Nordic terminals

	YILPORT Nordic ESG Policy	Announcement Date	2023-10-09
		Revision Date	
		Effective Date	2023-10-09

Mission

YILPORT Nordic (YILPORT Sweden Terminal Investments AB, YILPORT Nordic Terminal Investments AB, and its subsidiaries) is rapidly growing and we are expanding our terminal operations. It is imperative that we are committed to working in a sustainable and reliable manner to ensure the well-being of the company, our employees, and our long-term viability. We will work together with our stakeholders and continue to grow while committing to delivering unrivalled value to our customers and business partners. We are committed to integrating our sustainability values and responsibilities, in our operating activities and business strategy.

Scope

This policy relates to how products, services, and operations within the companies and across our supply chain will be continually assessed and improved, so that we can integrate environmental, social and governance considerations into our everyday practices and make a positive contribution to society and conserve the environment while ensuring the long-term economic viability of the companies.

Purpose

We acknowledge that our companies have potential impact on people and the environment through our operations and we will be working towards creating sustainable and transparent end-to-end supply chains. Through this policy:

- We will focus on integrating our sustainability goals into our business objectives.
- We will re-affirm our commitment to comply with applicable laws in all our operations.
- We will re-affirm our commitment to be an equal opportunity employer and will ensure that our activities do not violate human rights (direct or indirect) in the community we operate and will abide by fair labor practices.
- We commit to maximizing the efficient use of resources and minimizing our impact on our environment.
- We will ensure to promote and cultivate responsible environmental behavior amongst employees.
- Through our processes and systems, we will implement, measure, and monitor environmental, social and governance performance with the goal of minimizing risks and their impact.
- We will ensure to the right level of awareness and communication of our effort within our companies and towards our stakeholders.

Principles

Our initiatives are centered on the optimization of the companies' inherent strengths and resources, while effectively responding to and addressing the companies' environmental, social and governance objectives with the collective goal of achieving responsible management and sustainable development. YILPORT Nordic ESG Policy was developed in accordance with YILPORT Sustainability Policy, YILPORT Global Environment Policy, YILPORT Health and Safety Policy, which recognizes international sustainability and social responsibility frameworks such as the ISO 26000 Guidance for Social Responsibility, YILPORT Nordic Policies and Yildirim Group Code of Conduct and Supplier Code of Conduct which recognizes the OECD Guidelines for Multinational Corporations.

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YILPORT Nordic Environmental Policy

Mission

YILPORT Nordic strive to be recognized as an environmentally responsible company that respects the environment and the communities in which we operate while providing high quality services. We believe that our commitment to managing operations in an environmentally sustainable manner will maximize value for the company, our employees, our customers, and the community.

The following environmental principles guide all our activities:

Sustainability

We will actively manage water, waste and energy and implement measures throughout our operations and premises. It is the leadership and commitment of every co-worker which will maximize sustainable value for our employees and other key stakeholders in achieving our goals and objectives.

Manage Impact

We strive to prevent and minimize adverse environmental impacts, including waste, GHG emissions, pollutions, and discharges from our operations.

We Care

We strive to be a valued member of the community and aim to minimize the environmental impact footprint of our operations. All employees will be made aware of the impact our business can have on the environment and of ways that we can effectively minimize this impact through open and regular communications.

Learn from the Top

At YILPORT Nordic, environmental leadership and awareness start with each leader's personal commitment to our environmental policy. People with responsibility will lead by example. Management will regularly set and review objectives, key performance indicators and targets.

Continuous Improvement

We reduce our environmental impact by constantly improving the efficiency of our natural resource consumption. We educate and develop the competencies of our co-workers and contractors to identify potential impacts, implement, and monitor our environmental controls, and ensure that they are integrated into work practices. We will work to continuously improve our environmental performance through finding more effective ways to provide our services.

Collaboration

We will collaborate with our customers and business partners to share key learning points and implement innovative technologies, industry best practices and effective management systems.

