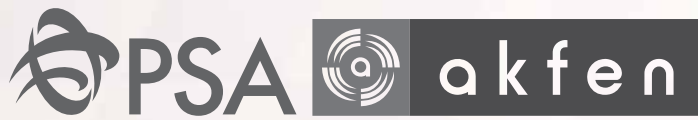


UNITED NATIONS
GLOBAL COMPACT
PROGRESS STATEMENT

MIP

MERSİN INTERNATIONAL PORT



GC2014





CONTENTS

4	ABOUT THE REPORT
5	MESSAGE FROM THE CEO
7	GLOBAL COMPACT
8 - 10	MISSION-VISION AND VALUES
11 - 19	CORPORATE PROFILE
20 - 21	ORGANIZATION AND MANAGEMENT
22 - 23	OUR STAKEHOLDERS
24 - 31	SOCIAL Human Rights (UNGC) Labor Practices and decent work (UNGC) Society
32 - 39	ENVIRONMENTAL (UNGC)
40 - 44	ETHICS AND HONESTY (UNGC)
45	AWARDS



ABOUT THE REPORT

Mersin Uluslararası Liman İşletmeciliği A.Ş. (MIP) has been the first company in the industry by supporting and being a party to “United Nations Global Compact” -which was implemented in 2000 by the United Nations- as a signatory.

After “United Nations Global Compact” which we signed in 2014 and consisting of 10 universal principles geathering under the main headings of “Human Rights”, “Labor”, “Environment” and “Anti-Corruption”, we aim to share this awareness which we adopted in the name of sustainability with all our stakeholders in our annual progress reports and we aim to continue our sustainability journey by developing the report that we have prepared and published with a thrill of performing the first in the industry.

Our commitment to these principles and values is on the rise in line with the frame of “Adopt-implement-support” since the first day when we were a party. Our development-oriented approach in the light of these principles constitutes the basis of all operational processes including our company policies and corporate culture.

In our first progress report, we have included the works carried out by Mersin Uluslararası Liman İşletmeciliği A.Ş. (MIP) in 2014 on sustainable development. In this regard, the data available in the first progress report that we have published reflects our performance between January 1, 2014 - December 31, 2014 and it is prepared annually in Turkish and English.

We have prepared MIP GC2014 progress Report based on the principles of the progress report (COP) determined by United Nations Global Compact (UNGC) which we became a party in 2014.

MESSAGE FROM THE CEO

As the first terminal operating signatory of the United Nations Global Compact (UNGC) 2014, MIP has underlined its commitment to upholding the principles of human rights, fighting corruption, maintaining a sustainable business model and taking care of our environment. We are proud to be a pioneering first-mover in the port business.

MIP is an industry leader, and as such, we have always ensured that our approach to business is driven by our core values, which complement the key components of the UNGC. Mutual trust, commitment to excellence, a people focus, innovation and customer loyalty underscore what we do day to day.

I am pleased to update that MIP has made great strides in 2014-2015, with a wide array of initiatives and projects that have aligned us ever closer to the core tenants of the UNGC. These include CSR projects that give back to our local community, such as providing TVs and projectors for the Niğde Ulukisla İnkılap Elementary School and building a gymnasium for the Hüseyin Polat Special Education Application Centre for mentally disabled children.

Beyond our community related projects, we are also driving to reduce carbon emissions in the port as part of being a sustainable company that cares for the environment. Our “Go Green” campaigns have promoted recycling within our terminals, as well as the careful disposal and discharge of waste oils and reuse of water in a way that is environmentally sustainable. We are also utilising solar power to heat our water supply and automated sensor LED lights in our terminal buildings.

At MIP, people are our most important asset. Mutual trust, one of our core values, has become part and parcel of what we do, and is also how we have built a work environment that ensures there is respect and open communication between all our employees. We respect the privacy of each and every individual and their personal information, while also ensuring that equal opportunities are given to all. MIP respects human rights and works to ensure we uphold the legal rights of our employees, support unionisation efforts and fight against forced and child labour.

We will continue to engage our stakeholders and the wider community so that MIP can carry on having a positive impact both within our terminals and in our local community. I look forward to future innovative ideas and developments beyond what is outlined in this report to continue underlining our commitment to the UNGC as a catalyst for progress and change.

Frans JOL
Managing Director
Mersin International Port



UNITED NATIONS GLOBAL COMPACT 10 PRINCIPLES

In order to carry ten principles on Human Rights”, “Labor”, Environment and Anti-Corruption to a better position, United Nations Global Compact brings businesses together with United Nations’ institutions, labor, civil society and governments. With the power of collective action, it aims to make these ten principles basic application in business activities around the world and aims to accelerate the actions so that they support the broader objectives of the United Nations.



Principle 1: Business world should support and respect the declared human rights.

Principle 2: Business world should not be part of human rights violations.



Principle 3: Business world should support employees’ freedom of association and collective bargaining.

Principle 4: All forms of forced and compulsory labor should be stopped.

Principle 5: All kinds of child labor should be stopped.

Principle 6: Discrimination in recruitment and placement for work must be stopped.



Principle 7: Business world should support precautionary approaches to environmental challenges.

Principle 8: All kinds of activities and formations which will promote environmental responsibility must be supported.

Principle 9: The development and proliferation of environmentally friendly technologies should be supported.



Principle 10: Business world should fight all forms of corruption, including extortion and bribery.

MISSION-VISION AND VALUES



OUR MISSION

To be the port of choice in Turkey and East Med region renowned for;

- Operational Excellence
- Continued Innovation
- Customer Focus
- Dedicated Team

OUR VISION



*To enhance its
position as a leading
port in Turkey and
East Med Region.*



OUR CORE VALUES

01

Mutual Trust

We believe in establishing mutual trust with our stakeholders, which is essential for successful partnerships.

Commitment to Excellence

We are committed to provide reliable and best-in-class services by continuously pursuing improvements in our business processes.

02

03

Innovation

We encourage innovation for enhancements and overcome challenges with creativity.

Focus on People

We value every member of our team member and provide opportunities for them to develop their potentials to the fullest.

04

05

Dedication to Customers

We strive to upkeep our customers satisfaction level and help them succeed. We listen and respond to their needs.

CORPORATE PROFILE

HISTORICAL DEVELOPMENT OF MERSIN PORT

Mersin was a small fishing village in 1841 and became sub-district in 1850 then district in 1865. As of 1860, building a scaffolding has gained importance in the district and the number of incoming and outgoing vessels increased with the opening of Adana-Mersin Railway in 1886 and in order to provide loading and unloading of these vessels, Mersin Municipality first constructed “Taş İskelesi” then constructed “Gümrük İskelesi”.

Due to the rapid increase in maritime trade, an experienced port management has been needed and MERSIN PORT COMPANY was founded on August 29th, 1927 in partnership with Seyrisefain Agency, Mersin, Tarsus, Seyhan and Ceyhan municipalities and Mersin Chamber of Commerce and Mersin Private Accounting.

The company has suffered damage caused by natural disasters and it was decided to transfer it to the government with the liquidation decision in 1942. The decision no K/323 on its transfer to Turkish State Railways and General Directorate of Port Operations in exchange for 400.000 TL based on article 6 of National Security Law was accepted with the Council of Ministers decision dated May 9, 1942 and numbered 2/17874 and published on Official Newspaper dated May 14, 1942, and numbered 5106.

The construction of Mersin Port started in a modern and protected way on May 3, 1954. The construction was performed by Dutch Royal Port Construction Company. The port reconstructed with all facilities was put into operation in the modern sense in 1962.



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MERSİN INTERNATIONAL PORT (MIP)

According to recently published statistics of the year 2012, MIP is the operator of Mersin International Port characterized as a multi-purpose port and which is the biggest port of Turkey in total cargo volume and export containers handling areas. Mersin International Port is located in southern Turkey, in the northeast corner of the Mediterranean. Thanks to its location and connection possibilities, it is one of the main import and export gateways for Turkey's industrialized central and southeastern cities. It plays an important role in international trade among neighboring countries in the Middle East in Mersin International Port's hinterland. Also located at the intersection of fundamental maritime routes, Mersin International Port is set to be a potential transshipment port for transit traffic in the Eastern Mediterranean Region.

Mersin International Port is spread over an area of approximately 110 hectares which is the largest field in Turkey. It has 6 container and 15 multi-purpose docks and totally 21 docks. It has an extensive local cargo base with more than 20 containers and 11 Ro-Ro lines performed regularly and which connects Mersin International Port to approximately 100 ports in the world. As of March 31, 2013, Mersin International Port has annually 18 million TEU container and 9.75 million ton conventional cargo handling capacity. MIP was founded in May 2007 between Akfen which is one of the leading investment holdings of Turkey and PSA which is one of the world's global port operators with %50 - %50 joint venture. The Company is established solely for the purpose of operating and improving the Mersin International Port and this right is obtained in 2007 via 36-year privatization contract valid until 2043.

Mersin International Port (MIP) is linked through railways and roads with Turkey's industrialized cities such as Ankara, Gaziantep, Kayseri, Kahramanmaraş, Konya and border countries such as Syria, Iraq and Iran.

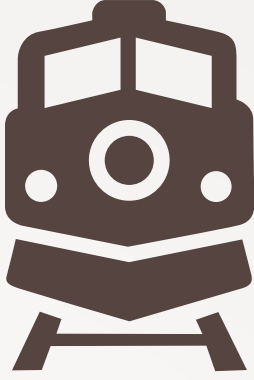
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It is one of the main container ports in the Mediterranean region with its transfer and hinterland connections with Middle East and black sea. With its wide hinterland, with easy access to facilities and trained human resources Mersin International Port (MIP) meets an important part of Turkey's export and import volume.

Mersin International Port (MIP) is not only Turkey's but also Eastern Mediterranean's one of the leading ports with its geographic location, capacity, and wide hinterland as well as with the advantages of simplicity of domestic and multi-modal connections. Mersin International Port (MIP) has all opportunities for logistics activities with its free zone, railway transportation, strong truck fleet in the region, Şakirpaşa airport which is 69 km away from it, logistics culture from the past and improved human resources structure for this purpose.

