

The background of the entire page is a composite image. On the left, a large cargo ship is docked at a port with several cranes. In the center, a blue and yellow train is moving. On the right, there are stacks of colorful shipping containers. In the foreground, several white trucks are visible, including one with 'BORUSAN LOJİSTİK' on its side. A large circular overlay is centered on the image, containing the title 'SUSTAINABILITY REPORT' in orange text.

SUSTAINABILITY REPORT



 **BORUSAN
LOJİSTİK**

 **BORUSAN
PORT**

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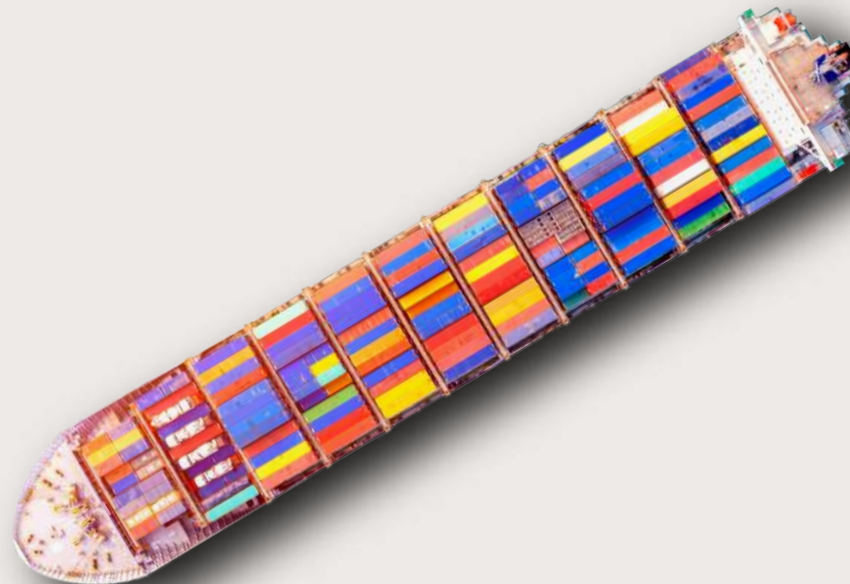
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ABOUT THE REPORT

As Borusan Holding, we are aware of our role in contributing to the strategy managed with a focus on “Climate, Human, Innovation” as Borusan Logistics and Borusan Port. We prioritize creating impact through transparent and consistent communication with our stakeholders.

With this in mind, we are proud to present our first sustainability report, which we plan to prepare regularly to enhance awareness of sustainability among all our stakeholders.

This report covers our activities from January 1, 2023, to December 31, 2023, and includes all Turkey-based operations managed by Borusan Logistics and Borusan Port.

The report has been prepared in alignment with the 2021 Global Reporting Initiative (GRI) Standards. Additionally, it highlights the alignment of Borusan Logistics and Borusan Port's activities with the United Nations Sustainable Development Goals.

This report was prepared in collaboration with the Sachi Sustainability Consulting team; however, no assurance was obtained for the data included.

For any questions, feedback, or suggestions regarding this report, please feel free to reach out to us at bl_surdurulebilirlik@borusan.com or bpsurdurulebilirlik@borusan.com



1.1.MESSAGE FROM BORUSAN LOGISTIC GENERAL MANAGER

Dear Stakeholders,

As Borusan Logistics, we continue our operations as an integrated service provider in domestic and international transportation, warehousing, and customs clearance, with a focus on delivering the best customer experience in the industry. For 50 years, we have been part of the traditional logistics sector; however, we position ourselves as a technology company, striving to lead our stakeholders into the future with the most optimal solutions.

As a people-centered company, we proudly celebrate our 50th anniversary this year with our employees under the motto "Our Footprint in the Future."

Among our domestic services, we provide comprehensive transportation services in a digital environment through our Borusan Logistics-eTA platform, enabling customers with cargo to quickly access vehicles via our website, while truck and trailer owners can find loads through our mobile application. Additionally, we offer warehousing, bonded warehouse, transfer centers, partial transportation, customs clearance, special distribution services, vehicle storage, and pre-dispatch vehicle inspection (PDI) services. In the scope of our international logistics services, we provide intermodal/multimodal transportation solutions by road, rail, air, and sea.

While conducting all these activities, we place our sustainability approach, focused on climate, people, and innovation, at the core of our business practices. Due to the nature of our industry, climate change is one of our top priorities. Each year, the logistics and transportation sector accounts for 5.5% of global carbon emissions. With changing consumption habits and the growth of e-commerce, the environmental and social transformation of our industry is becoming increasingly critical. Recognizing this risk, we are making investments and developing our processes with this awareness. Our goal, with a focus on climate, is to be the "Green Player in the Gray Sector," and we have become the first logistics company in the industry to initiate Energy Management System and Greenhouse Gas verification activities.

In our focus on people, occupational health and safety is our top priority. Contributing to the future of work, talent development, and diversity are among our core objectives. With this in mind, we have embarked on our journey under the motto "Strong Women, Strong Logistics" and in alignment with the goals of our "Borusan Equals" platform, supporting over 100 female employees to date.

Through our Borusan X corporate culture initiatives, we prioritize creating a happy, healthy, and safe working environment. Thanks to these efforts, we have been awarded the "Happy Place to Work" for two consecutive years.*

One way to succeed with a focus on climate and human in today's conditions is by providing digital services that are independent of time and location, as well as emphasizing efficiency. With this vision, we allocate 52% of our investments to IT and R&D projects, strengthening our position as Turkey's "Carrier to the Future" in the logistics sector. We have developed efficiency-driven projects in our operational processes, including AI-supported route optimization, energy efficiency, renewable energy usage, and dynamic pricing on the eTA platform. We will continue to develop these projects according to business need.

As Borusan Logistics, we are progressing confidently on our sustainability journey, aiming to become the leader in the sector. We have already set our goals for 2030 and continue our work with the vision of a Borusan Logistics that will thrive for 200 years.

I proudly present our 2023 sustainability performance report, sharing its details with you, our valued stakeholders, and the public.



Serdar Erçal
Borusan Logistic General Manager

1.2. MESSAGE FROM BORUSAN PORT GENERAL MANAGER

Dear Stakeholders,

As Borusan Port, we provide services in the Gemlik Region in three different areas: general cargo, container, and vehicle handling. As an organization providing port and terminal services, we currently have a handling capacity of 5 million tons of general cargo, 450,000 TEU containers, and 350,000 vehicles. With our end-to-end service approach, we are positioned as the most effective port in the region, offering Vessel Chartering, Project, and Heavy Transportation services under a single comprehensive logistics framework. Additionally, we are implementing pioneering initiatives for the sustainability of our country and the world.

We, too, embrace Borusan Group's sustainability strategy managed under the themes of climate, people, and innovation. We are witnessing the positive impacts of increasing wind energy investments in Turkey and Europe on our project cargo activities. Thanks to our long-standing operational expertise and specialized equipment in this field, we maintain our position as the first choice port within our hinterland. We also take pride in being the first port in Europe to carry out double-deck loading operations of wind turbine towers within vessels.

In our Project and Heavy Transportation segment, implementing pioneering practices alongside our attention to detail and focus on critical points enhances the quality of our service. Due to the large size and weight of wind blades and towers, special transport equipment is required to ensure their safe and proper transportation. We determine routes carefully to minimize road damage while transporting wind energy blades and towers.

In addition to our port services, we provide our customers with the advantage of door-to-door comprehensive logistics services through our Vessel Chartering, Project, and Heavy Transportation segment, all managed from a single point.

In this respect, we position ourselves not just as a link in the logistics chain but as a port operator that approaches the entire process holistically, acting as a solution partner for our customers. With our expert team, specialized equipment, and robust supply structure, we are capable of managing multiple projects simultaneously.

As one of Turkey's first green ports, Borusan Port stands out in sustainability through both our operations and the practices we implement. We have chosen "Affordable and Clean Energy," one of the 17 Sustainable Development Goals outlined by the United Nations Development Programme, as our main theme. Adopting a sustainability-focused and environmentally conscious business model, we are transitioning from diesel fuel to electric alternatives. Additionally, we are reducing carbon emissions by replacing older machinery with eco-friendly machines that consume less energy.

We recognize that, although ports contribute a relatively small share to overall carbon emissions, they can serve as energy hubs due to their connections to road and maritime transport.

Guided by our priorities, we have set out a short, medium, and long-term roadmap based on our identified focus areas, which we continually update in line with global developments. Through our projects and sustainability initiatives, we are not only a pioneer in our industry but also an inspiration to others. Our goal is to raise awareness and elevate consciousness around sustainability. On this journey, we remain committed to making an impact with purpose, ensuring our seas stay blue, our women empowered, and our future innovative.*

As I extend my gratitude to all our stakeholders who accompany us on this journey, I am pleased to present our 2023 sustainability performance report, sharing its details with our stakeholders and the public.



*Hamdi Erçelik
Letter Of Borusan Port General Manager*

1.3. BORUSAN GROUP AT A GLANCE

Established in 1944, Borusan Group operates in Turkey and globally across various sectors including manufacturing, machinery and power systems, automotive, logistics, and energy. With 14,000 employees across 11 countries on 3 continents, Borusan creates value and continues to grow in the global market. As an Istanbul-based conglomerate, Borusan offers world-class services through its extensive business network while creating employment opportunities. In line with the Borusan Group's vision, the company is confidently moving towards becoming a holding company with a legacy of 200 years through new investments and acquisitions.

In 2023, Borusan Group continued to create sustainable value for our stakeholders with over 14,000 Borusan employees.

The year 2023 has been a challenging one both nationally and globally, marked by unfortunate events. We began the year with the devastating earthquake in Kahramanmaraş, referred to as the disaster of the century. From the very first moments of the earthquake, we focused our projects on addressing the needs in the affected areas to alleviate the suffering and contribute to the continuity of daily life in the regions impacted by the earthquake.

On a global scale, alongside economic concerns, increasingly deepening geopolitical issues and rising conflicts have made their impact felt in both social and commercial dimensions worldwide. While experiencing these radical changes and violent events, we, as an organization, have directly and indirectly felt the effects of issues such as supply chain disruptions, access to raw materials, energy supply, and food security. We utilized our solution-oriented perspective, risk management capabilities, and robust corporate governance structure to manage risks arising from external factors and to identify opportunities that could be leveraged for business development.

With over 14,000 colleagues across 11 countries on 3 continents, we continue to produce and create value. We are taking swift and determined steps towards a sustainable future.



**United States, Netherlands, Italy, Georgia, Turkish Republic of Northern Cyprus, Azerbaijan, UAE, Oman, Kazakhstan, Kyrgyzstan, Russia*

As a Group operating in various sectors such as manufacturing, automotive, machinery and power systems, energy, and logistics, having a wide stakeholder ecosystem has facilitated our management of these impacts. While all of this has been happening on both global and local scales, we fulfilled our commitment as a group to advance the Republic, the greatest legacy of Atatürk, into its 100th year. We continued to work towards positioning our country at the forefront of science, technology, education, culture, and arts, aiming to elevate it further on the international stage. Thanks to our agile management approach across all sectors, Borusan Group has successfully concluded this operational period with strong financials. During this period, the Group achieved a 75% increase in revenue in TL terms and a 22% increase in USD terms compared to the previous year. From 2020 to 2023, Borusan invested 6 billion TL in various areas in line with its goals, and with its emphasis on people, the environment, and the future, plans to raise its investments to 63 billion TL by 2026 to enhance its business and contribute to our country.