Compliance

We will conduct operations in compliance with local environmental laws and regulations, and relevant international standards. We utilize risk management processes to control the environmental hazards inherent in our activities.

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Energy, Material Sourcing and Resource Efficiency

We continuously strive to reduce the energy consumption in our terminals and to manage our environmental impact by purchasing renewable energy. We are committed to explore renewable energy project opportunities in our terminals.

Through a sustainable procurement strategy, we emphasize the importance of material sourcing. By various incentives, such as central management of purchased products and materials, as well as the reuse or recycling of clothes and other materials, we strive to mitigate the negative environmental impact of our operations and promote resource efficiency.

Greenhouse Gas Emissions

We are committed to manage our environmental impact and to mitigate climate change. By focusing on investing in new and efficient electric machinery/equipment and retrofitting or electrifying existing assets we are continuously working towards “Port Decarbonization”.

We strive to minimize our use of non-renewable energy sources and emphasize use of biofuels to mitigate the impacts of emissions from combustion of fuels.

By working with suppliers and customers to reduce environmental impact throughout our value chain we are consistently searching for innovative solutions to mitigate our Scope 3 greenhouse gas emissions.

NetZero

By implementing a strategic plan to reach NetZero by 2050 we are integrating sustainability practices in both our short and long-term plans. We are committed to our Group goals and the goals set by the Port Authorities to become Zero-emissions port operators over the long term. By collaborating with the Port Authorities to electrify our terminals, equipment electrification, exploring use of non-hydrocarbon fuels and sustainable procurement we are taking action for a zero-emission future.

Physical and Transition Risks

By addressing climate risks as part of our risk assessment process we aim to make conscious decisions in our long-term strategy for the development of our terminals. We consider climate indicators and related impacts to assess our exposure to physical risks and align our business with EU regulations. By systematically identifying and addressing physical and transition risks with material financial impact we direct our financial planning and strive to be prepared and resilient.

Air Pollution

Machinery and transport vehicles in the terminal areas are likely to be the main source of pollution that can affect the air quality for our employees and the environment.

In handling of certain cargo, there is an increased risk of dust and gas emissions which could be potentially hazardous for the employees and the environment. The control program for port operations should always be followed to minimize environmental and human harm.

Biodiversity and habitat

By working closely together with the port authorities and following the control program for port operations, we strive to have environmentally friendly operations to support the ecological and biological health of our surroundings.

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Contaminated Land

Throughout all operations we acknowledge the potential harms of contamination of land. The control program for port operations should always be followed to minimize harm due to substances that could have hazardous effects on the environment and the health of our employees.

Noise Pollution

We are committed to mitigating harmful impacts of noise from our operations on human life and the wildlife. The control program for port operations should always be followed to ensure that our employees are not exposed to hazardous noise levels and that the noise from our operations does not exceed guide values or violate the conditions of the authorities.

Waste

We are committed to manage our hazardous and non-hazardous waste in a responsible manner. The control program for port operations should always be followed to ensure that handling of hazardous waste do not contaminate land or water and to mitigate negative environmental impacts. We strive to collaborate with waste management suppliers for our waste to be re-used, recycled, or used in waste-to-energy methods.

Water

We are preventively working to reduce the risk of pollution reaching the port basins in our terminals by assessing risks and using mitigation measures like stormwater systems and oil separators. The control program for port operations should always be followed to ensure that environmentally harmful substances are not discharged to our surrounding waters.

We strive to reduce our water consumption in our operations and to explore projects for water re-use or recycling.

Hazardous Substances

Through education of our employees and by following the control program for port operations, we ensure that hazardous substances such as chemicals and fuels are handled and stored in a responsible manner. We strive to replace chemical products and biotechnological organisms which are likely to pose risk to the environment or human health with products which may be less hazardous.