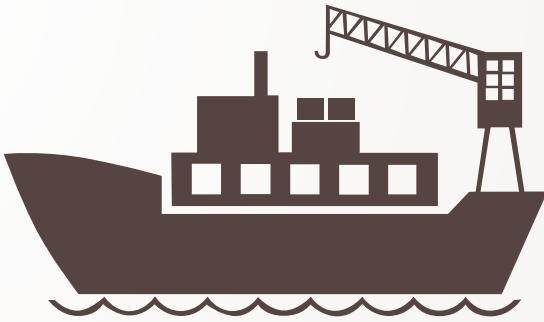


RAILWAY TRANSPORTATION

MIP (Mersin International Port) is linked with Gaziantep, Kayseri, Kahramanmaraş, Konya, Karaman, Ankara and other industrial cities through International railways. 4-track railway terminal providing container transportation is also available in the port area. It possible to provide services in the terminal with specialized personnel and appropriate equipment for freights of Ankara, Kayseri, Konya, Gaziantep, Kahramanmaraş Iraq, Iran and other regions.

ROAD TRANSPORTATION

Mersin International Port is linked with Gaziantep, Kayseri, Kahramanmaraş, Konya and developed industrial cities through highway. Thanks to effective road transportation, access can also be provided to Middle Eastern countries.

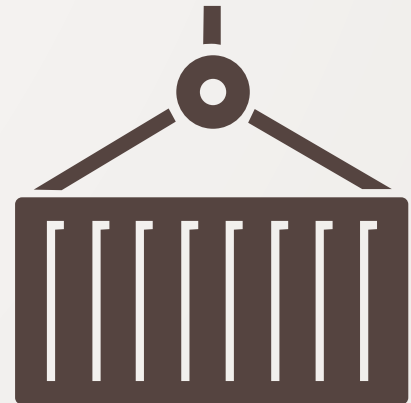


FREE ZONE

Mersin Free Zone is located adjacent to the Mersin International Port and linked with the port through a road called as “corridor” in the port. Mersin International Port's proximity to the free zone positively affects cargo traffic and provides time savings to cargo owners. Mersin International Port is the only port that can be connected with free zone through a corridor in Turkey.

PORT SERVICES

Mersin International Port (MIP) is import and export gate of Central Anatolia, Mediterranean, East and Southeast Anatolia regions. MIP which is also a transit hub for the Middle East countries is linked with domestic cities and Middle East countries through road, air and rail. Through the extensive facilities at the port, container, general cargo, project cargo, ro-ro, dry bulk and liquid bulk cargo, passenger and direct bulk from ship to containers services are offered for all kinds of kinds of cargo. MIP is the only port that can deliver all port services in the same field in Turkey. Depending on the size nearly 30 simultaneous loading and unloading services can be provided in the port with 21 docks. Annually, an average of 22 million tons of cargo is handled.



CONTAINER SERVICES

Mersin International Port (MIP) which is one of the largest container port in the south of Turkey serves to the widest industrial hinterland in the region and contributes greatly to Turkey's foreign trade. It is linked with all the main ports of the world through more than regularly frequented 20 container lines. 7/24 service are provided with modern equipment in Container Terminal which has the total dock length of 1470 meters and has a depth of 14 meters.

- Loading / Unloading / Re-dispatch / Cabot
- Lashing / Unlashing and Twist lock Services
- Container Internal Loading / Unloading
- Inspection, Full Detection, X-ray, weighbridge
- 15,000 M2 area which has just been assigned to provide inspection and full detection services
- 12 weighbridge placed in the appropriate fields
- Reefer Container Services (PTI)
- 900 plug capacity
- IMDG Container Services

CONTAINER INFORMATION MANAGEMENT SYSTEMS

- 7/24 container operation follow up by work order on the Web
- Network structure providing wireless data communication and its security in total 110 ha port and expansion fields,
- Facility for 7/24 monitoring of port and expansion area with 150 CCTV cameras, performing all port operations through Terminal Operation Operating System (TOS) and online monitoring port users' operations.





CONVENTIONAL CARGO SERVICES

Bulk Solid Cargos

It is possible to provide loading and unloading services to 60,000 tons of the post-panamax vessels daily up to 20.000 tons.

Bulk Liquid Cargos

It is possible to perform loading and unloading of any kind of bulk liquid through 3 pieces mobile dock platforms and 2 pieces product lines.

Project Cargos

Project cargo handling capacity is 140 tons in part basis with the port equipment. It is possible to provide service for project cargos over 140 tons by providing ship winch or suitable winches.

General Cargos

Loading and unloading services can be provided at 15 docks, 5 of which are directly linked with railway. Thus, import / export cargo vessels can berth to docks linked to railways and the cargos can be loaded directly onto rail wagons.



CAPACITY AND FEATURES

Multi-Purpose Docks	15
Docks Directly Linked With Railways	5
Vessel Length for Berthing	300 m
Total Dock Length	2,280 m
Storage Area	13,517 m ² closed 469,700 m ² open
Ro-Ro Area	127,600 m ²

CFS SERVICES

Internal loading and unloading are performed in CFS fields for all kinds of cargo under the transit procedure by using either labor force or equipment. Additionally, daily internal loading and unloading services are offered for wagons and for train cargos to Gaziantep, Kahramanmaraş, Kayseri, Konya, Ankara and Iraq as well as other regions.



FEATURES THAT MAKE THE DIFFERENCE IN CFS SERVICES

- 180.000 m2 CFS Field
- Annual business volume up to 300.000 TEU
- Daily capacity of loading 700 containers mine and marble
- Internal loading and unloading services for wagons
- CFS fields linked with railways
- Bulk solid cargo filling pools linked with railway
- Rich equipment park in the capacity from 3 tons to 45 tons
- Labor and equipment and attachments to support CFS services
- CFS service for heavy parts other than standard cargos, project cargos, yachts etc.





RAILWAY SERVICES

Four-line railway terminal is available in Mersin International Port area. Available RTG will be replaced with 2 pieces RMG and line capacity will be increased from 4 to 6 and line length will be increased from 450 meters to 700 meters in 2015.

Features That Make the Difference in Railway Services;

- Loading and unloading from and to wagons through railway connection of five docks
- Internal loading and unloading services directly from wagons to containers and from containers to wagons
- Train services for cargos of Gaziantep, Kahramanmaraş, Kayseri, Konya, Ankara and Iraq as well as other regions

MIP ANKARA RAILWAY TERMINAL

Services provided in this context;

- Ankara-Mersin railway transportation
- Full / empty container storage and terminal services
- Domestic container shipping in Ankara
- Railway shipping

RO-RO CARGOS

- 8 docks suitable for Ro-Ro cargo handling
- Possibility for loading and unloading 4 Ro-Ro vessels simultaneously
- Annual handling capacity of 150,000 vehicles
- Possibility for loading and unloading from Ro-Ro vessels from ramp by forklifts with lifting capacity up to 45 tons
- Regular weekly Ro-Ro ship voyages to Libya, Italy, Cyprus and other countries' ports
- Transit hub for the Middle Eastern countries such as Iraq, Iran and Turkic Republics

MIP CAR TERMINAL

- 70,000 m2 areas allocated specifically for transit vehicles
- 3,000 m2 of special parking space for the car carrying tractor-trailers

GAS STATION WITHOUT SPECIAL CONSUMPTION TAX

Fuel without VAT and Special Consumption Tax is supplied by gas station in the port area to Ro-Ro vehicles carrying export freight

PASSENGER TERMINAL

Mersin International Port (MIP) meets the needs of tourism in the region. MIP which is at the heart of the Eastern Mediterranean has become a haunt of passenger ships with regular voyages to Syria, Lebanon and Cyprus. Appropriate docks for cruise ships and 3.500 m2 area for Vehicle Park next to the dock are available.

MARINE SERVICES (Pilotage - Marine Towing)

Pilotage - Marine Towing service are provided to all vessels coming to the docks of Mersin International Port located within the area protected by the breakwater and Free Zone located within the breakwater, Ataş, Nato/Petrol Ofisi dock and piers and float facilities of the companies located outside of the breakwater and handling petroleum products.

Services in our port are provided with following Towing Boats:

- 2 pieces ASD type 45 ton towing boats
- 1 piece conventional twin screw 30 ton towing boat
- 2 pieces VOITH type 32 ton towing boats

MERSİN INTERNATIONAL PORT EXPANSION PROJECT



A new dock with total length of 480 m will be constructed under the project.



Totally 13 thousand tons steel pipes in 1016 and 1219 mm diameter will be driven in the sea for the construction of the new dock.



65 collision mats and 34 bollards in the capacity of 200 tons will be placed on the dock.