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A **1 billion TL** investment collaboration between Borusan EnBW Enerji and Petrol Ofisi Group in the field of electric vehicle charging stations.

2.1 TWh/year electricity production (Borusan EnBW Enerji)

1,300,000 tons of CO₂ greenhouse gas emissions prevented through renewable energy production.

Over **125,000 tons** of recovered waste.

Over **79 mega liters** of water recovered and reused.

Implementation of the **Sustainable Supply Chain** Certification Program in collaboration with Istanbul University by Borusan Logistics.

With the Improvement Project for the Supsan Machinery Revision Center, annual energy savings of 1.5 MWh, a **reduction of 1.3 tons of greenhouse gases**, and annual investment savings of €900,000.

Borusan Boru's acquisition of 100% of Berg Pipe, a leading company in the United States known for producing large-diameter pipes with the highest quality and capacity, through a transaction worth 162 million USD.

The acquisition of 100% ownership of Borusan Boru Investment Holding Inc. and **the brand's transition to a new identity as Borusan Boru**.

Environmental protection investment exceeding 111 million TL.



Borçelik becoming the first steel producer in Turkey to obtain the Responsible Steel Site™ certification.

During the fiscal year, Borçelik submitted 3 international project applications under the Horizon Europe program and 2 national project applications under TÜBİTAK calls.

The percentage of female field workers has increased fivefold over the last 5 years to 5.6%, while the percentage of female office workers stands at 27.8%.

Borusan Cat receiving **100% acceptance accreditation for the Sales Career Development Plan** from Caterpillar across all its regions.

Borusan Boru investing **€15 million to establish a new facility in Romania**

Borusan Logistics earning the right to obtain the **Green Logistics Certificate**.

The percentage of **female employees has increased to 20%, and the percentage of women in leadership roles stands at 29.8%.**

A **sustainability commitment rate of 79%**, the highest score in the last 7 years.

"0" Number of fatal accidents

Borusan Cat's Müneccim application being selected as the **best R&D project** by RDCONF (International Research, Development, and Design Conference).

Publication of our book **"10 Years Dedicated to Equality"** by Borusan.



Establishment of Borusan Ventures, Borusan Group's independent corporate venture capital arm.

"0" Occupational disease

Implementation of Borçelik Technical Academy's project **"If There are Vocational High Schools, There is a Future."**

Borusan Automotive Group being the first company in the automotive sector to receive the **"Equality for Women at Work Certificate"**.

Borusan becoming a signatory to the **"Principles for Women's Empowerment"** of the United Nations Global Compact.

Implementation of the Sustainable Procurement Policy to encourage the adoption of a sustainability culture among partners and stakeholders.

Opening of the Republic's 100th Anniversary Exhibition to visitors.

Implementation of Borusan Port's **"Together We Are Strong!"** project.

R&D budget exceeding **377 million TL**.

23 new patent applications.

Production of **20 new products**.



Borusan Boru becoming the first company in the steel pipe sector to receive the **"Equality for Women at Work Certificate."**



1.4. MILESTONES

1944

Borusan Group's first company, İstikbal Ticaret, was established, initiating trading in iron and steel as well as exporting agricultural products.

1958

The first industrial investment was made, leading to the establishment of Boru Sanayii A.Ş.

1960

Kerim Çelik commenced operations as Borusan's first investment in the steel industry.

1970

Supsan was established to produce engine valves and accessories, which are precision parts of internal combustion engines.

1972

Borusan Holding was established, bringing all group companies under its umbrella.

1973

boru Nakliyat was established to operate in the field of road transportation, laying the foundations for Borusan Logistics.

1977

Borusan Yatırım was established and participated in key Borusan companies operating in the steel, distribution, and integrated logistics sectors.

1996

Borusan Yatırım, a subsidiary of Borusan Logistics, went public by offering its shares.

1994

Borusan Makina commenced operations.

1992

The Asım Kocabiyik Foundation for Culture and Education was established by Asım Kocabiyik and his family.

1990

Borçelik, Turkey's first private sector cold-rolled steel producer, was established and began operations in 1994.

1989

Our company Bortrans was established, engaging in various fields including vessel chartering, port operations, and marine transportation.

1984

Borusan Automotive Group assumed the role of BMW distributor in Turkey. In the same year, services commenced at Borusan Port's quay.

1983

our first port was established in Gemlik, and in the same year, customs clearance, port operations, and warehousing services began under Boru Nakliyat.

1998

The first container Vessel Berthed at the port.

1999

Borusan transformed the Borusan Chamber Orchestra into a philharmonic orchestra, leading to the establishment of Borusan İstanbul Philharmonic Orchestra (BİFO).

2000

Borusan Logistics was established, and with an investment of 18 million dollars, the second quay in Gemlik was inaugurated.

2003

The first Ro-Ro Vessel Berthed at Borusan Port. **Borusan Logistics established and certified its Quality Management System.**

2004

Borusan Logistics was certified in Integrated Management Systems for ISO 9001 Quality, ISO 14001 Environment, and OHSAS 18001 Occupational Health and Safety Management Systems.

2006

Borusan Holding signed the United Nations (UN) Global Compact, consisting of 10 principles on human rights, labor standards, environmental protection, and anti-corruption.

2010

Borusan Holding joined the World Business Council for Sustainable Development as the second member from Turkey and became one of the three Turkish companies to sign the UN's climate change commitment to limit global warming to 2°C. **In the same year, Borusan Logistics was awarded the Hall of Fame Strategy Award.**

2009

Borusan Holding decided to partner with EnBW AG, Germany's third-largest energy company. In the same year, it became one of the first three companies from Turkey to sign the Cancun Declaration against global warming. Borusan Group published its first sustainability report in 2009, and **Borusan Logistics earned the IIP – Investor in People award.**

2008

Borusan Logistics earned the Achievement and Grand Prize at the EFQM Excellence Awards for two consecutive years.

2007

Borusan Logistics established the VOC: Voice of Customer system and became the first to earn the ISO 10002 Customer Feedback Management certification.

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2011

Borusan Holding transformed the Perili Köşk in Rumelihisari, where its Management Center is located, into Turkey's first office museum for contemporary art under the name "Borusan Contemporary." In the same year, the Borusan Group signed the Energy Efficiency Declaration for Buildings with the World Sustainable Development Business Council.

Additionally, Borusan Logistics became the first logistics company in Turkey to obtain the ISO 50001 Energy Management System and ISO 14064 Greenhouse Gas Verification certifications.

2012

In December, Borusan Group's founder and Honorary President, Asım Kocabıyık, passed away. In the same year, Borusan Holding signed the Code of Ethics.

Borusan Logistics expanded its international transportation portfolio by acquiring 100% of Balnak Logistics, becoming a leader in the sector. Borusan Logistics established the electronic Transportation Network (eTA) aimed at innovation and diversity in domestic transportation. In the same year, as part of the "7 Forests Project," it launched a campaign to plant 1 tree for every 10 shipments and every 10 container handling, setting a target of planting 1 million trees.

2013

As a major step towards globalization, Borusan Boru laid the foundation for a steel pipe factory to be established in the USA with a \$150 million investment. To support women's employment in Turkey, the institutional social responsibility project "My Mother's Job is My Future" was launched.

Green Port applications also commenced.

2014

Borusan Holding became the first Turkish company to sign the UN Women's Empowerment Principles (WEP), committing to support the empowerment of women.

2015

Our innovation brand Bukoli was launched to provide special delivery services for the e-commerce sector.

2019

Borusan Logistics' eTA platform grew fivefold, becoming the third-largest logistics platform in Europe. Our eTA platform won the European Business Award (EBA). Borusan Logistics commenced operations at its largest facility, the 90,000 m² consolidated warehouse known as the Tepeören Operations Center (TOM). Borusan Logistics earned the ISO 27001 Information Security Management System certification. Additionally, Borusan Logistics completed the SQAS - Safety & Quality Assessment for Sustainability evaluation and earned a place on the list of global logistics service providers.

2018

In 2018, Borusan Logistics expanded its international maritime transportation services and acquired DAYBREAK GLOBAL LOGISTIC (China).

2016

Borusan Holding's Sustainability Report received the first-place award in the American Communication Professionals league. The Green Port/Eco Port Certificate was obtained. An additional 28,000 m² of filling area was included in the port area.

Our brand Borusan Port became one of the first ports to receive the "Green Port/Eco Port" certificate issued by the Ministry of Transport, Maritime Affairs and Communications.

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2020

Borusan's strategy for Group Sustainability was made more comprehensive, with a focus on climate, people, and innovation. The launch of Borusan Equals Gender Lens was conducted, and all group company general managers signed the commitment.

Borusan Logistics was included in Fast Company magazine's list of the most innovative companies. Additionally, Borusan Logistics earned the status of Authorized Economic Operator and Licensed Sender and Receiver.

2021

Borusan Group published the Gender Equality and Domestic Violence Guide and the Sustainability Guide. Borusan Logistics launched the B-Yol service. Borusan Logistics was named the most reputable logistics company of 2021. It also became the first logistics firm to sign the Business Plastic Initiative. We received the EcoVadis Sustainability Assessment.

2023

The modification project for the East Terminal was initiated. Borusan established Borusan Ventures to partner with visionary entrepreneurs shaping the future. To promote the adoption of our sustainability culture and understanding among our stakeholders, Borusan implemented the Sustainable Procurement Policy.

Borusan Logistics received the Happy Place to Work Award for the second time. In the Fortune 500 Sustainability Assessment, Borusan Logistics achieved an A rating, ranking among the top 19 companies. Additionally, Borusan Logistics earned numerous awards for its sustainability activities, including the Sustainable Business Awards, the Kalder Turkey Sustainable Future Awards, and the gold certification for the "Be Responsible" project.

2022

Borusan Group initiated the BorusanX project for cultural transformation to support our goal of becoming a 200-year

institution. In a pioneering move among holding companies, the Integrated Activity Report was published. In alignment with social impact and sustainability priorities, Borusan launched the Sustainable Benefit Project, supporting initiatives with high potential to influence and mobilize target groups on social issues.

Borusan Logistics became one of the first logistics companies to receive the Green Logistics Certificate from the Ministry of Transport and Infrastructure. In the same year, Borusan Logistics received both the Happy Place to Work award and The One Awards – Reputation of the Year award. Borusan Logistics relocated to Emaar and Piyalepaşa offices and transitioned to a hybrid working arrangement. In 2022, Borusan Logistics obtained the ISO 14046 Water Footprint Certificate and joined the SKD DO Projec



1.5. BORUSAN GROUP SUSTAINABILITY STRATEGY

As Borusan Group, we continue to create sustainable value for our stakeholders within the framework of our strategic focus areas: Climate – Human – Innovation (i3), and share this value transparently. In our journey, named "Inspiring the Future," we are committed to building a better world by adhering to our goals and implementing projects that generate environmental and social benefits, ultimately leading Borusan to realize its vision of becoming a "200-year-old company." While executing our strategy based on sustainability, we also view digitalization and talent management as our strongest leverage points, undertaking inclusive projects with this focus.