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YILPORT Nordic Social Policy

Mission

At YILPORT Nordic we believe in pursuing our business responsibly, with integrity and in full compliance with the law. We respect and value the cultures, the dignity, and rights of individuals in our community. We strive to promote a lawful, professional, ethical business practice that integrates respect of human rights, fundamental labor standards, and development of our local community.

The following social principles guide all our activities:

Human Rights

We will comply with international standards such as the United Nations Guiding Principles on Business and Human Rights (Zero tolerance for modern slavery and human trafficking), and the OECD guidelines for Multinational Corporations to ensure that we uphold human rights throughout our value chain.

Diversity, Equity, and Inclusion

We will ensure a diverse workforce and provide equal opportunity as an employer. We acknowledge that our business is male dominant, and we will strive to recruit more female terminal workers and ensure equal opportunities. We will develop our employee's talent, their career development opportunities and ensure a dynamic process of succession planning.

Health and Safety

We will strive to eliminate hazards and minimize the health and safety risks of our workplace and operations, to ensure that everyone who enters our terminals can return home safely and in good health. We will work to continuously improve our performance through finding safer, healthier, and more efficient ways to provide our services.

Stakeholders

We will support and encourage local community engagement and projects that create mutually beneficial outcomes. We will work with the stakeholders in our value chain to conduct business based on the principles of this policy and our values. We will collaborate with all our stakeholders to share key learning points and implement innovative technologies, industry best practices and effective management systems.

Compliance

We will undertake to conduct our operations in compliance with local and national laws and regulations, relevant international standards, YILPORT internal standards and other requirements.

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Community development

By offering open communication through our stakeholder engagement program and supporting and encouraging local community engagement and projects that create mutually beneficial outcomes we strive to make a positive impact on our local community.

Local Employment

We strive to make a positive impact on our local community by offering job opportunities for the locals through employment and to local contractors. We are committed to collaborating with national employment authorities to find and train members of our local community to be part of our work force. We encourage local resources to grow with our business and be part of the YILPORT Nordic community.

Stakeholder Relations

Through close collaboration with all our stakeholders we strive to maintain beneficial relationships for the benefit of the society and environment. We are committed to open communication with our stakeholders and ensure to uphold this by offering grievances and a systematic stakeholder engagement program.

Customer Satisfaction

We strive be proactive and opportunistic in offering a wide range of logistics services to our customers that make our business the preferred long-term supplier. By delivering strong and efficient services with high quality we ensure a high customer satisfaction.

Employee Engagement

By open communication with our employees in various channels and a respectful collaboration with the trade unions in our workplace we strive to keep the employees involved in the short- and long-term development of our business. We continuously work towards high employee satisfaction and prioritize a supportive, safe, stimulating, and healthy work environment.

Diversity, Equity, and Inclusion

We are committed to enhancing and embracing an inclusive and diverse work culture. We have zero tolerance towards any form of discrimination, bullying, harassment, insult, or physical abuse. At YILPORT Nordic we respect the diversity of ideas and encourage an atmosphere of trust, fairness, and candor. We ensure equal opportunities to all our employees in the recruitment, hiring, training, and promotions, regardless of gender, race, nationality, religion, age, marital status, disability, appearance, or background.

Child Labor

We are committed to work preventively so that any employees or trainees under the age of 18, through their working environment, do not suffer ill health or are deprived in their development or of their education. Through due diligence and our supplier code of conduct we strive to ensure that work that is prohibited for children are not carried out in our value chain.

Forced Labor

We respect and follow all applicable labor and employment laws and prohibit forced labor, including violations of wage and hour laws. We strive to cultivate a work life balance culture and ensure effective management of health risks at our workplace. Through due diligence and our supplier code of conduct we strive to ensure the respect for the international human rights principles under the United Nations Guiding Principles on Business and Human rights (Zero tolerance for modern slavery and human trafficking) throughout our value chain.