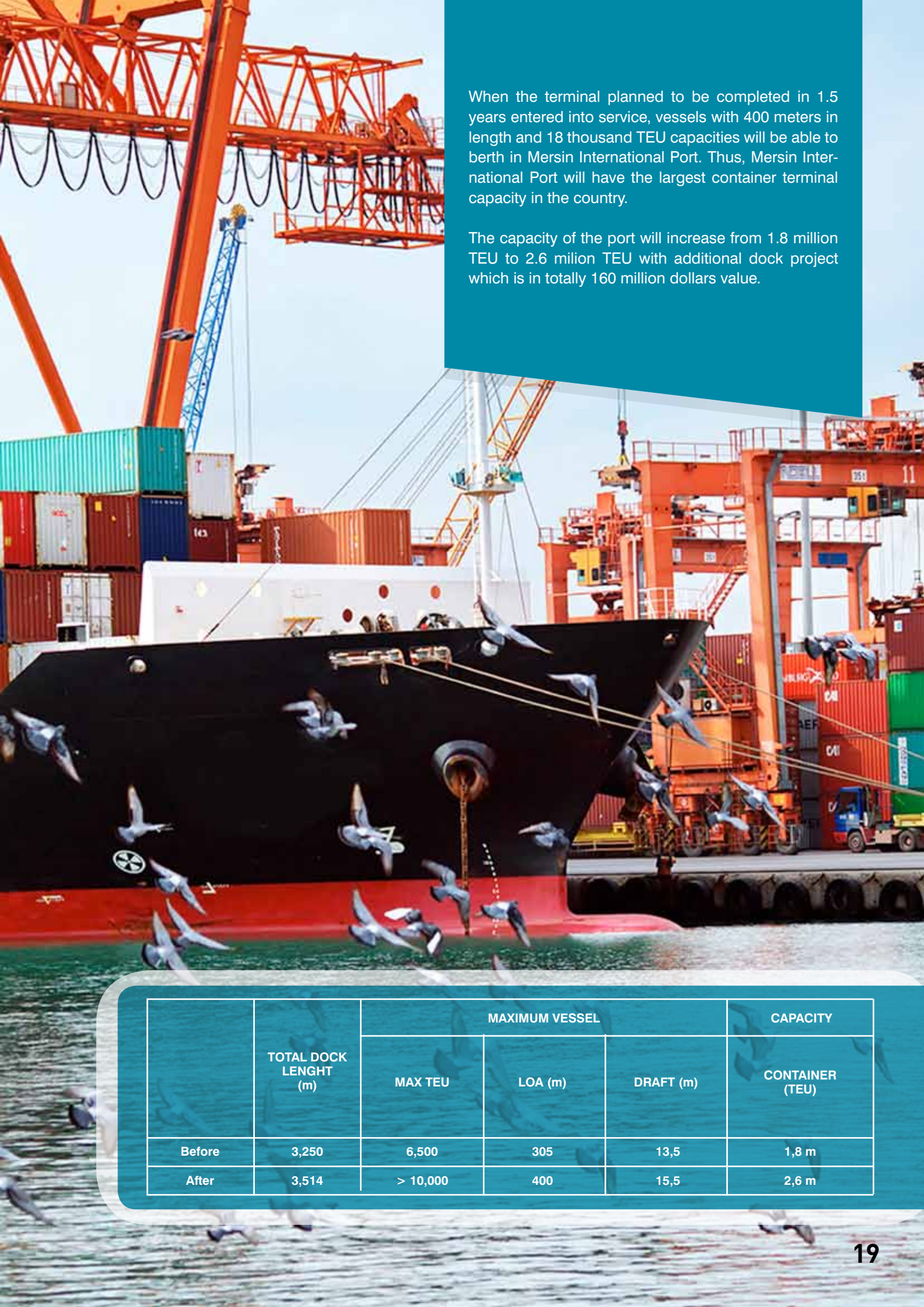
The 49 m high 4 giant dock cranes will be used on the dock. The total capacity of the cranes will be 800 thousand TEU.



Additionally, 8 pieces E-RTG cranes that will be operated on the back field will increase storage capacity of the port from 1.8 million TEU to 2.6 million TEU.



Turkey's largest container terminal will be built with Mersin Port Expansion Project scheduled to be completed in 1.5 years.



When the terminal planned to be completed in 1.5 years entered into service, vessels with 400 meters in length and 18 thousand TEU capacities will be able to berth in Mersin International Port. Thus, Mersin International Port will have the largest container terminal capacity in the country.

The capacity of the port will increase from 1.8 million TEU to 2.6 million TEU with additional dock project which is in totally 160 million dollars value.

	TOTAL DOCK LENGHT (m)	MAXIMUM VESSEL			CAPACITY
		MAX TEU	LOA (m)	DRAFT (m)	CONTAINER (TEU)
Before	3,250	6,500	305	13,5	1,8 m
After	3,514	> 10,000	400	15,5	2,6 m

ORGANIZATION AND MANAGEMENT

Our most fundamental responsibility to our stakeholders is to continue our progress with accountable, transparent and sustainable governance model. As a company continuing all operations in the industry at the international level, we are embracing and relying on contemporary and modern management practices.

Board of Directors elected by the General Assembly and Executive Committee established by the Board of Directors are responsible for the management of the company and they perform their duty based on the principles set forth in the articles of incorporation and in the Internal Directive for the Company's Management.

Board of Directors of Mersin Uluslararası Liman İşletmeciliği A.Ş. (MIP) consists of 6 members. 2 members of the Board of Directors are also the members of the Executive Committee. Executive Committee consists of four members designated by Board of Directors. Audit Committee was established by March 1st, 2013 dated and 2013/1 numbered decision of the Board of Directors. The Audit Committee is responsible for inspecting internal audit unit of the company and for reporting to Board of Directors



BOARD OF DIRECTORS

Hamdi AKIN	Chairman of the Board
İbrahim Süha GÜÇSAV	Member of the Board
Hüseyin Kadri SAMSUNLU	Member of the Board
David Antonius YANG	Member of the Board
LİM Pek Suat	Member of the Board
John Arthur PHILLIPS	Member of the Board

EXECUTIVE COMMITTEE

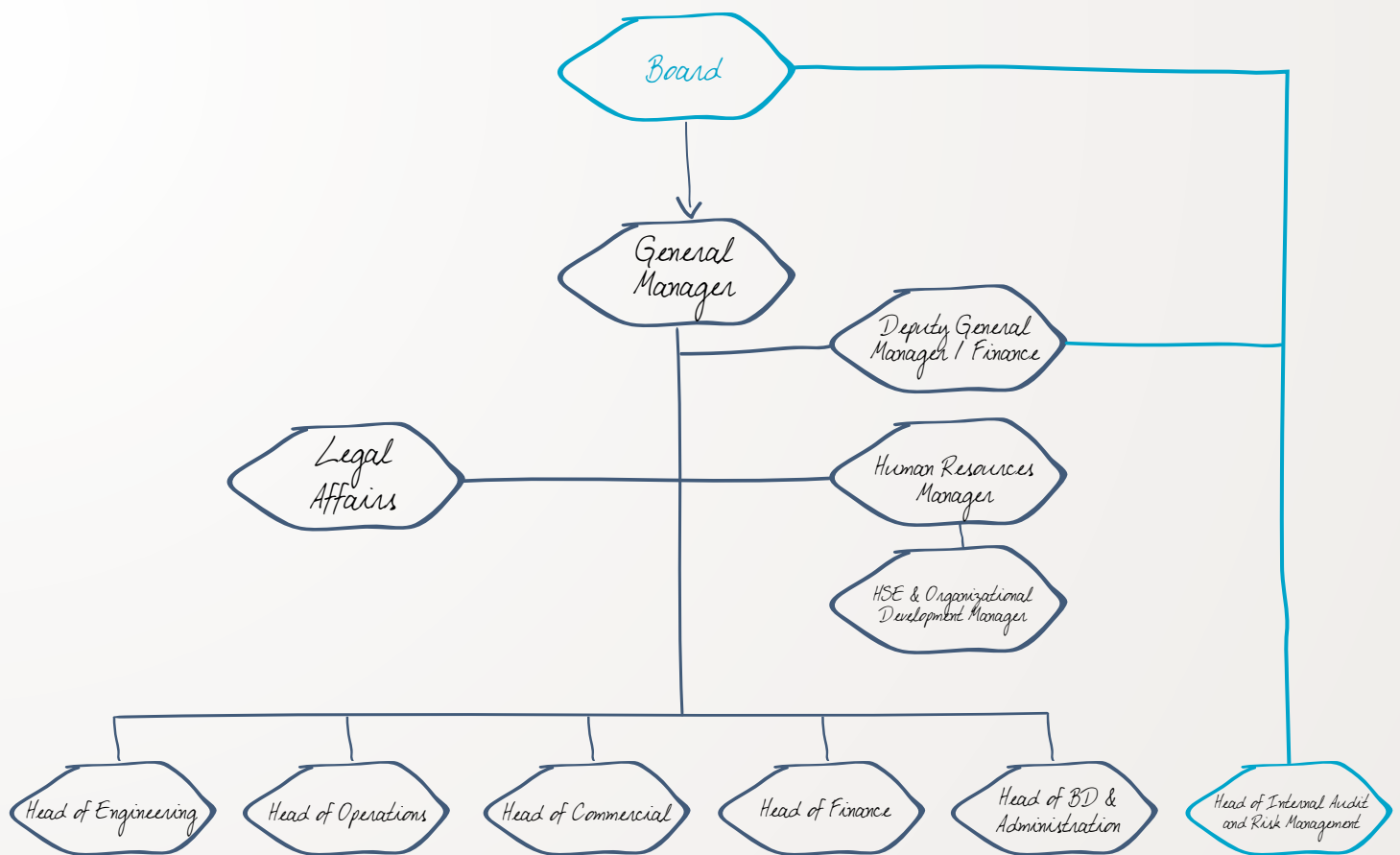
David Antonius YANG	Committee Member
İbrahim Süha GÜÇSAV	Committee Member
Kelvin TAN	Assistant General Manager of Finance

AUDIT COMMITTEE

AKİS	Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	Independent Auditor
Hüseyin Kadri SAMSUNLU		Member of the Audit Committee
Necmiye Meral ALTINOK		Member of the Audit Committee
LİM Pek Suat		Member of the Audit Committee
Vincent NG Hak Sen		Member of the Audit Committee



MERSİN INTERNATIONAL PORT (MIP) ORGANIZATION CHART



STAKEHOLDER ENGAGEMENT

As Mersin Uluslararası Liman İşletmeciliği A.Ş., we systematically apply operational development and information by openly sharing with stakeholders and by planning a variety of internal and external communication activities.

Accordingly, by sharing our commitments and application with our stakeholders, we use corporate website, internal communication networks, internal and external meetings, communication channels with media etc. to reach our stakeholders that we defined below.