OUR VISION

With the goal of becoming a 200-year-old company, Borusan Group has adopted a strategy that opens up to the economies of the future in its newly announced roadmap. While aiming for growth in "core," "adjacent," and "new" areas, the Group focuses on investing in start-ups through corporate venture capital.

We are committed to undertaking inclusive projects in the fields of sustainability, digitalization, and talent management.

OUR MISSION

As Borusan, we continue to create added value in production, service, and industry while embracing our deep-rooted values, corporate culture, and international partnerships. We operate with a focus on developing innovative products and services, maintaining a vision that is open to global markets.

As Borusan Group, we are aware of our responsibilities towards our country and the opportunities we possess. In this regard, our constant aim is to be an organization that adds value to society and the environment.

As an organization that believes in people and success through people, we build our culture in alignment with the vision of our founder, Asım Kocabıyık. We strive to pass on our understanding of creating benefits for our employees, customers, society, and the environment to future generations by adopting a sustainable strategy.

Since our inception, we have aimed to create value. We work towards building a better life and a sustainable future for all. With a new era mindset, we dream, design, produce, and bring new ideas to reality. We mobilize all our resources to inspire everyone. We know that dreams become reality in the hands of those who create them.

We combine our creativity with our production power, drawing inspiration from nature, our employees, and innovative ideas. Through our production capabilities, our workforce, our business models, and our partnerships, we inspire a sustainable future. Our primary responsibility is to act in accordance with our vision, add value to all our business partners, and be an exemplary organization.

Our Manifesto for Making a Difference Across the Value Chain: Climate – Human– Innovation



We dream, design, and produce for a healthy climate.

We utilize our innovative ideas, production capabilities, and competencies to overcome the climate crisis. Our goal is to contribute to the restoration of a functioning climate. With all our resources, we are envisioning, designing, and implementing healthy systems for the climate in both our own operations and throughout our entire value chain.



We envision, design, and bring to life a human-centered corporate culture and contribute to societal development.

Our goal is to assist in the restoration of a healthy climate. With all our resources, we are committed to establishing healthy systems for the climate in both our operations and across our entire value chain. We collaborate with our employees and stakeholders to create a bright future. To benefit the communities we are part of, we design innovative business models. Our aim is to inspire an innovative and sustainable future for everyone. With our human resources, we envision, design, and realize a bright future.



We envision, design, and produce for a new era.

We draw inspiration from innovative ideas and inspire a whole new future. Our priority is to implement innovative and sustainable business models that are suitable for the future. With our corporate resources and innovation capacity, we dream, design, and bring an innovative future to life. As Borusan, we have been working to be a source of inspiration for a sustainable future, guided by the inspiration we have received since our establishment. We are meeting with those who inspire the future for a new era, a new world, new dreams, and innovative ideas

1.6. BORUSAN GROUP SUSTAINABILITY TARGET



CLIMATE

Borusan Group 2030 Climate Goals

Adapting to climate change and recognizing the limitations of every resource we consume is one of the greatest challenges facing our planet. As Borusan Group, our responsible actions in this direction provide us with a meaningful opportunity to have a lasting and positive impact on the future of our world.

Decarbonization

- Reduction of Carbon Emissions
- Implementing strategies to significantly reduce carbon emissions.
- Establishing Emission Measurement, Monitoring, and Reporting Mechanisms:
- Developing systems that comply with regulations and legislation for accurate tracking and reporting of emissions.
- Investing in projects that require funding to achieve significant reductions in emissions.

Contribution to the Circular Economy

- Sustainable Procurement Management: Ensuring that our procurement processes align with sustainable purchasing criteria.
- Reduction in Water Consumption: Aiming for a 50% reduction in water consumption while increasing recovery by 50%.
- Waste Reduction and Recycling: Targeting a 50% reduction in waste generation and a commitment to 100% recycling of waste.
- Elimination of Single-Use Plastics and Paper Products: Striving for zero usage of single-use plastic and paper products.
- These initiatives highlight Borusan Group's commitment to sustainability and our proactive approach to addressing environmental challenges while contributing positively to the economy and society.



HUMAN

Borusan Group 2030 Human Goals

At Borusan Group, possibilities become reality thanks to our colleagues. With a work culture that embraces diverse experiences, perspectives, and understandings, we support our employees in shaping their career journeys, nurturing their curiosity, and developing their talents.

Sustainable Talent Management

- Becoming One of the Top 10 Employers: Aim to be among the most preferred employers.
- Retention of Talent: Retain 9 out of 10 Alpha employees and 95 out of 100 Future Leaders.
- Sustainable Engagement Score: Maintain a high level of employee engagement.

Equality and Diversity

- Increase in Female Employees: Achieve a 10% representation of women in field and factory roles.
- Women in Leadership and Office Roles: Reach 40% representation of women in leadership positions and office roles.

Safe, Happy, and Healthy Workplace

- Zero Fatal Accidents: Strive for zero fatal workplace accidents.
- Reduction in Accident Frequency Rate: Aim for a 50% reduction in accident frequency rates.
- Reduction in Accident Severity Rate: Target a 30% reduction in accident severity rates.



INNOVATION

Borusan Group 2030 Innovation Target

As Borusan Group, we prioritize implementing innovative and sustainable business models suited for the future. We achieve lasting and positive impacts in the sectors we operate by developing and investing in the best technologies.

Creating Value Through Innovation

- Developing Circular Business and Service Models
- Creating Carbon-Free Business and Service Models
- Providing Social and Environmental Benefits Through Entrepreneurial Ecosystem

1.7. CORPORATE GOVERNANCE

At Borusan Holding, our business principles and practices are designed to foster a culture of innovation, collaboration, ethical behavior, accountability, and transparency. With 80 years of deep-rooted history in the manufacturing, machinery and power systems, automotive, logistics, and energy sectors, we add value to our country while maintaining our leadership through new products, services, and business models. The group companies of Borusan and our international partners, who are leaders in their sectors, have embraced Borusan's values and corporate culture, continuing to create added value in the fields of services and industry. Additionally, we operate with a vision that is open to the global market by developing innovative products and services.

To learn more about Borusan's corporate governance, review our policy commitments, or get in touch with us, please visit our website.

Building on this main strategy, sustainable strategic approaches have also been developed within Borusan Logistics and Borusan Port.

1.7.1. BOARD OF DIRECTORS AND ORGANIZATIONAL STRUCTURE

Board of Directors of Borusan Logistics and Borusan Port



Muhammet Hüseyin HAMEDİ
Chairperson of the Board of Directors

BORUSAN LOJİSTİK

BORUSAN PORT

Muhammet Hüseyin HAMEDİ
Chairperson of the Board of Directors

Barış Hakkı KÖKOĞLU
Vice Chairperson of the Board of Directors

Erkan Muharrem KAFADAR
Managing Member of the Board of Directors

Barış Hakkı KÖKOĞLU
Vice Chairperson of the Board of Directors

Erkan Muharrem KAFADAR
Managing Member of the Board of Directors

Levent KOCABIYIK
Member of the Board of Directors

Turhan Emir ÖZMEN
Member of the Board of Directors

Levent KOCABIYIK
Member of the Board of Directors

Turhan Emir ÖZMEN
Member of the Board of Directors



Borusan Logistics and Borusan Port Executive Management

MANAGEMENT



Serdar ERÇAL
Borusan Logistics
GENERAL MANAGER



Hamdi ERÇELİK
Borusan Port
General Manager



Aydın BAŞAR
Deputy General Manager
of Financial Affairs



**Canan ÖLÇER
SAĞLAM**
Deputy General Manager
of Contract Logistics



Ela ÇOK OKSAL
Deputy General Manager of Human
Resources and Occupational
Health & Safety (OHS)



Emre YAVAŞOĞLU
Deputy General Manager
of eTa



Esen ÖZ TEKAYAK
Deputy General Manager
of International Transportation



Reha ARGAC
Deputy General Manager of
Information Technology & R&D

1.8. SUSTAINABILITY GOVERNANCE

At Borusan, sustainability is embraced at the highest level and managed with an integrated approach as a core strategic element that will shape our business model, corporate culture, and future existence. Within the Borusan Group, sustainability governance is designed to uphold the highest level of sustainability performance, aligned with our sustainability strategy, and to enable every Borusan employee, at all levels, to actively participate in and have a voice in the process.

Sustainability activities at Borusan are overseen by the Board of Directors. The Group CEO leads all sustainability efforts and regards sustainability performance as a fundamental component of corporate governance strategy. To this end, the company's activities are directed to manage their environmental and social impacts and to implement the sustainability strategies and policies set forth, under the leadership of the Head of People, Communications, and Sustainability Group.

The Borusan Holding Sustainability Governance Model comprises four core components. These components and their meeting frequencies are specified alongside.

Sustainability Structure	Meeting Frequency
Group Sustainability Committee	Twice a year
Holding Sustainability Committee	Once a month
Thematic Working Groups	Once every 3 months
Company Sustainability Committee	Once every 2 months

GROUP CEO



As a Borusan Group company, we have embraced Borusan's values and corporate culture, and we continue to create added value in the fields of service and industry, which is our core purpose.¹

¹ The sustainable governance structure of Borusan Logistics and Port has been detailed in the relevant sections.

1.9. SUSTAINABLE FINANCE

It takes a comprehensive approach to managing financial risks in its operations. In this context, efforts to link climate-related risks to financial performance continue in alignment with advancing international reporting developments.

To secure financing for green transformation investments, it is crucial to conduct technical studies, generate dedicated financial resources for this area, and follow and implement international standardization and certification practices within financial frameworks.

As the Borusan Group, we view the creation and maintenance of Sustainable Finance opportunities that support our business models as an integral part of the process. For a healthy climate, the Borusan Group Companies envision, design, and implement sustainable finance usage.

Borusan Logistics 2023 Financial Highlights:

Combined EBITDA: \$79 million
EBITDA Margin: 6.7%
Net Sales: \$615 million
Combined Net Sales Share: 7.8%

Borusan Port Services 2023 Financial Highlights:

- Consolidated Revenue: \$147.4 million
- General Cargo Volume: 3.2 million tons
- Container Volume: 97,000 TEUs
- Vehicle Volume: 224,000 units

Borusan Logistics 3PL Services 2023 Financial Highlights:

- Total Sales – Export: \$68.7 million
- Total Sales – Domestic: \$398.7 million
- Consolidated Sales Revenue: \$467.4 million
- Domestic Partial Transportation Volume: 600 million decitons
- Monthly Average Full Truckload Shipments with eTA: 40,000 trips

 **BORUSAN
LOJİSTİK**

 **BORUSAN
PORT**

In 2023, the European Bank for Reconstruction and Development (EBRD) provided a loan of \$33.2 million (EUR 30.5 million) to Borusan Logistics Distribution, Warehousing, Transportation, and Trade Inc. to finance the company's capital expenditures, including measures aimed at enhancing its competitive strength.

The loan proceeds will be used to finance various investments aimed at enhancing and expanding Borusan Logistics' Borusan Port facilities, accelerating the company's digitalization, and renewing its logistics fleet. Through this loan, improvements in the quality and capacity of general cargo and project cargo services within port operations will be supported, while investments in digitalization (R&D) are expected to contribute to increased revenue and profitability in logistics services. Additionally, as part of the project, Borusan Port has committed to increasing female employment in its operations.