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Freedom of Association

We respect all employees right to organize in trade unions without authorization or interference. We follow all national legislation regarding the freedom of association to ensure that the rights of the trade union shop stewards to carry out their duties and give them access to the workplace and to use our premises for their assignments, are upheld.

Labor Standards and Working Conditions

We are committed to upholding the labor standards through the collective agreements with trade unions and by following national legislation regarding working time, vacation, maternity and paternity leave or any other legally protected standards. The work environment policy should be followed to ensure the working conditions of our employees and contractors.

Health and Safety

We strive to be recognized as a company that respects the health and safety of our employees, contractors, users, the supply chain, and the communities in which we operate, while providing high quality services. We believe our commitment to providing a safe and healthy workplace will maximize value for our business, our customers, and the community. The Health and Safety policy should always be followed to ensure to achieve our goals of minimizing harm while maximizing value for our employees and other key stakeholders. We will ensure that our employees, contractors, and visitors are aware of our policy and of the health and safety risks of our operations.

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YILPORT Nordic Governance Policy

Mission

As part of a global group, having a good corporate governance is a core to our business successes and have enabled us to maximize our long-term strategy, vision, mission, values, and goals which are centered on discipline, accountability, transparency, and social responsibility.

The following governance principles guide all our activities:

Best Practice

We will demonstrate best practice governance, business continuity planning and measure risk management and strive to uphold good governance practice and understanding governance risks and opportunities in our decision-making processes.

We will establish regulatory framework to indicate the seriousness of compliance with legal obligations which outlines all our business transactions.

Performance and Risk Management

We will recognize and manage climate related challenges and opportunities: and position the companies to realize opportunities that ensure sustainable business growth. We will identify, manage, and mitigate risks of operational disruptions e.g., resource scarcity, rising sea levels, climate change as well as community risks.

Identifying and evaluating the performance and risk has become an integrated part of how we operate. This is necessary because there are many uncertainties and threats to the business, environment, and society.

Responsible Business

We will reduce operating costs through, digitalization, automation, and improved resource management and ensure responsible and ethical sourcing and procurement.

Ethics and Values

We recognize that strengthening ethical and moral values is imperative to ensure the best service delivery to our customers and business partners. We believe that transparency and accountability are critical for the efficient functioning of the companies.

Collaboration

We will collaborate with all our stakeholders to share key learning points and implement innovative technologies, industry best practices and effective management systems.

Compliance

We will undertake to conduct our business in compliance with local and national law and regulations, relevant international standards, YILPORT internal standards and other requirements.

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Audit Committee

Our audit committee is an independent organization and ensures a strong corporate governance structure throughout the organization. The objectives of internal control and monitoring is to ensure the compliance and reliability of financial reporting, compliance with regulatory laws and safeguarding the company assets.

Shareholder Rights

We continuously work to uphold our obligations and commitments to our shareholders. With strong corporate governance and board work we ensure that the shareholder rights are upheld in a satisfactory manner.

Board Composition

The companies within YILPORT Nordic follows national legislation and the articles of association decided by our shareholders to ensure that the competences, tenure on the governance body and other factors of the board composition is held to a satisfactory level.

Independence of Board Chair

We ensure to follow national legislation of board work and the independence of board chair. The chairman of the board is leading the board work and must ensure that the board fulfils the responsibility to manage the companies' affairs and to continuously assess the financial situation of the company.

Board ESG Oversight

YILPORT Nordic are committed to the systematic work with ESG issues and through our group ESG Board and ESG Committee which provides an oversight and strategic directions on the group's sustainability agenda, its purposes, monitor and endorses the initiatives related to our business, we ensure that all material topics of our operations are covered.

Delegating Authority

To ensure the compliance of regulatory legislation and authorities within the company, the Responsibility and distribution of tasks procedure must be followed. It is the responsibility of the General Manager to delegate authority and responsibility within the companies and to ensure that the subordinates receive sufficient knowledge, authority, and resources necessary to cope with the responsibilities.