- Board of Directors
- General Manager
- Employees



- Financial Institutions
- Logistics Sector
- Suppliers
- Unions
- Media
- Universities
- Non-government organizations
- Public institutions and organizations
- Local Community

MEMBERSHIPS

MERSİN LOGISTICS PLATFORM

This is an organization that we formed to use available potential of Mersin and to carry Mersin to its deserved place in national and international scale in logistic which is one of the leading sectors of Mersin. Mersin Logistics Platform starting out for the purpose of making Mersin a “logistic base” for the cities in its hinterland in the country and for Middle East and Commonwealth of Independent States (CIS). It was founded to determine logistic strategy of the city within the scope of RIS-Mersin project and to put it into practice. MIP is an active member of Mersin Logistics Platform which it considered as an important project for the development of the industry.



MERSİN ECONOMIC DEVELOPMENT AND COOPERATION COUNCIL

Activity areas of MEKİK carried out by Mersin Governorship are as follows; To direct public institutions and organizations, international organizations and non-governmental organizations for the development of the region, to develop all kinds of infrastructure, to make strategic research, to attract national and international investors to the region, to provide information and guidance, to develop SMEs and to improve their competitiveness, to support foreign expansion operations, to plan mutual visits, trade fairs and business delegations, to operate Local Information Office of the European Union, to prepare projects for the use of resources from EU funds, to support the integration with the EU, to perform scientific, economic, social and cultural studies, to create an information bank for the development of Mersin, to publish a variety of documents for the needs of the region and agency, to cooperate with foreign development agencies, to perform promotion, communication and lobbying activities. MIP actively involves in all the works of Mersin Development and Cooperation Council.

MERSİN RIS PROJECT

This is the Regional Innovation Strategy to be held for Mersin region for the first time in Turkey. The main objective of the project is to increase business-oriented innovation potential of the region. For this purpose, it is aimed to develop and encourage regional innovation infrastructure of the region, to create a common platform for cooperation among research centers, universities, private and public sector, to create a culture open to creativity and innovation with the analysis of business needs and awareness-raising techniques, to sport the conversion of knowledge to the innovation and economic value with the promotion of university-industry cooperation, to create inter-regional cooperation opportunities, to promote SME- oriented cooperation activities among sectors, to increase the number of the companies performing manufacturing operations based on innovation by establishing and supporting seed and venture capital funds, incubation centers and technology development zones, to establish strong ties within the region, the country and the European Research Area, to ensure the development of human resources profile for innovation culture.

MIP is among the supporter institutions of this project carried out by MTSO.

OTHER MEMBERSHIPS

INSTITUTION NAME

TOBB	Turkish Union of Chambers and Exchange Commodities (Maritime Sector)
TOBB/YOİKK	Coordination Council for the Improvement of Investment Environment
MTSO	Mersin Chamber of Commerce and Industry
MDTO	Mersin Chamber of Shipping
TURKLİM	Association of Turkey Port Operators
MESİAD	Mersin Businessmen Association

INSTITUTION NAME

DTD	Railroad Transportation Association
TURAB	Turkish - Arab Countries Businessmen Association
DEİK	Foreign Economic Relations Board
AKİB	Mediterranean Exporters Union General Secretariat
MEDCRUISE	



SOCIAL

HUMAN RIGHTS (UNGC)

United Nations Declaration of Human Rights constitutes an important part of our social responsibility commitment. According to this commitment, in order not to deprive anyone that contribute to our success by working from human rights and not to damage them psychologically or physically, we are continuously working to develop and improve our social performance by identifying higher objectives and by integrating human rights matters to our daily work activities.

LABOR PRACTICES AND DECENT WORK (UNGC)

Mersin Uluslararası Liman İşletmeciliği A.Ş. has been founded on the values that we describe as “core values” by targeting to manage human resources which are the guarantee of the vision and mission in the most efficient manner. Our policy is to promote skilled, versatile and quality-oriented workforce by supporting our employees' knowledge and skills, superior performance and commitment.

We aim to provide superior and sustained performance of the company's workforce by ensuring that the company's values are shared and adopted by all employees.

Our principles have been developed according to our values to ensure that our Human Resources policy be understood correctly by all our employees:

- Our basic principle in our relationships with employees is to build mutual trust and respect, to adopt transparent and open communication, to protect the privacy of personal information and to support the principle of equal opportunity to the employees.
- All processes in MIP are created in accordance

with laws and regulations. Therefore; employees are expected to act in accordance with the company's Code of Conduct and Disciplinary Procedures. These rules aimed at protecting the motivation and work peace in the workplace have been identified by procedure and we pay attention that the employees know that these rules are placed for their own interests.

- Our employees are the most important key to the success of MIP. Therefore; our strategy is to place the right people to the right job.
- Each of our new members participated in MIP will be part of our integrity and will develop the company's mission and vision and will provide the continuity of our company culture. Therefore, we also pay attention the suitability of candidates to our company culture.
- Based on the idea that the employees be balanced persons will increase the efficiency in professional life, we not only create suitable work environment for their physical, environmental and occupational health but also mental and emotional health.
- Based on the importance of the “Learner Organization” and the reality that our employees are our most valuable assets, we pay attention to training planning, career management and performance management to motivate our employees and retain our workforce presence.

UNIONS AND COLLECTIVE LABOR AGREEMENT

MIP supports unionization among its employees. In this regard, all our employees, regardless of level or competence have the right to form trade unions for the protection of individual and collective interests and to be members of trade unions.

MIP recognizes the roles of union representatives on this matter and doesn't exhibit any discriminatory attitude against these representatives. Furthermore the mentioned employees are granted paid leave for union activities and all the necessary facilities are provided to publicize the activities to the employees in the workplace.

FORCED LABOR AND CHILD LABOR

MIP doesn't use forced labor and doesn't employ personnel under the legal age of employment within the conditions defined by the International Labor Organization and law. It is in interaction with all stakeholders in the fight against child labor.

LEGAL RIGHTS OF THE EMPLOYEES

We exhibit an attitude to our employees' labor rights arising from the provisions of the labor law and labor agreement from the perspective of human rights not from the perspective of obligation. Discrimination and differential treatment aren't applied based on language, race, sex, political opinion, philosophical belief, religion and sect or similar reasons for the recruitment and for work related matters.

EMPLOYMENT OF DISABLED PERSONNEL

We pay attention to adaptation of disabled people to society and their finding more space in the public sphere and we provide employment for disabled people in the proportion set forth in applicable law. Overall employment rate for disabled people in MIP is 2,91 %.

OCCUPATIONAL HEALTH AND SAFETY

Employee Health

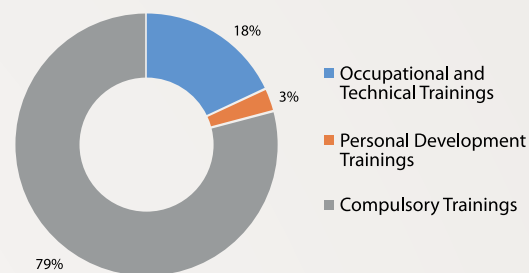
As MIP while we are aiming the satisfaction of its employees, we are constantly working to ensure development in all areas of work. Considering the quality of life of its employees, our company is constantly being informed by the doctor of the workplace in order to support our employees' health and these studies are supported by informative publication issued through mipconnect portal. Furthermore, our workplace health team performs the routine health checks of our employees and performs the relevant controls on a regular basis. Furthermore, our company offers on-site infirmary to serve our employees on 7/24 basis.

Occupational Safety

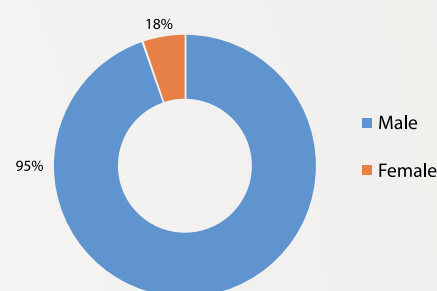
All the conditions are fulfilled to ensure the health and safety in our company and Occupational Health and Safety regulations and procedures are implemented to prevent possible accidents and occupational diseases at work. Occupational Health and Safety Committee and subcommittees have been formed and constantly working in order to prevent all risks identified in the port.

In order to ensure the safety of our employees and minimize the risk of accidents, all our employees have been provided with occupational safety trainings and these trainings are repeated in specified periods. Furthermore, short informative films about occupational safety are continuously being displayed in social facilities located in the port.

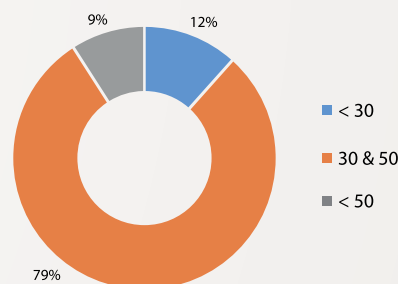
Percentage distribution of the training given to our employees



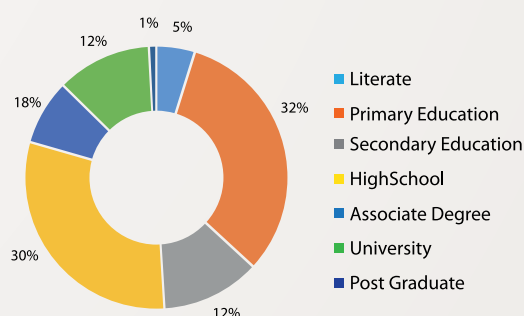
Percentage distribution of employees by gender



Percentage distribution of employees by age



Percentage distribution of employees according to their educational status



EMPLOYEE MOTIVATION

Motivation Questionnaire

As MIP, We organize Motivation Questionnaire and understand our employee's expectations and needs and their belongingness to the company is assessed. While Motivation Questionnaire allows the planning of the applications that will increase the motivation of our employees, it also ensures to take actions for the medium and long term improvements. In order to increase the applicability of action plans, it is decided to perform the same Questionnaire every year.

Make a Difference with your Idea

Ideas of our employees are very important for us. Starting from this understanding, we provide that our employees share their valuable ideas which will make a difference, improve service quality, and contribute to occupational safety through suggestion boxes and mipconnect portal. We award the ideas selected by the evaluation committee and provide the implementation them to our operational processes.