1.10. BORUSAN X: CORPORATE CULTURE

At Borusan, we took a powerful step to unlock the full potential of each Borusan employee and our companies by launching the Borusan X Corporate Culture Project. Our goal is to preserve and enhance the existing Borusan culture, leveraging its strengths while adapting it to new working models. We aim to strengthen our High-Performance Culture, evolve our leadership culture, and reshape the communication and interaction between leaders and employees to meet emerging needs.

What is Borusan X Corporate Culture?

At Borusan, we are transforming not only the business world but also our work culture, rewriting the rules of modern business. Through our New Work Model, which supports our sustainability efforts with a human-centered approach, we adopt diverse working models such as Office, Hybrid, and Remote based on position requirements. Alongside this, in 2022, we began the Borusan X Corporate Culture Project—a comprehensive initiative to define the cultural elements Borusan needs to retain and the new competencies it must acquire and enhance on its journey to becoming a 200-year-old company. We recognize that our path to achieving happy employees and efficient work processes in the future lies in our culture. As we continue to build on the cultural foundation laid by our founder and Honorary Chairman, the late Asım Kocabıyık, we remain committed to meeting today's demands and anticipating the needs of tomorrow.



As Borusan Logistics and Borusan Port, we also carry out all our people-centered benefit projects under the Borusan Equals approach and within the scope of the Borusan X Corporate Culture, which symbolizes the vision of this approach



1.11. EQUAL BORUSAN

Dedicated to Equality **10** A Journey of Over Years

Gender equality is a priority and a value we reflect in our work culture. Borusan Holding is one of the first companies from Turkey to sign the Women's Empowerment Principles (WEPs), developed in partnership with the United Nations Global Compact and UN Women. Furthermore, in 2015, Borusan Holding became the first company from Turkey to be selected to the WEPs Leadership Group. Both at the Holding level and across all our group companies, including Borusan Logistics and Port, we are committed to promoting gender equality and empowering women through various initiatives.

As a company that believes gender equality should be embraced both corporately and individually, we make supportive choices along our value chain, reinforcing our words with actions and projects. Reflecting our commitment to gender equality, the "Borusan Equals" platform was established in 2015 to foster this mindset at both the corporate and individual levels. Adopted as a core approach, The 'Borusan Equals' initiative is seamlessly integrated into decision-making processes and the operational practices of all Group companies. This approach, supported by various projects and best practices, includes promoting gender equality, adopting inclusive policies to eliminate inequalities, and setting clear goals in this direction.

The Borusan Equals platform operates with diverse perspectives and methods on gender equality. Believing that mindset transformation begins with language, we launched initiatives to raise internal awareness, including the "Love Begins with Language" movement and the "Name Sexism" campaign. Subsequently, measurable goals were set to support the inclusion of women at all levels and in all areas of the workplace.

With the belief that gender equality must be embraced and internalized at both corporate and individual levels...

As Borusan Logistics and Borusan Port, we also tailor our practices in line with the Borusan Equals approach, adapting them to our sectoral and operational realities and needs, with the aim of being pioneers in our industries. Through the initiatives carried out under the "Borusan Equals" umbrella, Borusan Logistics and Borusan Port have engaged with various stakeholders to create social awareness and generate value.



1.12.BUSINESS ETHICS AND COMPLIANCE

Across our entire organization and throughout our value chain, we continuously promote, monitor, and enforce ethics and compliance through our Code of Conduct and the Orange Guide. Borusan Holding has established 7 Core Principles and Ethical Standards, embedding a business ethics approach based on the fundamental elements of transparency, continuity, trust, and integrity into the culture of all Borusan Group companies. These principles form the foundation of our relationships with all stakeholders. If trust is compromised in any business relationship and cannot be restored, Borusan Group ends its association with the party involved. As one of Turkey's most reliable and respected institutions, Borusan Group refrains from any activity that would damage trust with employees, suppliers, competitors, business partners, or the environment. Our commercial performance not only signifies the Group's business success but also contributes tangibly to the national economy. Additionally, Borusan Group employees are responsible for representing corporate values through their conduct and for serving as role models. Our primary responsibility is to act in alignment with our vision. Furthermore, we embrace and uphold the culture, values, and behavioral standards that will guide our Group toward a shared purpose. We safeguard our corporate reputation by strictly adhering to corporate governance, core values, ethical standards, and fairness in all our actions.

In logistics and port operations, sustainability is achieved by designing processes centered on ethical values. Both Borusan Logistics and Borusan Port, with their leadership roles in their respective sectors, serve as guides in promoting ethical and transparent behavior and practices.

We uphold business ethics and legal compliance as standard practices. Respect for human rights is one of our core principles in all our relationships with stakeholders and society. Our team members across our companies bear the responsibility to adhere to ethical standards and to encourage compliance with these standards.

The "Orange Ethics Line," established by Borusan Group, provides guidance to uphold our shared responsibility for ethical conduct. All employees and stakeholders are encouraged to use this line to seek advice or report on their own behavior or that of other Borusan employees. All notifications regarding compliance with ethical standards are processed through this line, with the Ethics and Compliance Board addressing all inquiries and reports. The responsibility for investigating and resolving reports of ethical and compliance breaches lies with the Borusan Holding Ethics and Compliance Board, which reports to the Chairman of the Borusan Holding Board of Directors. Investigations are carried out by the Borusan Holding Internal Audit Directorate, and all reports are kept confidential. Independent specialists conduct all investigations with confidentiality.

In 2023, 130 reports were submitted to the Orange Ethics Line within the Borusan Group, and 94 of these cases have been reviewed in accordance with ethical standards and compliance.

The Orange Guide, which defines the business ethics standards we are required to follow, was created by Borusan Holding and is also embraced by Borusan Logistics and Borusan Port, serving as a guide for all our conduct rules. In this regard, we regularly organize training sessions and ensure the participation of our employees. In 2023, Borusan Logistics and Borusan Port employees submitted a total of 32 reports to the Orange Ethics Line.

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PORT

*Borusan Group
Orange Ethical Principle*



In Turkey and all countries where we operate, we do not adopt or support any political views as a corporation, nor do we provide financial or in-kind support, directly or indirectly, to political institutions or individuals. We maintain transparent communication with public authorities and act in compliance with fair competition laws.



1.13. INTERNAL AUDIT

Our corporate approach of transparency, accountability, and continuous improvement plays a crucial role in the functioning of our internal audit functions. The internal audit function assesses the adequacy of our internal controls, risk management processes, and compliance with policies and regulations, helping us identify areas for improvement and mitigate potential risks.

The Internal Audit unit at Borusan Holding, which serves all group companies, along with units such as Internal Control at Borusan Logistics and Borusan Port, share recommendations on development areas within the scope of effective risk management. Borusan's risk management perspective allows us to identify, analyze, and address events that may pose risks to the company's strategic goals, helping us manage risks in a consistent, comprehensive, and cost-effective manner.

In 2023, our Group Audit Directorate, together with the Internal Audit unit, conducted audits covering Borusan Holding and its Group Companies in key areas such as Sales, After-Sales, Procurement, Accounting and Financial Affairs, Inventory Management, Production, Maintenance, Quality, Investment, Human Resources, and Compliance. A total of 29 audits were conducted within Internal Audit in 2023. Additionally, under the annual audit plan, our Audit Directorate carried out 4 production audits and 28 audits related to Information Technology.

In our audits with the Internal Audit Department, we evaluate process risks and opportunities as well as social and environmental issues, including compliance with ethical standards, employee rights, and occupational health and safety. In fact, 79% of audits conducted in 2023 within Group Companies covered social and environmental areas. Through reporting, investigation, and improvement efforts, we address concerns arising from identified risks, enhancing the effectiveness of control practices.



1.14. RISK MANAGEMENT AND INTERNAL CONTROL

1.14.1. CORPORATE RISK MANAGEMENT

The Internal Control Functions, established in 2021 and reporting to the General Managers at Borusan Holding and Group Companies, continued their activities in 2022. The purpose of these Internal Control functions is to foster a management culture focused on risks and opportunities, clarify ownership of risks and opportunities within companies, and contribute to the development and monitoring of effective management mechanisms. Internal Control leaders at Borusan Holding, Borusan Boru, Borçelik, Borusan Automotive Group, Borusan Cat, and Borusan Logistics play a proactive role in identifying, categorizing, assessing risks and opportunities, creating action plans, monitoring, and reporting, all to strengthen the internal control environments of the companies they serve.

Both the logistics and port sectors stand out in risk and opportunity management due to their continuously evolving external factors. The logistics sector, characterized by its competitive environment and increasing national and international regulations, is in a constant state of change, which increases the risks it must manage. The year 2023 has been marked globally by technological advancements, bringing impact-focused processes to the forefront. Given the critical role logistics plays in the value chain, risk management in the sector has been structured around these key focuses. Borusan Logistics and Borusan Port have also evaluated their processes with these focal points in mind in their approach to risk management.

At Borusan Logistics, the Internal Control unit assessed 56 processes across six different parameters at the end of 2022, measuring impact and probability, evaluating risk levels, and categorizing them accordingly. As a result, in 2023, process step risk assessments and risk/opportunity analyses were conducted for seven processes identified as high-level risks. Including these high-level processes, assessments, action plans, and follow-ups were carried out for 16 different processes aligned with the company's strategic goals for 2022 and 2023, with monthly progress reports issued.

To mitigate potential losses from realized risks, we have obtained approximately 40 different types of insurance policies, transferring risk to the domestic and international insurance markets. Our Security Team, alongside preventive measures, secures third-party liabilities, material losses, data repair costs, revenue losses from business interruptions, and financial damages due to cybercrimes under Cyber Risk and Crime Insurance policies.

Recognizing that technology-related risk management is a dynamic and evolving process, we focus on renewal, compliance, and continuous improvement. We evaluate the benefits of managing technology-related risks (such as financial savings, image preservation, and loss reduction) and set our actions accordingly.

With robust management systems, Borusan Logistics and Borusan Port have established a strong risk management system covering all steps essential to business continuity, including operational, process, quality, and occupational health and safety aspects.



RISK

1.14.2. CLIMATE-FOCUSED RISK MANAGEMENT

In light of global trends and developments, we closely monitor current trends and their impacts within Borusan Holding and Group Companies, shaping our forward-looking strategies accordingly. We conduct a detailed assessment of the risk environment for organizations of all sizes over the short, medium, and long term. In our risk assessment, we base our identification and analysis of Environmental, Social, and Governance (ESG) risks on categories and management frameworks established by numerous international standards and frameworks.

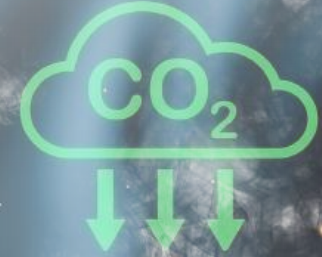
Within the scope of risk management and internal control, we identify and assess a broad range of risks that could impact our business activities, financial performance, and reputation. We continuously enhance our internal control mechanisms to better manage these risks.

We monitor developments in our prioritized areas with a risk-focused approach, bringing them to our agenda. As emphasized in our approach, climate change presents both physical and transition risks for our operations and investments. We recognize that physical risks, such as extreme weather events and natural disasters, pose threats to our infrastructure, supply chains, and activities. Consequently, we aim to strengthen our resilience through proactive risk assessment, planning, and action steps. Our focus remains on minimizing the contexts of climate-related risks and their potential operational impacts.