Executive Compensation

We ensure to follow national legislation regarding executive compensation. The remuneration decisions for executives must be determined based on performance and primarily on a risk-adjusted performance assessment where current and future risks are considered. Both financial and non-financial criteria such as achievements of strategic, environmental, social, or other ESG-related targets are taken into account in the assessment of the executive's performance.

Compensation Committee

We are committed to make fair, consistent, and independent employee compensation and remuneration decisions. All employee compensations must be aligned with applicable collective bargaining agreements or company policy and all variable remuneration must be determined on the basis of performance. Our board of directors are responsible for ensuring the integrity of our compensation and remuneration decisions.

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Conflicts of Interest

We believe that fair and objective decisions build trust with our employees, customers, and business partners. We expect our employees to act in the best interests of the company and prohibit employees from using their position at the company, company property, or internal company information to solicit, obtain, or receive personal opportunities, benefits, or preferential treatment.

Bribery and Corruption

We are committed to follow national legislation and to collaborate with national authorities to prevent bribery and corruption. We have a strict policy against bribery and corruption and prohibit the offering or acceptance of bribes by our employees and prohibit third parties from engaging in bribery or any corrupt behavior on the companies' behalf. We require all employees to obtain proper approval through the appropriate departments and to adhere to all due diligence policies and procedures when engaging a third party or with a government agency or entity. The anti-bribery and corruption policy and the gift and entertainment policy must be followed.

Fraud

We are committed to fair business conduct and prohibit any type of fraudulent activity in our companies. We will not mislead anyone about our products or services through our marketing materials or engage in unauthorized use, copying, distribution or alteration of software or other intellectual property. We believe that transparency and accountability are critical for the efficient functioning of our organization.

Lobbying Activities and Political Contributions

We require our employees to act in the companies' best interest when acting on behalf of the company with third parties. YILPORT Nordic requires that any exchange of gifts, entertainment, or business courtesies be for a legitimate business interest, reasonable and customary, infrequent, given openly and transparently, and properly recorded in our books and records. Gifts, entertainment, or other business courtesies should never be given for the purpose of influencing a business decision or government body decision.

YILPORT Nordic prohibits the use of company funds to make political contributions.

Cybersecurity

We are committed to providing the necessary resources to ensure the confidentiality, integrity, and accessibility of information within our companies. Through training of our employees, secure systems, and preparedness we protect the business and services provided to our customers from the effects of major disasters and operating errors. Through our group Information Security committee, we ensure to uphold the cybersecurity of our business.

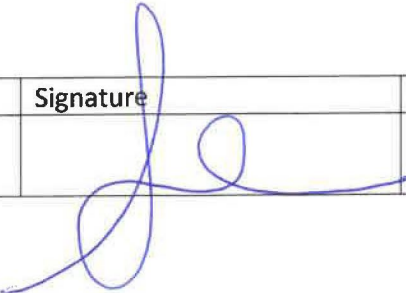
Data Protection and Privacy

We are committed to using data and technology in a respectful and ethical manner. YILPORT Nordic only uses personal data for legitimate business purposes and protects the privacy of any personal data collected, accessed, used, stored, shared, transferred, or disposed of. We are transparent about our practices around personal data and provide choices to individuals regarding their privacy preferences. We require our employees to conduct business in compliance with relevant laws and regulations to ensure that data is stored and transferred securely to protect it from unauthorized access or disclosure.

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Whistleblower Protection

YILPORT Nordic employees are responsible for ensuring that we enforce our commitment to a culture of compliance. We expect employees to speak up and raise concerns about possible misconduct, unethical or illegal behavior, or violation of company policy, or the law. YILPORT Nordic are committed to maintaining the confidentiality of anyone who, in good faith, raises a suspected violation and have zero tolerance for retaliation against anyone who report misconduct. Through our formal grievance process all our stakeholders can report misconduct.

Approved By	Signature	Date
Eryn Dinyovszky, GM		OCT 10 2023