SOCIETY

As MIP, we act with the conscious to consider the rights of the community in which we are located and we continue our contribution to this process with our social responsibility projects without slowing down.

**THE PROJECTS CARRIED OUT
THROUGH TIKAV** (Human Resources
Foundation of Turkey)
in PARTNERSHIP with MIP (Mersin
International Port):

2010 The Project of New Custom to Old Vilage

The social responsibility projects called as "New Custom to Old Village" project developed by MIP and TIKAV; Mersin Governorship aimed to ensure effective use of information access units formed in village chambers and to teach villagers to access the information. As an extension to this, it is aimed to place social responsibility awareness within the company by allowing them to take part in the project.

Within the scope of "New Custom to Old Village Project" supported by Mersin Governorship Mersin Metropolitan Municipality, Provincial Health Office, Provincial Directorate of National Education and Mersin Province Social Assistance and Solidarity Foundation, "Computer Training, I value myself (KDV), hygiene, first aid, proper nutrition, Infectious Disease and Dental Care" trainings provided to 78 students from 41 villages for a week. As an extension to these trainings, in order to increase social responsibility awareness, 8 MIP employees voluntarily visited 41 villages and provided KDV training to the adults.

2011-2012 Mother's School Project

"Mother's School Project" implemented in collaboration with MIP and TIKAV In 2011 aimed to increase awareness of young mothers living in migration areas by providing them basic health education and thus it is aimed to ensure generations to be grown by these mother be more conscious, equipped with knowledge, and be individuals who continue their life by putting the knowledge into practice away from mother's teachings.

Within the project which is planned to reach to 225 with 9 different study, hygiene, self-care and nutrition health trainings are given and Mother and Child



Health Physician Appointed by the Provincial Health Directorate has informed the mothers on reproductive health. At the end of the training program, mothers have gained a different experience with breathing therapy implemented by the psychologist appointed by the Akdeniz National Education Directorate. Most of the mothers deprived of social life due to their surroundings have found opportunity to watch a movie in a theater.

In 2012, in nine different villages of Mersin Toroslar district, İKAV Project Officer gave young mothers “I Value Myself” training and Provincial Directorate of Health, Maternal and Child Health Practitioner Ayşe Çöl gave reproductive health training. Health trainings are given to young mothers thus it is aimed to ensure generations to be grown by these mothers be more conscious, and be individuals who continue their life by putting the knowledge into practice. Additionally, while psychologist Yaşam Yanardağ was answering questions of mothers, she also applied needles acupuncture to the participants. After the basic health trainings, Arslanköy Women's Theatre players demonstrated the theater play that they wrote and allowed the villagers benefit from theater events.

2012 Our Common Language Colors Project.

TIKAV scholars completed the renovation of Kazanlı elementary school within the scope of 'Our Common Language Colour Project' and they handed over the school on September 10 with a ceremony attended by senior figures from the public and business.

'Our Common Language Colour Project' implemented by the partnerships of TIKAV, MIP and Youth Award Association was performed between the dates 2 to 9 September 2012 in Mersin, Akdeniz district Kazanlı elementary school with the participation of TIKAV scholars.

International Youth Award Program financially supported by MIP and whose coordination assumed by TIKAV is a Social Harmony Project. TIKAV scholars who are the participants of International Youth Award Program under the project painted Kazanlı elementary school. With this project, the school's class doors, curtains, cabinets, teacher desks and teacher chairs were renewed and the roof and garden walls were repaired. Akfen Holding A.Ş. and MIP donated to school computers and some technological communication devices.

2013 Hand in Hand with Headmen project

With “Hand in hand with Headmen in Mersin Project” performed with MIP and TIKAV’s cooperation, it is aimed

to explain to headmen the changing dynamic nature of today and to contribute to the development of the environment they live in. In this context, it is intended to develop social responsibility awareness by providing them to be a model for their social environment. In the studies performed within the scope of Hand in Hand with Headmen Project, seminars on communication skills, effective leadership; official correspondence rules and practical computer use were given to the participants. Within the scope of the project, 63 village, 159 quarter headmen totally 100 headmen have been reached in Toroslar, Akdeniz, Yenişehir and Mezitli district of Mersin. 100 headmen were given certificates at a ceremony held.



2013-2014 Repairing from Us and Education from You

Within the scope of “Repairing from us and Education from You Project” implemented with the cooperation of MIP and TIKAV, Inactive building in Mersin Dikilitaş Primary School was renovated and a two - classroom kindergarten is prepared. All construction, renovation and maintenance process of Kindergartens made available to community were completed and the needs of the classrooms were met.

Maintenance and repair work of Halil Akgün Elementary School started within the year 2014 social responsibility activities were completed and handed over to the Directorate of National Education was on Friday September 12. All the necessary renovations, maintenance, repairs of four – classroom Halil Akgün Primary School were carried out under the project. Halil Akgün Primary School whose all needs from electrical installation to exterior paint and to training tools and materials were met was prepared to provide education to the students in accordance with the conditions of the age.

In 2015, Mimar Sinan secondary school and Sabahattin Çakmaköğlu Elementary School were included in “Repairing from us and Education from You Project”. Construction, renovations and maintenance work as well as the needs of schools such as improving laboratory and the locker room, computer demand, music hall and painting studio will be taken into consideration.



2014 Barriers inside Us

“Barriers inside Us Project” were performed in 2014 in Mersin with the partnership of MIP and TİKAV. With the project supported by Mersin Governorship, Mersin Provincial National Education Directorate, Mersin Provincial Directorate of Family and Social Policies, it is aimed to raise awareness of individuals who have disabled people in his/her family to give the idea that disability is not a victimization, to encourage disabled people to participate in life, and to provide equal opportunities to disabled people. The project was realized in 5 steps and it included half day training program in April, May, September and October.

Working Life and Women

In 2015, in cooperation with Mersin Governorship, MIP and TİKAV, Working Life and Women Panel and Communication in the Family Panel were included in 2015 Social Responsibility Projects and preparations for the project are ongoing.

MIP's Development Support Projects in athletic and artistic Area

2008–2014 Mersin International Music Festival

MIP provides sponsorship support to Mersin International

Music Festival which is most important artistic events of Mersin since 2008.

The main goal of Mersin International Music Festival is to ensure that people of the city, the region, Turkey and the world to meet the universal music Based on the principle that "Music is the international language of humanity"

2013-2014 Mersin Cultural Festival

MIP supported Mersin Cultural Festival held for the first time in 2013, as a sponsor, for the years 2013 and 2014.

2008-2014 Mersin İdman Yurdu

MIP supported Mersin İdman Yurdu Club which is the only professional football team of Mersin, as a sponsor since 2008

2010 Mersin Mediterranean Region Sailing Races

MIP supported Mediterranean Region Races held for the first time and placed on 2010 activity program of Turkey Sailing Federation by buying 2 pieces optimist boat.

2012-2013 Mersin Handball Club

MIP supported Mersin Handball Club playing in super league for 2012-2013 seasons as a sponsor.



2011-2012 Mersin Maritime Festival

MIP has been the sponsor of the festival held for the first time by Republic of Turkey Regional Directorate of Maritime Affairs to promote the development of the maritime sector and to introduce it to the younger generation.

2009-2010/2012 Art Bridge from Vienna to Mersin Project

The aim of the project is to create an environment that the children may reveal their art talents and to open new horizons in their lives. In order to direct them to the art by providing them necessary preliminary education and to contribute their personal development; The project initiated by Serkan Gürkan who is studying Master of Science at Vienna Music Academy, is composer, arranger, artistic director and violinist and MIP in 2009 continued until the end of the year 2010 with the support of Mersin Governorship.

Within the project, 20 children staying at Social Services and Child Protection Dormitory have been selected by violinists of String Inspirations Quintet group Sergej Bolontny ve Alexej Barer, Viyolonsel Peter Gospodinov, kontrbas Felipe Medina coming to Mersin and established by Serkan Gürkan.

12 of the children who are the future's artist have received violin training and 8 of them have received cello training. MIT has supported this as a main sponsor. It has been planned that the children from orphanage give a concert in Vienna which is the capital of Austria and in different cities of Turkey. The project is of great importance in that it is "Turkey's First Orphanage Orchestra"



2012-2013 Mersin ITF ITF Future Tennis Tournament

MIP supported ITF Future Tennis Tournament organized by Mersin Tennis Sailing Swimming and Water Sports Specialized Club in 2012-2013 as a main sponsor.

2014-2015 Mersin University Sports Club

MIP has supported Mersin University Sports Club Women's Basketball Team which participated in TKB2L three seasons ago within Mersin University Sports Club and succeeded to attend play-off in the first season. Sponsorship support to Mersin University Sports Club continued in 2015.



As a sponsor, MIP has supported ATP Challenger Tennis Tournament organized in Mersin by Mersin Tennis Sailing Swimming and Water Sports Specialized Club between the dates 7-13 April 2014. MIP has signed a contract as a main sponsor for ATP Challenger Tennis Tournament to be organized in 2015.

As a sponsor, MIP has supported national fencer Cansu Tor Kadioğlu who will participate International Fencing Target Competition in 2015.

MIP's Education Support Projects

At the beginning of the school year 2007-2008: School uniforms were provided to 500 needy students and in the same period stationary was provided to 500 students identified with limited purchasing power.

In 2008, With the aim of supporting mental and manual skills development of the children staying in Orphanage, training kit for each age group separately have been bought and donated.

In 2007-2008, scholarships are given to two students who won the university entrance exam, but are unable to afford the registration fees.

MIP provided financial support for the construction of school buildings built by MTSO in 2007-2008.

In 2007-2008, in accordance with Yenigün project carried out by the Provincial Police Headquarters, the publication of two books named "Drug Addiction" and "Internet Addiction" which are specifically designed to be distributed to young people in secondary school age are supported by MIP.