At Borusan, sustainability activities and processes implemented in response to climate change are overseen by the Board of Directors, with our Group CEO leading all sustainability efforts. We regard sustainability performance as a fundamental part of our corporate governance strategy. The Group Sustainability Board, comprising sustainability leaders and team leaders from Borusan Holding and Group Companies, plays an active role in managing sustainability risks from a holistic perspective, tracking risk focuses based on global developments and operational needs.

In addition to climate-related risks, we address other key issues such as cybersecurity threats, geopolitical uncertainties, supply chain disruptions, and regulatory changes, utilizing comprehensive risk management and internal control mechanisms. We are committed to upholding the highest standards of corporate governance, minimizing potential risks, and aligning with our stakeholders' expectations.

Climate-related risks are integrated into our risk management processes and decision-making mechanisms, and we keep all our stakeholders informed regularly on these issues.



Climate-Related Physical Risks

Acute Risks

- ❖ Risk of disruptions in logistics and production processes due to extreme weather events caused by climate change.
- ❖ Risk of physical damage to company assets due to extreme weather events related to climate change, leading to operational interruptions.

Chronic Risks

- ❖ Risk of long-term climate changes in the operating region restricting the use of natural resources.
- ❖ Risk of reduced water resources, impacting related processes.

Climate-Related Transition Risks

Regulatory Risks

- ❖ Risk of failing to comply with changes in national or international legal regulations.
- ❖ Risk of non-compliance with sustainability-related regulations.
- ❖ Risk of countries implementing customs barriers and protectionist policies.
- ❖ Risks to sales due to political uncertainties, international embargoes, and conflicts.
- ❖ Risks arising from the absence of regulations and legislation that impact operations.

Market Risks

- ❖ Risk of failing to adapt to changing market conditions, potentially leading to loss of customers.
- ❖ Risk of not achieving set targets due to failure to adapt to industry changes.
- ❖ Risk of reputational damage if demands are unmet or if non-compliance occurs.
- ❖ Risk of customer loss due to inability to adapt to industry shifts.
- ❖ Risk of rising input prices affecting operational costs.
- ❖ Risk of increased logistics times and costs in regional countries due to the Russia-Ukraine crisis.
- ❖ Risk of supply chain disruptions and inability to manage suppliers effectively.
- ❖ Risk of global energy shortages and price increases.

Climate-Related Transition Risks

Technology Risks

- ❖ Risk of technological changes impacting processes.
- ❖ Risk of inadequate feasibility studies for new projects.
- ❖ Risk of regional energy infrastructure issues.

Reputation Risks

- ❖ Risk of failing to adapt to changing industry conditions, potentially resulting in customer loss.
- ❖ Risk of reputational damage due to unmet demands or non-compliance with standards.

1.15. COMBATING CORRUPTION AND ANTI-COMPETITIVE CONDUCT

The 10th Principle of the Global Compact states, “**Businesses should work against corruption in all its forms, including extortion and bribery.**” Corruption is a pervasive issue affecting societies worldwide and poses a significant challenge. Therefore, addressing corruption on a global scale is essential. In this context, the United Nations' Global Compact has developed universal principles aimed at helping businesses mitigate long-term challenges through a holistic approach. This initiative seeks to foster a culture of shared development in the competitive business world.

Since the logistics and port operations sectors involve business processes with numerous stakeholders, maintaining competitive advantage and combating all forms of corruption, including bribery and extortion, is both crucial and challenging. The value created by a product in a distant market depends on its safe and complete delivery. For this reason, Borusan Logistics and Borusan Port are committed to operating within the law and setting an example for the entire sector in this regard.

Within the scope of established Ethical Guidelines, measures are taken to prevent behaviors related to corruption by managing risks in areas such as gifts and hospitality, donations and charitable payments, public tenders, and conflicts of interest. We are committed to avoiding actions contrary to our ethical values, such as bribery, corruption, and abuse of power. We actively support international efforts to eliminate such offenses and conduct all our activities and relationships within the framework of competition law and ethical principles.

In Turkey and all regions where we operate, we remain neutral in political matters and do not provide any financial or moral support, whether directly or indirectly, to any political institution or individual. We maintain transparent and honest communication with public authorities and operate in full compliance with fair competition laws.

We base our relationships with competitors on the principles of transparency and fair competition, avoiding any behavior that contradicts these principles. In line with established confidentiality rules, we oppose any actions that could lead to monopolization or trust formation. During the reporting period, no cases of anti-competitive behavior, monopolistic practices, or trust formation were identified.

However, in 2023, 6 instances of corruption were detected. All reports of corruption and abuse of power submitted through the ethics hotline in 2023 were resolved with the contributions of the Fraud and Investigation Team.

In cases where no violations are detected, we conduct a risk analysis process to determine if any negligence might be present. If areas for improvement in the internal control structure are identified, we always provide recommendations for enhancement.



1.16. REWARDS AND COMPENSATION

As the Borusan Group, we manage our compensation and rewards processes through our "Recognition, Appreciation, and Total Rewards Management" strategy. The reward and compensation systems at Borusan Logistics and Port are also managed in alignment with Borusan Group policies. The compensation and reward strategies within the Borusan Group are determined by the following components.

- The job sizes of positions, determined through a methodological assessment of their relative contributions to the organization's business outcomes
- The seniority, expertise, and performance of the individual in the relevant position
- The position's standing within the company
- The position's standing based on external market compensation surveys

The competitive reward system designed with these components aims to achieve success in the following focus areas:

- Driving high performance
- Creating a link between the reward strategy, business strategies, and talent management
- Attracting and retaining talented employees at Borusan

Our Total Rewards Management process includes a motivating and competitive structure of compensation, benefits, and recognition practices that support high performance, center around our employees' contributions to business goals and competencies, and foster a positive and engaging work environment.



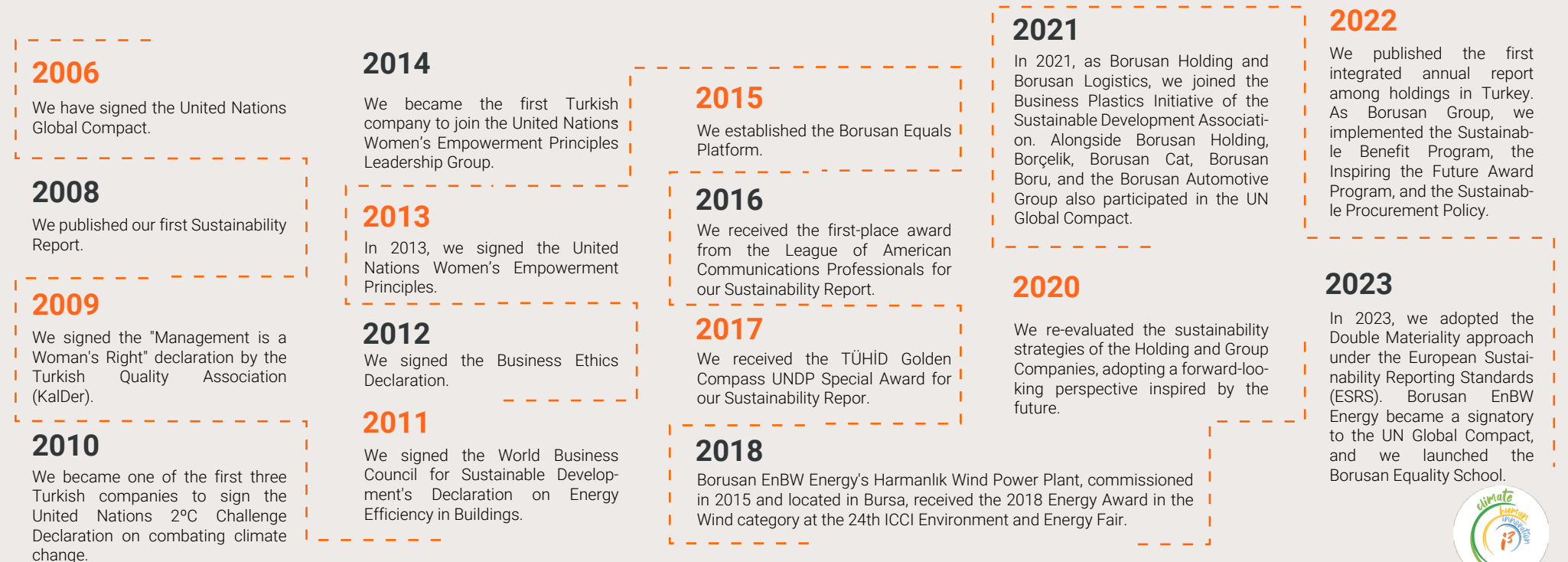
1.17. VALUE-ORIENTED BUSINESS MODEL

As the Borusan Group, we continue to create added value for Turkey's economy, operating with a vision focused on developing innovative products and services and open to global markets. In the strategy-setting process, the Holding works in close coordination with Group Companies, evaluating alignment and significant developments together.

During periods marked by intense risks and impacts on the national economy, successful risk management is achieved through effective risk and corporate governance. While continuously improving financial and environmental performance, we generate value through our strategic focus areas of Climate – People – Innovation (i3). With our journey of "Inspiring the Future," we add sustainable value to all stakeholders and our environment, fulfilling our global responsibilities.

As Borusan Logistics and Borusan Port, we recognize that our entire value chain is part of our "Inspiring the Future" journey, and we actively include them in our value creation processes.

Borusan Holding Sustainable Value Creation Journey



1.18. SUSTAINABLE SUPPLY CHAIN

As Borusan Group, we work to extend our understanding of sustainability across our entire value chain.

With the mission of becoming a 200-year company, our goal is to create a positive impact on society and the world through our sustainable business model structured around the values of Climate, People, and Innovation (i3).

In line with our long-term goals, carbon-free business models are being planned across all sectors in which we operate. Our activities are guided by a people-centered corporate culture, a focus on social benefit, and innovation for sustainability. We take responsibility for spreading the environmental and social impact we create through our sustainability approach among Borusan employees and throughout our value chain, and we are committed to advancing these efforts with all our strength.

In this context, Borusan evaluates the Sustainable Procurement Approach from two different perspectives: "**Borusan Specific**" and "**Supplier Specific**." To extend this approach to all stakeholders, we implement the following:

- ❖ Sustainable Procurement Policy
- ❖ Supplier Self-Assessment Form
- ❖ Sustainable Procurement Supplier Guide

Sustainable Purchasing



1.19. MANAGEMENT SYSTEMS APPROACH

Borusan Logistics and Borusan Port have developed a unified perspective in their management systems approach, managing their systems with the strength derived from synergy.

Borusan Logistics and Borusan Port have an established history in Management Systems:

- ❖ Since 2003: ISO 9001 Quality, ISO 14001 Environmental, and ISO 45001 Occupational Health and Safety Management Systems
- ❖ Since 2007: ISO 10002 Customer Satisfaction and Complaint Management (the first logistics company in Turkey to receive this certification)
- ❖ Since 2011: ISO 50001 Energy Management System and ISO 14064 Greenhouse Gas Verification (the first logistics company in Turkey to be ISO 50001 and ISO 14064 certified)
- ❖ Since 2018: ISO 27001 Information Security Management System
- ❖ Since 2019: ISO 45001:2018 Occupational Health and Safety Management System
- ❖ Since 2021: AEO and Authorized Consignor for the Çatalca facility, and Authorized Consignee in 2022
- ❖ Since 2022: ISO 14046 Water Footprint certification within Borusan Logistics services

In 2016, Borusan Port became one of the first port operators to receive the Green Port certification (Ministry of Transport and Infrastructure & TSE: Green/Eco Port Sectoral Criteria Standard).

In 2022, Borusan Logistics became one of the first logistics companies to receive the Green Logistics authorization certificate (Ministry of Transport and Infrastructure: Combined Transport Regulation).

As Borusan Logistics, we have achieved a significant position in the transportation of chemicals and hazardous goods by scoring 100% in the Sustainability section of the internationally recognized SQAS assessment and an overall average score of 82% in the chemical sector transportation. This success has enabled us to both retain our customers and secure new business. We also closed the year with high scores in Sedex and Cybervadis. Additionally, we achieved a Bronze medal in the Ecovadis ESG reporting with a score of 54, placing us above the industry average

1.20. INFORMATION AND DATA SECURITY – CORPORATE MEMORY


According to the World Economic Forum's Global Risks Report 2024, misinformation and climate change are among the top global risks. The report's key findings are based on the World Economic Forum's Global Risks Perception Survey. The results of the survey present a largely negative outlook for the world in the short term and indicate that conditions are expected to worsen over the long term. According to the report, misinformation and disinformation are considered the biggest global risks over the next two years, with extreme weather events and societal polarization also ranking among the major risks.

For us at Borusan Logistics and Borusan Port, the increasing use of technology and the emphasis on digitalization across all our processes bring potential risks of information security and cybersecurity breaches. For these reasons, our systems have been protected by the ISO/IEC 27001 Information Security Management System since 2018. This system ensures more effective protection of all information assets and minimizes the likelihood of unauthorized and illegal access.

Confidentiality, integrity, and availability of information are preserved through the application of the risk management process, providing assurance to relevant parties that risks are managed appropriately.

The Information Security Management System is part of corporate processes and the overall management structure, working in integration with them and playing an active role in the design of information systems and controls.

Information security objectives are monitored at regular intervals and published on the Borusan Power BI Dashboard. Set targets include test ratios, application accessibility rates, patch management, access rights controls, penetration testing, compliance with legal and other requirements, information security incident resolution rates, information security-related delayed DF & action rates, information security training, IT risk, and supplier evaluation parameters.



In 2023, Borusan Logistics achieved a score of 849 on CyberVadis, positioning itself 25% above the industry average in terms of cybersecurity measures. Additionally, with its ISO 27001 Information Security and AEO certificates, Borusan Logistics operates in alignment with high-level standards in information and data security, ensuring secure continuity of its activities.

LOGISTICS



PART 2 : **BORUSAN LOGISTICS**

2.1. GENERAL INTRODUCTION

Since 1973, as an "integrated logistics service provider," Borusan Logistics has been a leader in its sector, offering domestic and international logistics services and supply chain solutions. In 2012, the company strengthened its leadership by acquiring Balnak, one of the top 10 players in the industry. With its eTA and Bukoli brands, Borusan Logistics also provides differentiated solutions in the sector, continuing its journey to become a logistics platform with an innovative vision. Today, with over 4,000 employees and more than 100 facilities and locations, Borusan Logistics proudly celebrates its 50th anniversary, confidently moving forward.

As part of its Domestic Contract Logistics services, Borusan Logistics provides warehousing services across 470,000 m² of storage and 17,000 m² of bonded warehouse space. With 26 transfer centers and daily distribution capacity to 8,000 points, the company offers partial transportation and special distribution services in all 81 provinces, along with auto transportation, vehicle storage, pre-delivery inspection (PDI) services, and port management services. By the end of 2023, Borusan Logistics will operate 32 warehouses throughout Turkey, with a total of 470,000 m² of open and closed storage space and 17,000 m² of bonded warehouse area. In addition to its own warehouses, Borusan Logistics also provides warehousing services at customer facilities.

In the field of international logistics services, Borusan Logistics operates as a provider of road, rail, air, sea, and intermodal/multimodal transportation services. The company delivers road transportation to over 50 countries, air transportation to more than 275 locations across approximately 120 countries, and sea transportation to 1,125 container ports. This comprehensive scope enables customers to meet their logistics needs from a single point, covering everything from foreign trade to pre- and post-production shipments and specialized supply chain solutions. Each year, Borusan Logistics manages around 47,000 air freight export operations and 23,000 TEUs of seafreight transport. Through its intermodal/multimodal services, which prioritize minimal road use and maximize

rail and sea routes, the company enhances efficiency while reducing carbon emissions. **In this regard, Borusan Logistics has become one of Turkey's first companies to hold the "Green Logistics" certification.**

Our company Borusan Logistics eTA (Electronic Transportation Network) operates as a separate legal entity under the Borusan Logistics umbrella, offering domestic full truckload transportation services. With an average of 40,000 trips per month, eTA distinguishes itself in the industry by leveraging digital platform services and reinforcing its brand as a technology company. Supported by artificial intelligence, eTA optimizes business processes for greater efficiency, allowing customers with freight to quickly secure vehicles via its website while truck and lorry owners can find loads through its mobile app without needing to visit a freight terminal. eTA operates 44 road transport offices across 17 provinces and facilitates transport from any of Turkey's 81 provinces to another.

With a mission to make the traditional logistics sector more efficient and adapt its business model to the new generation, Borusan Logistics allocates 52% of its investment to IT and R&D projects, transforming its infrastructure. Borusan Logistics designs its processes with the goal of being the single address for all third-party supply chain needs. Through its value-added services, robust supplier network, and technology-driven, lean, fast, and efficient operations, the company differentiates itself in the sector and aims to establish a leading digital logistics platform in Turkey and across all regions it operates. Focused on delivering an exceptional customer experience, Borusan Logistics provides "integrated delivery with e-commerce platforms" and supports its services with digital solutions, including end-to-end traceability, robotic process automation, AI-powered freight forecasting, and route optimization. Borusan Logistics, the developer of eTA—the third-largest digital logistics platform in Europe—delivers globally recognized services, each specialized in distinct fields.

We Carry To The Future !



2.2. OUR SERVICES

Founded in 1944, the core strategy of the Borusan Group is built on a vision of creating added value for the Turkish economy while developing innovative products and services that are socially beneficial and integrate sustainability into business processes, with a strong focus on global markets. The services provided by Borusan Logistics are listed below.

Contract Logistics

Under Contract Logistics, we provide the following services:

- **Under Domestic Warehousing Operations**, we offer National Warehousing, Bonded Warehousing, and Value-Added Services (VAS). Established in 2019, the Tuzla Operations Center serves as Borusan Logistics' main and largest warehouse, operating on 1,500 m² of open and 93,000 m² of closed storage space. Emphasizing digitalization and automation, processes have been optimized to align with flawless delivery goals. With a customer-centric approach, flexible working models, and efficient resource utilization, sustainable solutions are provided to accommodate sudden increases in volume.
- **Under Domestic Partial Transportation services**, we provide transport and distribution across all 81 provinces through 26 transfer centers. Our partial transportation services are managed via the ATLAS LTL application, developed in our R&D center. In 2023, projects such as route optimization and hinterland expansion have contributed to a monthly emission reduction of 5-6%.
- **Within the scope of Domestic Special Distribution Services**, we provide nationwide deliveries to dealers and home addresses through specialized distribution platforms. In addition, empty-crate and milk-run operations are offered as services to manufacturers of durable household goods.

- **Under Domestic Automotive Services**, our Vehicle Logistics Center handles Pre-Delivery Inspection (PDI) processes, test drives, storage of vehicles in bonded and non-bonded areas, and transportation to dealer delivery points. Additionally, we provide Roro port operations, EDC-EPC empty-crate and milk-run services, as well as semi-finished product line feeding for automotive manufacturers. In our stock yards, full traceability is ensured with RFID technology.

Today, Borusan Logistics handles one out of every two vehicles sold in Turkey. With 15 years of experience in vehicle logistics, we deliver new vehicles to dealerships ready for the end consumer's use, and we are proud to operate Turkey's first and only multi-brand vehicle logistics center.

International Transportation (IT)

As part of our International Transportation (IT) services, we offer road, rail, air, and sea transportation, as well as multimodal and intermodal transportation solutions. Under international transportation, we provide the following services:

- **International Road Transportation:** Borusan Logistics conducts full and partial operations in trade with Europe, the Middle East, and CIS countries through its own fleet and partnerships. The International Transportation Unit organizes all shipments on a full and partial basis with 24/7 accessibility via its overseas offices and extensive agency network.

For sellers seeking FBA services through warehouses in Germany and the UK, and wondering how to get their products to these locations, B-Yol ensures direct pick-up and rapid delivery to warehouses in Germany and the UK under the assurance of Borusan Logistics. Delivery appointments can be scheduled, including for future dates, and reliable solutions are provided for overseas storage, palletizing, and pallet labeling services. Customers can handle reservations, receive quotes, and track status electronically through a web-based portal.

- **International Rail Transportation:** Leveraging its expertise in intermodal transportation, Borusan Logistics offers SOC-COC container transportation via rail, with both direct and transfer-based services to Europe and China. Through its intermodal/multimodal transportation solutions, Borusan Logistics provides significant cost, tonnage, and carbon emission advantages to its customers.

- **International Sea Transportation:** Within the scope of sea transportation services, Borusan Logistics transports over 25,000 TEUs annually through spot and service agreements. With its own bonded warehouse operations and multimodal service options, it provides both full and partial load transportation services for imports and exports. Certified hazardous material transportation is conducted with trusted suppliers, maintaining a customer-focused approach with risk- and cost-effective solutions.
- **International Air Transportation:** Borusan Logistics provides services through a strong global agent network, reaching over 7 million kilograms of chargeable weight annually. Ranked in the top 15 by IATA, Borusan Logistics ensures flight priority with accurate capacity planning and expands its services through block space and charter agreements. With a specialized team in international transportation services, Borusan Logistics is among the top 3 carriers in the U.S. market for air transportation services.