In 2007-2008, Equipment needs of Nihat Sözmen Mentally Handicapped School Gymnasium were met. Air conditioning needs of Çamlıbel kindergarten were met.

In 2007-2008, Turkey Offshore Championship Mersin Racings organized by cooperation of Mersin Chamber of Commerce and Industry and İstanbul Offshore Club were supported by MIP.

In 2007-2008, required support for participation of Hatice Uluğ Elementary School Football Team to District Tournament was provided.





In 2007-2008, the football tournament organized due to 163rd establishment anniversary of the Police department was organized by MIP.

In 2007-2008, MIP supported Mersin State Opera and Ballet (MDOB) to demonstrate Turkish Ballet “Çağrı” about Mevlana Celaleddin-i Rumi who is the symbol of tolerance and love.

In 2011, within the scope of Education Support Projects, MIT provided class materials and tools for nursery classes of 1.800 student capacity Selçuklar Elementary school located in needy areas of Mersin.

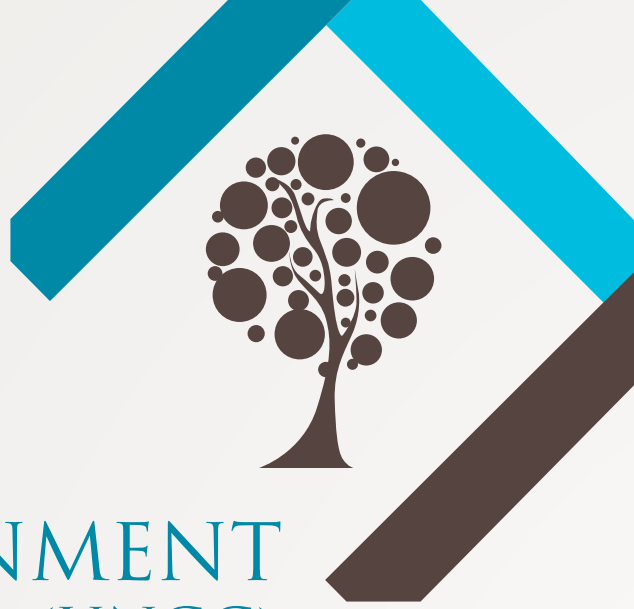
20 laptops for visually impaired people, 50 wheelchairs and 100 white walking-sticks donated by an American benefactor for handicapped people in Mersin were brought to Mersin with contribution of MIP.

In 2011 MIP contributed to aid campaign initiated by Republic of Turkey Prime Ministry for Somali and other African countries living in hunger. Additionally, because most of the aid vessels sailing to Somali were sent from Mersin Port, MIP supported the campaigns by applying special tariff for aid vessels coming to the port.

In 2012, educational toys, books, stationery and clothing aid were provided to Mut Gökçetaş village Elementary school students in cooperation with Lamos Rotary Club.

In 2015, TV and projectors are donated to Niğde Ulukışla İnkılap Elementary school to provide 1st, 2nd, and 3rd class students to watch CD’s of the books.

In 2015, Gymnasium initiated under the project “lend a hand to my disability” and to be constructed in Hüseyin Polat Special Education Application Center where nearly 240 medium and severe mentally disabled children received education will be built for supporting the physical development of our children by providing various sports equipment, sound system, electrical system and maintenance and renovation of whole saloon. This facility will greatly support mentally handicapped students for academic training as well as develop physical education skills, increase the gains in matters such as physical, psychomotor behavior, fine motor development etc.



ENVIRONMENT (UNGC)

Assessment, Policy and Goals

MIP has great opportunities for logistic activities logistics activities with its free zone, railway transportation, strong truck fleet in the region, Şakirpaşa airport which is 69 km away from it, logistics culture from the past and improved human resources structure for this purpose.

Through the extensive facilities at the port, container, general cargo, project cargo, ro-ro, dry bulk and liquid bulk cargo, passenger and direct bulk from ship to containers services are offered for all kinds of kinds of cargo. MIP is the only port that can deliver all port services in the same field in Turkey. Depending on the size nearly 30 simultaneous loading and unloading services can be provided in the port with 21 docks. Annually, an average of 22 million tons of cargo is handled. It has been decided to expand capacity use the docks in the port more effectively, to increase port activities and to allow more large volume vessels benefit from port services.

Accordingly, “Health, Safety, Environment and Security Policy” has been formed to minimize the environmental impact of all operational processes and to create healthy and safe working environment.

Awareness of creating safe, secure, healthy and clean work environment in our areas of activity and the loyalty ideal targeting continuous improvement which supports this awareness and which is sustainable and open to innovation lies under the foundation of our policy.

Our goal as the leader in the sector is to be an organization model on health, safety, and environment and security matters.

Our policy includes the following core values;

- To ensure that all operational activities including subcontractors are in accordance with “Health, Safety, Environment and Safety Policy”,
- To comply with all applicable laws and regulations,
- To attach due importance to health, safety, environmental and safety matters on commercial, administrative and operational decisions,
- To identify necessary health, safety, environmental and security measures in corporate policies, procedures, and programs,
- To consider health, safety, environmental and security performance of personnel as a part of personnel evaluation and awarding,,
- To adopt a culture that supports the ideal of commitment to health, safety, environment and security,
- To continuously improve management systems comprising pollution prevention and to improve health, safety, environmental and security performance,

Environmental Risks Arising from Port Operations and Measures Taken

In Mersin Port operated by Mersin Uluslararası Liman İşletmeciliği A.Ş., measures are taken to prevent wastes to give harm to the environment and human life at all stages of waste management. The wastes caused by

operational activities are sent to licensed recycling / disposal facilities.

Six stationary tanks with a total of 750 m3 capacity are available within waste reception facility in the port operation area. Within the scope of waste collection service; petroleum and petroleum-derived wastes resulting from normal activities of the vessels (bilge water, sludge, waste oils), toxic liquid waste (vegetable oil), sewage, garbage and cargo residues are received and temporarily stored on site. After the separation and treatment, they are sent to recycling / disposal facilities licensed by environment and urban ministry.

Emergency response plan formed under Law No. 5312 and Implementing Regulation on training of emergency response teams for the conditions caused by oil and its derivatives and other harmful substances related to the maritime traffic have been approved by Environment and Urban Ministry. OPRC 1 and 2, HNS 1 and 2 trainings have been included in MIP Emergency Response Plan and periodic drills are conducted every 6 months.

MIP has been signed an agreement with an emergency response company authorized by Environment and Urban Ministry on "Preparedness and Response to Oil Pollution" under Law No. 5312. Additionally, it is planned to initiate the works in 2015 for MIP to response directly in case of 1st degree marine pollution and preparing response equipment by providing them.

Studies have been initiated to receive the certificates of integrated management systems (ISO 14001, OHSAS 18001 and ISO 9001) and it is aimed to receive certificates until February 2016.

In this context, handling instructions indicating how to handle cargos throughout the port have been formed furthermore, "Procedure for Implementation of Legal and Other Requirements", "Monitoring and Measurement Occupational Health and Safety and Environmental Parameters Procedures", "Procedure for Loading, Unloading and Transportation of Hazardous Substances within the Port"

In order to identify the conditions that may cause risks related to the environment during the operational activities of Mersin Uluslararası Liman İşletmeciliği A.Ş. and thus systematically identify methods and procedures related to controlling expected and probable risks, "Environmental Dimension Assessment, Environmental Management Plan preparation and Implementation Procedure" has been prepared.



Environmental dimension assessment studies have been performed to activate waste management within sustainable development with the effects to water, soil and air by putting forward environmental dimensions and to position minimizing the use of natural resources in the management.

Site inspections are carried out by the staff responsible for the environment within Health, Safety, Environment and Organization Development Directorate. Our environmental management department engaged in internal audit is available to assess the compliance with environmental legislation whether the measures taken are implemented effectively implemented.

Periodic inspections and controls relating to the environment in the area are made in Port areas and potential nonconformities identified are reported within the scope of "Corrective and Preventive Action Procedure" and implementation of preventive and remedial actions is provided.

Dust measurements are made periodically to control emissions of dust emitted into the atmosphere as a result of Port activities, to protect human and environment from hazards arising from air pollution, to eliminate the negative effects that may arise as a result of air pollution and cause significant damage to general public and neighbor relations and to prevent and to prevent the occurrence of these effects.

Methods are developed to keep environmental impact of loading and unloading activities carried out at the port at minimum level. For the cargos that will not be affected, pulverized water system special sealing couplings are used and loading and unloading are carried out without tossing. Special pans are used during loading of bulk cargo from trucks to vessel and bunker is used during unloading bulk cargo from vessel to trucks. Cargos are unloaded to trucks by machines at close range. It is provided that the roads and areas in the port are covered with concrete, asphalt and cobblestones and dust is prevented by regular cleaning and irrigation. In addition, in order to prevent dry bulk cargo pour into the sea during loading/unloading operation, suitable canvas is covered between the dock and the vessel. In order to ensure that hose and connections between vessel and chrome pier at the dock are separated securely in case of emergencies caused during the operation of bulk liquid cargoes, emergency release coupling is used and thus pollution is prevented both at the dock and at the sea.

In the port area, handling of the containers within “International Maritime Dangerous Goods Code” (IMDG) is performed. A procedure is established on how to handle dangerous cargos and storage requirement. 2 pools have been constructed in container stacking area for the leaking containers with IMDG code. Fire safety measures are taken in all respects and in case of pour these pools are used to intervene. The containers with IMDG codes 1 and 7 are subject to free alongside ship regime this procedure of these two cargos are performed under the surveillance of security staff.

Within the framework of projects and works aimed at adaptation to climate change, Air conditioners’ periodic maintenance and gas exchange are performed. It is considered that electrical components are available on work machines used. Instead of gasoline operated machines, electrical machines (Gantry Crane, RTG) are preferred

Greenhouse Gas Emissions are calculated on a monthly basis. In order to decrease Greenhouse Gas Emissions, sensors and LED lighting are preferred in lighting systems and savings is provided in energy use. Additionally, solar power is used in hot water supply and periodic maintenance of the machines is performed.