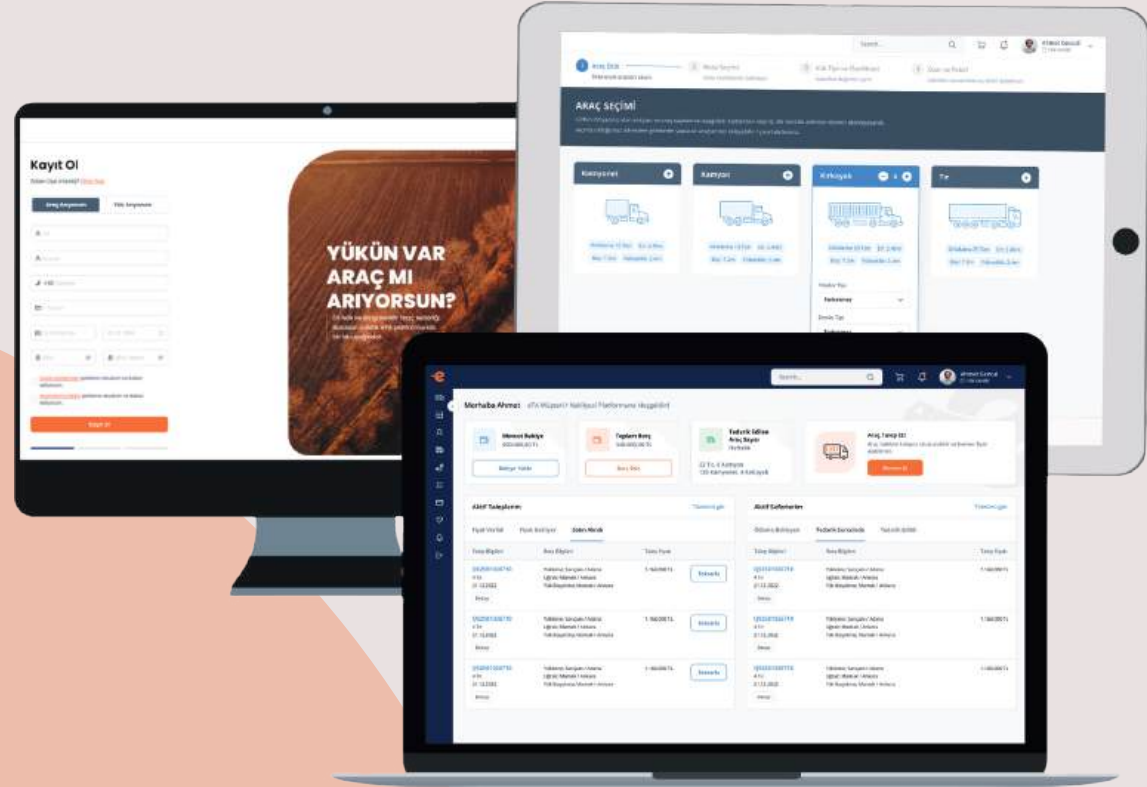
Borusan Logistics conducts its international transportation activities under the “Green Logistics” certification, integrating various transportation modes to reduce emissions. The company prioritizes low-emission vehicles in its fleet and ensures supply chain security through AEO-certified services, which are also recognized within the EU.



eTA (Electronic Transportation Network)

Established within Borusan Logistics, eTA (Electronic Transportation Network) is a digital platform that connects shippers who need domestic freight transportation with independent truck and lorry drivers who are eTA members. Providing domestic full truckload transportation services to both contract and spot customers with Borusan's assurance, eTA facilitates quick vehicle procurement for shippers, while truck and lorry owners can find loads through the mobile application without needing to go to a garage. With 173,000 registered truck drivers, the "Borusan Logistics eTA" mobile application finds the most suitable vehicle for customers needing domestic freight transport in less than one hour.

As Turkey's first digital logistics platform, eTA boasts 173,000 registered truck drivers, 44,000 of whom are active users, and conducts an average of 40,000 trips per month, making it the world's 3rd largest digital logistics platform.



Bukoli

Through approximately 4,800 Bukoli points across 57 provinces, Bukoli provides alternative delivery and return services. In addition, by consolidating all e-commerce services offered under the Borusan Logistics umbrella under the Bukoli brand, it produces solutions to manage and track companies' fulfillment needs from a single source.



2.3. ECONOMIC PERFORMANCE

As Borusan Logistics, we completed 2023 with significant strides. We achieved positive outcomes in our domestic operations, with particularly strong performance in automotive logistics and warehousing activities. Although there were declines in our export targets due to Turkey's export figures, Borusan Logistics Services as a whole delivered better results compared to previous years. One of our biggest financial challenges was meeting the increased need for working capital in parallel with rising business volumes and subsequently securing the necessary financing.

Borusan Logistics 3PL Services

- 2023 Total Sales – Export: \$68.7 million USD
- 2023 Total Sales – Domestic: \$398.7 million USD
- Consolidated Sales Revenue: \$467.4 million USD

Following the post-COVID period, with the reopening of ports in China and the gradual decline in peak demand, the container shortage ended, and previously elevated freight rates dropped sharply. The earthquake at the beginning of 2023 also impacted business volume. Challenges intensified with recession signals in Europe and developed countries, the ongoing Russia-Ukraine war in Eastern Europe, volatile economic activity with weakened growth, high inflation, currency increases, rising loan interest rates, and fluctuating diesel prices, all of which contributed to a difficult period whose effects are still being felt. The Israel-Palestine conflict that erupted at the year's end further destabilized processes in the Middle East and nearby sea routes. Despite all these challenges, 2023 was a financially successful year. Notably, there was an increase in both sales and profitability in domestic services, along with growth in business volume and operational profitability.

In 2023, Borusan Logistics maintained financial profitability and minimized the impact of external factors by driving change, continuing a win-win customer approach, and aiming for sustainable growth through technology-supported efficient operations. We continued our efforts to bring all Borusan Logistics operations under one roof through our digital platform initiatives. Additionally, we focused on effective cash flow and financing management, the Borusan X cultural transformation, and a robust sustainability approach.

Looking back at 2023, Borusan Group made significant strides with an investment of 6 billion TL, and we plan to double this amount in 2024. As part of this goal, a 5.3 billion TL investment is planned specifically for the logistics sector.

2.4. BORUSAN LOGISTICS AT A GLANCE

- ❖ eTA / Full Truckload Operations: In 2023, **our average monthly full truckload trips reached 40,000.**
- ❖ Domestic Partial Transportation: In 2023, Borusan Logistics transported **600 million** desi units of cargo through Domestic Partial Transportation.
- ❖ Home Deliveries: An average of **1,600** home deliveries are carried out daily. These deliveries, designed to provide an excellent customer experience, are “integrated with e-commerce platforms” and supported by digital solutions such as “trackability.”
- ❖ Tepeören Warehouse: Opened in 2019, the Tepeören Warehouse serves as Borusan Logistics' main facility, with **1,500 m²** of open and **93,000 m²** of closed storage space.
- ❖ By the end of 2023, Borusan Logistics operates a total of **32** warehouses across Turkey, offering **470,000 m²** of open and closed storage space and 17,000 m² of bonded warehouse area.
- ❖ Additional Warehousing Services: Besides its own warehouses, Borusan Logistics also provides warehousing services at **21** customer facilities.
- ❖ International Transportation: Annually, Borusan Logistics manages **47,000** export processes in road transport, **7.7 million** kilograms of chargeable weight in air transport, and **23,900 TEUs** in sea freight transportation.



2.5. BORUSAN LOGISTICS IN NUMBERS



Number of Employees

4244



Accident Frequency Rate

7,56



Accident Severity Rate

0,16



Ratio of Female Employees in the Office

45%



Ratio of Female Employees in the Field

9%



Amount of Recovered Waste

3.5 tons of plastic
2.9 tons of organic waste



Amount of Reduced / Prevented Emissions

19463 ton



Total Absolute Emission Reduction (Scope 1-2)

9,57%



Renewable Energy Usage

1.407.526 Kwh GES
3.311.897 Kwh I-REC



Grey Water Footprint

21471 m3

CLIMATE – HUMAN – INNOVATION



We became one of the first companies to receive the "Green Logistics" certificate issued at the beginning of 2023 by the Ministry of Transport and Infrastructure under the Combined Transport Regulation.

We became the first facility to receive the gold-level certificate in the SKD – Sustainable Development Association's "do! - Be Aware!" project.

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We became the only logistics company to receive an award this year in the internal communication category of the "Sustainable Business Awards" presented by the Sustainability Academy, with our "Notice Sustainability" initiative.

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In the first Fortune 500 Sustainability Companies assessment held in 2023, we ranked among the 88 companies evaluated and became one of the first to be rated at the highest level with an A-class designation.

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We received a bronze medal in the Ecovadis ESG assessment, surpassing the industry average.

We were recognized as the happiest workplace in the industry for exceptional employee experience, receiving the Happy Place to Work award for the second consecutive year.

We completed the year with growth in both sales and EBITDA.

In the 2023 Fortune 500 rankings, we were recognized as the 2nd largest company in the storage, transportation, logistics, and courier services category. Additionally, in the Capital 500 rankings of Turkey's largest 500 companies, we were ranked 146th overall and the 3rd largest company in the logistics category.

At The One Awards Integrated Marketing Awards, we received the "Most Reputable of the Year" award for the fourth consecutive year.

At the 6th Platinum Global 100 Awards, we were honored as the leader in the logistics sector under this year's sustainability theme.