Washing machines providing pressurized water are used to wash the machines and thus less water consumption is provided.



All employees are provided with training on the subject within the training plan to raise environmental awareness, to provide waste management, to reduce the environmental impact during the port operations, to prevent environmental pollution, to ensure that MIP's environmental objectives and policies are understood and complied with.



Green Port Project

“Green Port” project has been initiated by General Directorate of Maritime Trade by considering the necessity to increase the environmental conscience of the ports in terms of administrative and technical aspects and to add the green port facilities to the country. For the title of GREEN PORT which is a respectability and competitive factor among the ports of developed countries, MIP has initiated the implementation of ISO 14001 Environmental Management Systems, OHSAS 18001 Occupational Health and Safety Management Systems, ISO 9001 Quality Management Systems.

ATIGINA
HAYAT VERMENİN
TAM ZAMANI



Awareness in Recycle

Within the scope of “Go Green Fortnight” environmental activities in 2014, in order to raise the awareness of our employees, Informative posters and visual presentations are prepared and posted across the port.



Long live Carettas

Furthermore, with the participation of our voluntary employees, Mersin Kazanlı costs which are spawning ground of the Caretta caretta have been cleaned. Clean areas have been provided for caretta caretta and green sea turtles by collecting wastes creating threats for the nests of sea turtles with the activity organized to contribute the protection of natural habitats and raise awareness in the public.



Waste Management

The management of all wastes under environmental legislation is ensured in accordance with "Waste Management" formed related to minimizing the wastes arising from port activities, separating the wastes according to their sources, collecting, temporary storing, recycling, transportation, disposing and post disposing control activities.

Within the scope of "Collecting Waste from Ships and Waste Control Regulation" entering into force by publishing in official gazette dated 26.12.2004 and numbered 25682; following wastes arising as a result of normal activities of vessels are received to Waste Reception Facility in port operation field; petroleum and petroleum-derived waste (bilge water, sludge, waste oils) which are under MARPOL 73/78 Annex I, the wastes (vegetable oil, palm oil) under MARPOL 73/78 Annex II, waste water under MARPOL 73/78 Annex IV, garbage and cargo wastes under MARPOL 73/78 Annex V. The wastes collected from ships are temporary collected in Waste Reception Facility and after the separation and treatment procedure, they are sent to recycling and disposal facilities licensed by the Ministry Of Environment And Urbanization.

"Instructions to Collect Waste from Ships" is prepared to determine the procedures to be performed and rules to be followed in taking wastes from ships. Further, "The Measures to be taken in Collecting Wastes from Ships and The Measures against Possible Accidents and Environmental Impacts" are available in the mentioned instructions. Before starting waste transfer "Security Checklist" is filled and it is controlled that all measures are taken. "Customer Satisfaction Assessment Questionnaire" on the quality of the service rendered by Waste

Reception Facility will be filled by ship personnel. Dangerous wastes (oily rag, oily cloth, oil filters, contaminated packaging etc.) resulting from port activities are collected separately from other wastes so as not to cause any spill, leak, spread. Waste collection points were established in many places in the port to collect and wastes at the source.

The wastes are stored in sealed containers by labeling in accordance with waste codes defined in Regulation on the General Principles of Waste Management for 6 months in the Temporary Hazardous Waste Storage available within the port field and whose permission received from the Provincial Environment and Forestry Directorate. The wastes are sent to licensed recycling and disposal facility by licensed vehicles by filling in national waste transportation form.

Medical wastes coming from Workplace Health Unit in Port operation field are sent to sterilization facility for disposal. Waste oils arising from port field are collected temporarily in the working field in tanks in sufficient size and delivered to authorized organization for recycling/disposal at regular intervals.

Waste packaging are collected separately from other wastes in storages temporarily according to their types (paper, cardboard, plastic, metal strip) and sent to licensed recycling facility.

Evaluable solid wastes are separately collected temporarily in scrap collection area available within the port field and sent to the company licensed on this matter under the coordination of our Environmental Officer.

Domestic solid wastes aren't mixed with evaluable solid wastes. They are collected in "GARBAGE" collection containers and transported to solid waste regular storage field.

Waste waters from machinery washing machine are drained into sewage system in accordance with the discharge standards after treating in physical and chemical treatment plant established in the port.



Measurement of Results

"Monitoring and Measurement Procedures for the ISG and Environment Parameters" have been prepared to form a system to measure and control important parameters of process and activities that may be effective on occupational health and safety (ISG) and environment in the port operations. For this purpose, a "Monitoring and Assessment Plan" is created. Compliance with legal requirements has been provided by preparing this plan in detail to cover checkpoints on all existing possible operations and activities. Mandatory checkpoints to follow determined as a result of risk assessment and evaluation studies are available in "Monitoring and Measurement Plan"

The existing treatment plant's effluent is continuously monitored, analyzed and discharged to sewage. In order to control the compliance of the facility or its operation with Environmental Law and the regulations enacted under this Law, inspections are carried out by both public and private audit firms.



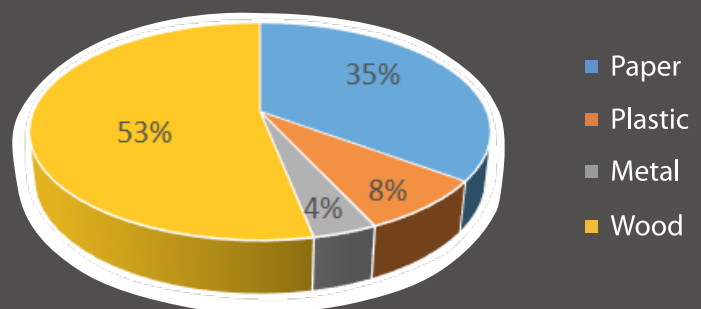
The precipitated dust measurements are performed in the laboratories authorized by Ministry of Environment and Urbanization and the results meets the conditions stated in the regulations.

Drilling was conducted for soil analysis in Mersin Port and the results are obtained lower than the standard figures.

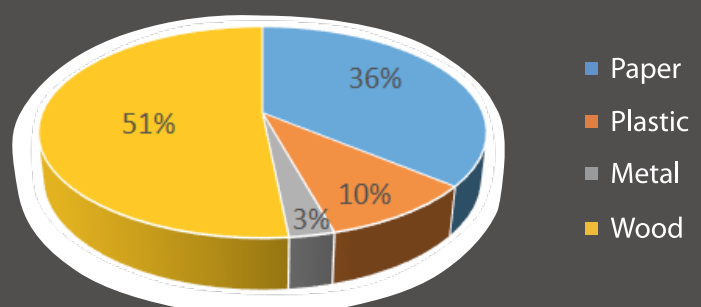
PACKAGING WASTES

582.24 tons of packaging waste in 2013 and 574.30 tons of packaging waste in 2014 were recycled

2014 Packaging Waste Recycling Rate

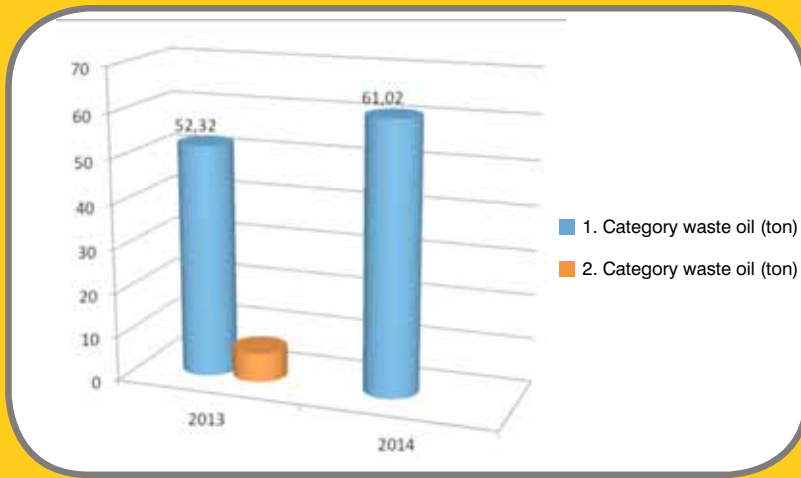


2013 Packaging Waste Recycling Rate



WASTE OIL

In order to prevent environmental impacts of waste oils, waste oils resulting from the maintenance of the machines in the port area are stored temporarily; their category analysis is performed and sent to recycling/disposal facility.



Bilge water and sludge collected from the vessels are sent to licensed cement factories to use as an alternative fuel. Waste oils collected from the vessels, if it is 1. Category waste oil, sent to recycling facility. By this way, it is aimed that

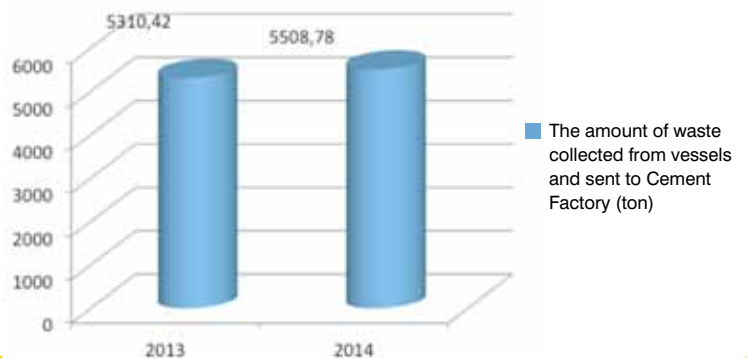
The wastes are recycled / disposed under suitable condition and adverse environmental effects are eliminated

Added value are created to the national economy by turning the wastes to the economy

Natural resources are protected

Measures are taken against global warming by reducing CO² emissions through the use as alternative fuels

The amount of waste collected from vessels and sent to Cement Factory (ton)





ETHICS AND HONESTY

Because the service area of Mersin Uluslararası Liman İşletmeciliği A.Ş. is an area under the responsibility of various state institutions, it is interrelated with many different government agencies and legal institutions and businesses. Therefore, in addition to prevent its employees enter into Corruption, Bribery and Extortion relationship with 3rd parties, it also needs to prevent Corruption, Bribery and Extortion relationships that may be performed without knowledge of its employees but may be performed through MIP services.

Due to the dimension and importance of its service area, MIP struggles with Corruption, Bribery and Extortion under two main headings:

- 1) **External Factors**
- 2) **Internal Factors**

External Factors

MIP is interrelated with many public and private institutions because of the reasons legally not mandatory but need to be followed such as that Mersin Port is in a strategic location, its operation area is a customs area, its productivity directly effects import and export level of the country, it is one of the most important ports privatized within the border of Republic of Turkey, there is a military zone and military docks within the port boundaries, it is in the neighborhood of the free zone, there are NATO docks, it is possible to unload cargo to docks through railways.

Because its service area is also a customs area, it is interrelated with all administrations within the body of Mersin Customs and Trade Directorate bounded to Republic of Turkey Ministry of Customs and Trade.

It is effectively in communication with these institutions on the control of suitability of entrance and exit to the port at entrance and exit gates control points of the port, at the stage of the control of the suitability of document flow with work requests declared by the customers for the performance of import and export procedures; Reliability of Document Flow, Operation of the port gates, performance of X-Ray controls, transport of required containers, etc. and all matters deemed necessary by Customs directorate.

Because Mersin Port is not only in operation on the land but also in operation in the sea, it acts in coordination with Coast Guard which assumed following duties on the area between ship anchorages area and docks;

- To protect our coastal waters, to provide security, to ensure the safety of life and property on the seas,
- To clean the refugees entering to our coastal waters from weapons and ammunition that may be with them and hand over them to the relevant authorities,
- To prevent all kinds of smuggling by sea, to prevent the actions of vessel and marine vehicles against the law on radio, health, passport, anchoring, mooring, fishing, diving and raising flag,
- Performing inspections to prevent marine pollution,
- To conduct search and rescue operations in Turkish search and rescue area within the principles of international search and rescue act and national search and rescue regulations.

While Mersin Police Headquarters bound to Republic of Turkey Ministry of Interior performing required controls at entrance gates to prevent the entrance of harmful people and substances to the country, taking precautions to prevent crimes in public places, performing searches to catch unlicensed weapons, prevents actions improper to public morality, etc. in the port area and waters, boat mooring areas and gates, it carries out procedures via MIP transaction records and reports related to order of the operations.

MIP is in effective communication with the following institutions;

- Marine Port Branch Directorate, for the control of passenger entrance and exit records and visa procedures, controls of ship personnel.
- Underwater Group Unit, for intervention to rescue the drowning incident
- Directorate of Anti-Smuggling and Organized Crime Branch MIP exchanges information on protection of privacy, taking security precautions, pursuing theft, corruption, smuggling crimes, raid, sharing footage and

information related to transactions of suspected persons, etc. and all matters legally needs to be followed and if an operation is deemed necessary it provides cooperation and provides all data required based on transparency policy.

Because the port operations are inspected within the State Structure;

- Port Authority is directly in contact with MIP because of its duties determined within the frame of “PORT REGULATION” issued by Ministry of Transport, Maritime Affairs and Communications. MIP is obliged under the laws to perform the services stated by the Port Authority at stated times and to report the operations that it planned within the frame of customer demands to the Port Authority. Therefore, it provides service in compliance with the code of ethics, without allowing corruption, without favoring customers, agents and persons, according to request order, and it informs the Port Authority related to its transactions.

- Mersin Port operated by Republic of Turkey State Railways (TCDD) is included in the scope of privatization





42

with the method of “Transfer of Operating Rights” according to Privatization High Council’s decision dated 30.12.2004 and numbered 2004/128. According to the result of the tender it is transferred to PSA Akfen Joint Venture Group in exchange for 755.000.000.- Us Dollars price on 11.05.2007 to operate it for 36 years. It continues to the operation of the port under the title of Mersin Uluslararası Liman İşletmeciliği A.Ş. (MIP). TCDD performs its surveillance and control duties and authorities granted to it within the frame of the provisions of concession agreement on the Transfer of Operating Rights through TCDD Mersin Port Operations Control Directorate.

- Mersin Governorship Port Local Authority legally is the highest responsible position for Mersin Port on behalf of the State. Because of this responsibility, all persons and vehicle who want to enter to and exit from the port have to get permission from Port Local Authority by providing the documents requested by the Authority. In order to prevent smuggling, bribery, corruption and extortion at the port, those persons entering to the port are allowed after the inspection of their criminal records, certificate of residence, Social Security documents, qualification documents. MIP is in contact with Port Local Authority related to these entrance and exits and Port operations.

Internal Factors

Ethical Principles Procedure;

In order to introduce the relationship between internal ethics principles and rules to our employees and to provide the development of ethics principles and rules within the company and to ensure that the personnel refrain from unlawful acts, Ethical Principles Procedure has been prepared and announced. This procedure consists of the following headings and these subjects are mentioned within the procedure in detail, fluently, plain but descriptive manner.

- The use and protection of resources
- Time usage
- Relationships with customers
- Relationships with sub employer and suppliers
- Supervision of Staff Operations
- Gift Donations and Aids
- Relationships with the media and non-governmental organizations
- Relationships with Public Institutions
- Relationships with competitors
- Avoiding from the activities that may create unfair competition
- Conflicts of Interest
- Ban on performing another job

- Respect for Labor Rights
- Privacy Principles for Company Information
- Privacy Principles for Personal Information
- Trade Secrets
- Malpractice
- Obligation to Intervene or Request to Intervene to Unlawful Conditions
- Occupational Health and Safety
- Responsibility to Nature and the Environment
- Representing the company
- Eligibility and Work performance of the Personnel
- Use of the Authority

Port Operations:

a. Port Automation System: MIP made one of its largest investments on Port Operation System since 2007 when he took over Mersin Port. This system provides the performance of port operations quickly and in a controlled manner and additionally it sends the order of the operation to hand terminals over a central system for the performance of the works quickly and at the lowest cost and in a manner preventing the determination of the order of operation by the employees and preventing that the employees benefit from this. This application has prevented the involvement of the customers to take the priority for port jobs by entering into extortion, corruption and bribery relationship with the employees.

b. Camera Systems: that the Port Area, the buildings and the gates are furnished with camera systems and the inspection of the images by forming a special CCTV room and the performance of operation or safety checks are used to control whether the employees entered into corruption, extortion or bribery relationships.

c. In order to provide port security with effective, suitable methods by qualified persons in a professional context, MIP has subcontract security services to a private security company expert on security and qualified to fulfill all conditions stated in the provisions of Regulation on the Implementation of the Law on Private Security Service which was prepared based on the Law No. 5188 on Private Security Services and based on the provisions of this law and all conditions stated in other relevant arrangements. This duty covers ensuring the security of Port area, MIP Land Terminal, A, B, C, D, E gates of the Port area, Passenger Building Entrance, MIP Operation Center and MIP Management Building; searching every vehicle entering and leaving the port; control of smuggling, weapons, the control of entrance documents of each person and vehicle entering and leaving the port; reporting improper conditions to police and Custom Directorates.



d. The Responsibility of Sub Employer: MIP has submitted all its procedures including Ethical Principles Procedures to Sub Employers for them and their employees to obey ethical rules, not to enter into Corruption, Bribery and Extortion relationship. Compliance obligation to these procedures has been legally, undeniably determined by including the following article to all its contracts:

“CONTRACTOR shall take all precautions set forth by Labor Law, Environmental, Occupational Health and Safety Legislation, MIP Occupational Health and Safety Regulations and similar legislation, law, rules, regulations, procedures, instructions, notification, etc. and shall provide required equipment, tools, vehicles, supplies and hardware and shall perform required periodic controls, maintenance and inspections of the equipment. CONTRACTOR shall be responsible for the loss and damage that may occur and the penalty accrued due to failure to follow these measures. It shall be provided that the employees comply with these regulations.”

Internal Audit:

MIP has formed an internal audit department not only to provide audit at the stage of rendering the operations but also on documentation, billing, purchasing, contractor bid, supply of services, administrative services, construction services and progress payments. This department assesses the information coming from both



3rd parties and company personnel and audits whether there is any corruption, bribery and extortion relationship within the company.

External Audit:

Because MIP is a two-partner company, its partners PSA and Akfen Holding employ their auditors every year separately to audit MIP. These audits cover all services of MIP and they are reported as a result of the inspection of financial controls and ethical behaviors.

AWARDS



- First prize in port operators category at 2014 Atlas Logistics Awards organized in 8th Logitrans Transport Logistics Fair
- “Best International Bond Issuance Prize” in International Bonds Deal of The Year category organized by Bond & Loans newspaper
- Project Finance Magazine “2013 Europe Port Deal of the Year Award”
- Project Finance International Magazine “2013 Port Deal of the Year Award”
- First prize in port operators category at 2013 Logitrans Logistics Awards organized in 7th Logitrans Transport Logistics Fair
- First prize in port operators category at 2012 Logitrans Logistics Awards organized in 6th Logitrans Transport Logistics Fair

- First prize in port operators category at 2011 Logitrans Logistics Awards organized in 5th Logitrans Transport Logistics Fair
- “Port Operator of the Year” Award in the "6th Golden Anchor Maritime Awards" organized by Perşembe Rotası and the Deniz News Agency.
- Mersin Chamber of Trade and Industry Special Award "The Company providing the Biggest Contribution to the Logistics Sector in 2007"
- The Undersecretariat of foreign Trade "Port Handling The Highest Amount of Liquid Bulk Cargoes in 2007 award"
- The Undersecretariat of Foreign Trade "Port Handling The Highest Number of Export Containers in 2007 award"
- Lloyd's List "2008 Port of the Year award"









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