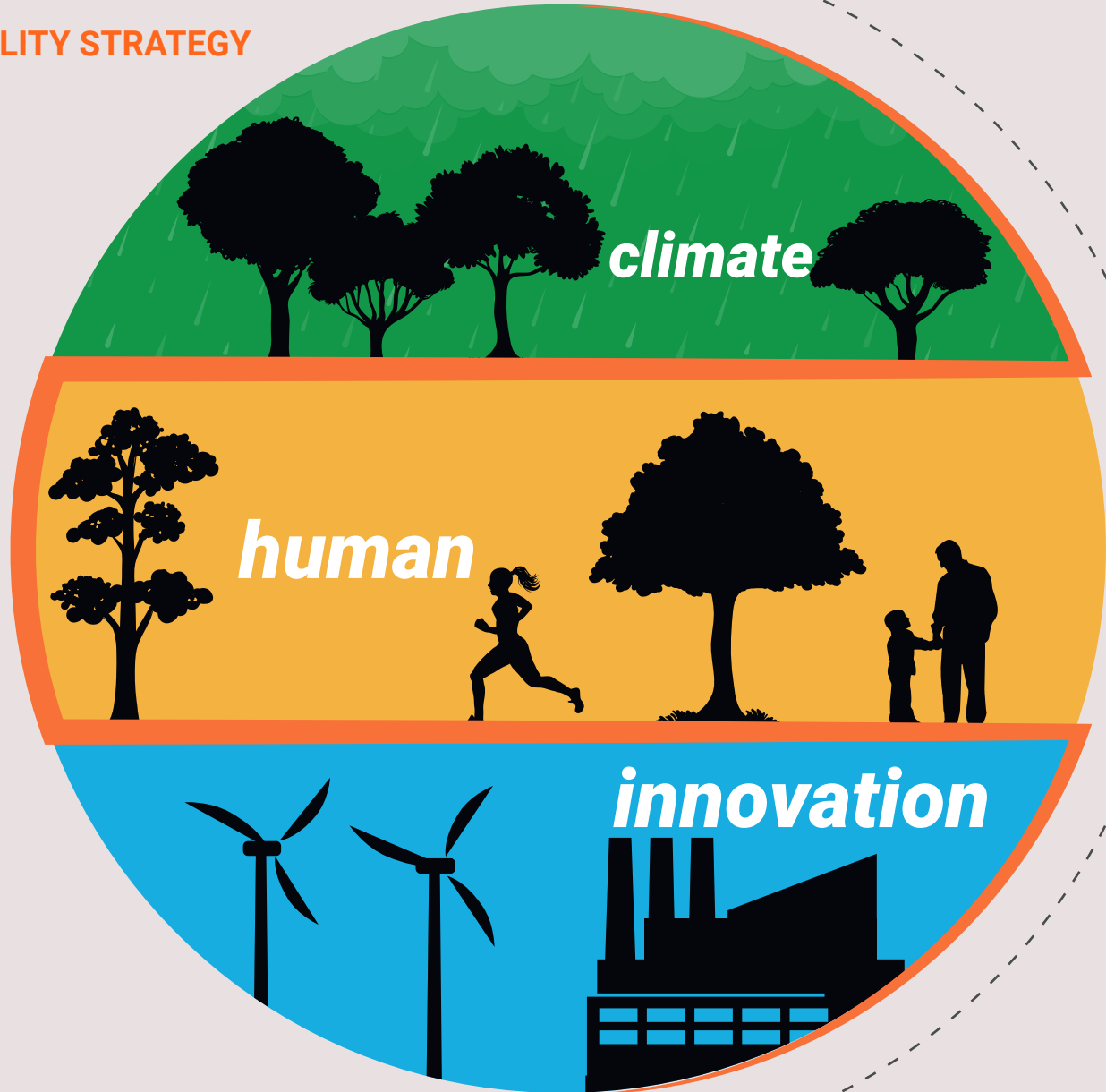


2.6. OUR BORUSAN LOGISTICS SUSTAINABILITY STRATEGY

As Borusan Logistics, we have shaped our sustainability strategy with the goal of becoming a pioneering digital logistics platform in Turkey and all regions where we operate. Through our value-added services, we create value for our customers, supported by a strong supplier network and a technology-driven, lean, fast, and efficient operational structure that sets us apart in the industry. Our integrated service proposition is designed to add value to both customers and suppliers, maximize operational efficiency through technological capabilities, and focus on performance-driven perspectives with the most skilled human resources. This commitment to an effective sustainability approach forms the foundation of the value we aim to create as a differentiated digital logistics platform in our sector.

Borusan Logistics has established its strategic approach centered around the axes of climate, human and innovation. In this context, through the work conducted since 2021, it has become a company that adds value to all its stakeholders and demonstrates an effective sustainability approach with pioneering practices in the industry. Aligning with Borusan Holding's strategy, it has identified key topics consistent with the Sustainable Development Goals and included them in its prioritization efforts.

As part of its sustainability strategy, Borusan Logistics focuses on decarbonization, social benefit, and the digital transformation of processes, providing long-term gains not only for its own operations but also for its customers' value chains. Key objectives shaped by this understanding include implementing practices that support emission reduction and providing environmental and socioeconomic benefits for employees, customers, and suppliers.



We aim to be a logistics/technology service provider that stands out in our industry through pioneering practices in the areas of Climate, Human, and Innovation.

CLIMATE

- ❖ **Developing Carbon-Neutral Business Models (SDG 13):** Reducing carbon emissions within Scope 1 and 3 through our green logistics activities.
- ❖ **Using Clean and Renewable Energy (SDG 7):** Optimizing Scope 2 emissions through the use of renewable energy and energy efficiency.
- ❖ **Responsible Use of Resources and Contribution to a Circular Economy (SDG 12):** Efficiently using, reducing, and transforming resources through a sustainable supply chain approach.

HUMAN

- ❖ **Sustainable Talent Management (SDG 8):** Ensuring sustainable talent and young talent management while becoming the happiest workplace in the logistics sector.
- ❖ **Borusan Equals (SDG 5, SDG 10):** Supporting employment and career management in work environments under the themes of Equality, Diversity, and Inclusion.
- ❖ **Contributing to Quality Education for Children/Youth (SDG 4):** Raising sustainability awareness among children and youth and supporting education.
- ❖ **Creating Healthy and Safe Working Environments (SDG 8):** Establishing safe working environments through technological solutions and promoting an Occupational Health and Safety (OHS) culture to create decent work environments.

INNOVATION

- ❖ **Creating Sustainable Growth and Future-Ready Business Models (SDG 8 - SDG 9):** While digitalizing our processes with a vision for a digital logistics platform, we aim to develop carbon-neutral and circular new business models.

Global Goals for SUSTAINABLE DEVELOPMENT



Borusan Logistics Sustainability Roadmap and Our 2030 Goals

CLIMATE

Developing "Carbon-Neutral" Business Models

- Developing Efficient and Digital Solutions / Reducing Emissions through Optimization Projects
- Establishing a CBAM-Compliant Emission Measurement, Monitoring, and Reporting Mechanism
- Emission Reduction through Carbon-Neutral Transportation Models

Goal : 22%
Scope1
Emission
Decrease

Using Clean and Renewable Energy

- Renewable Energy Usage
- Energy Efficiency Projects

Goal : 35%
Scope2 Emission
Decrease

Using Resources Responsibly and Contributing to the Circular Economy

- Supply Management in Compliance with Sustainable Procurement Criteria"
- "Reducing Water Consumption and Increasing Recovery"
- "Reducing Waste Sent for Disposal and Enhancing Recycling"
- "Eliminating Single-Use Plastic and Paper Products"
- "Creating Environmental Awareness for All Our Stakeholders"

Goal : 50%
10% decrease
of water and
plastic waste

Goal : offices
without Paper
& Plastic

HUMAN

Sustainable Talent Management

- Being Among the Top 10 Preferred Employers"
- Alpha and Future Leader Program
BorusanX Cultural Transformation Project
- Sustainable Employee Engagement

Employee
Engagement
Future Leader &
Alpha Internship
Program

Borusan Equals

- Increasing the Number of Women Employees in Field, Office, and Leadership Positions
- Raising Awareness on Equality and Diversity
- 'The Captain is Valuable': Empowering Human Capital in a Sustainable Supply Chain

45% WC
"20% in BC"
"40% Leadership"

Contributing to the Quality Development of Children

- Contributing to Education through Support Programs"
- Developing Potential Talent and Raising Awareness with Youth/Sectoral Certification Programs and Mentorship
- Instilling Sustainability Awareness in Children

5000
children &
youth

Creating Healthy and Safe Working Environments

- Achieving Zero Fatal Accidents, Reducing Accident Frequency and Severity Rates
- Creating Safe Working Environments with Technological Solutions
- Establishing and Enhancing a Health and Safety Culture

35% decrease
of KSO and
KAO
0 FAT

INNOVATION

Establishing Sustainable Growth and Future-Ready Business Models

- Developing Circular and Carbon-Free Business and Service Models
- Reducing Operational Risk Through Process Automation, Effective and Efficient Use of Resources and Workforce
- Creating Social and Environmental Value Through Collaborations in the Entrepreneurship Ecosystem
- Enhancing Our Digital Maturity

50% Process
Digitallization

2.7. TRANSITION RISKS AND OPPORTUNITIES

Transition Risks



Regulatory and Legal Risks

- Risk of failing to comply with changes in national or international legal regulations.
- Risk of not adapting to sustainability-related legislation and regulations.
- Risk of countries implementing customs barriers and protectionist policies.
- Risks associated with political conditions creating uncertainty, international sanctions, and the potential impacts of wars on sales.
- Risks arising from the lack of legislation and regulation that could operationally impact the business.



Market

- Risk of failing to adapt to changing market conditions, leading to customer loss.
- Risk of failing to adapt to changes in the sector, resulting in not achieving set targets.
- Risk of damage to reputation due to the inability to meet demands or adverse situations.
- Risk of losing customers due to failure to adapt to changing conditions in the sector.
- Risk of upward pressure on costs due to rising input prices affecting operations.
- Risk of increased logistics times and costs in regional countries due to the Russia-Ukraine crisis.
- Risk of disruptions in the supply chain and inability to effectively manage suppliers.
- Risk of global energy shortages and price increases.



Technology

- Risk of technological changes affecting processes.
- Risk of inadequacies in feasibility studies for new projects.
- Risk of regional energy infrastructure issues arising.



Reputational Risks

- Risk of failing to adapt to changing conditions in the sector, leading to customer loss.
- Risk of damage to reputation due to the inability to meet demands or adverse situations.

Physical Risks



Acute Risks

- Risk of disruptions in logistics and production processes due to extreme weather events caused by climate change.
- Risk of damage to company-owned physical assets and subsequent operational interruptions due to extreme weather events caused by climate change.



Chronic Risks

- Risk of long-term changes in the climate of the operational area limiting the use of natural resources.
- Risk of reduction in water resources and the consequent impact on processes.

2.7. TRANSITION RISKS AND OPPORTUNITIES

LOGISTICS SECTORAL TRENDS	BORUSAN LOGISTICS POTENTIAL IMPACT AREAS, RISKS, AND OPPORTUNITIES	BORUSAN LOGISTICS PRIORITIZED ISSUES	BORUSAN LOGISTICS KPIs
<ul style="list-style-type: none"> • Regulations and legislation related to sustainability • Macroeconomic outlook • Technological advancements • Sustainable products and services • Changes in the supply chain • Cybersecurity • Access to natural resources 	<ul style="list-style-type: none"> • Rising diesel prices due to increasing energy costs and fluctuating exchange rates • Risk of fluctuations in exchange and interest rates • Risk of ineffective supplier management • Risk of resource inefficiency and failure to achieve set targets • Risk of not adapting to changing sustainability-focused conditions in the sector, leading to customer loss • Risk of failing to comply with changes in national or international legal regulations, taxes, and contracts • Risk of waste generation and process impacts due to the transportation and storage of chemical cargo • Establishment of policies and procedures to mitigate and eliminate potential risks 	<ul style="list-style-type: none"> • Combatting and adapting to climate change • Circular economy and waste management • Talent management and development • Inclusion, diversity, and equal opportunity • Occupational health and safety • R&D and innovation • Technology and digital transformation • Developing sustainable business models • Corporate governance 	<ul style="list-style-type: none"> • Scope 1 emissions • Scope 2 emissions • Reduction of plastic usage • Water consumption amount • Amount of hazardous waste sent for disposal • Reduction of paper usage • Implementation of circular business model (product/service) • Future Leader turnover rate • Borusan Alpha turnover rate • Ratio of female employees in the office • Ratio of female employees in the field/factory • Accident frequency rate • Accident severity rate • Number of fatal accidents • Number of intermodal trips • Fuel savings rate • Supplier NPS (Net Promoter Score) • Use of digital wallets • Sales of by-products • Declaration writing with RPA (Robotic Process Automation) • AI document control • AI GTIP (Goods Trade and Tariff Code) control



2.8. OUR VISION, MISSION, AND POLICY

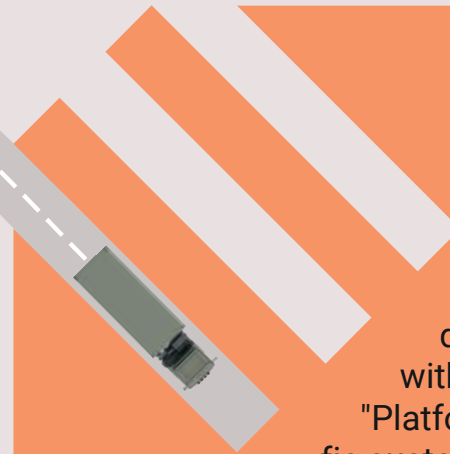
Borusan Logistics periodically reviews its vision and mission as part of the "strategic management process." Our policies are formulated in alignment with the principles and values of Borusan Holding, as well as the company's vision, mission, and values. Our policy focuses on ensuring the sustainability of our successes by engaging all relevant stakeholders, providing resources and information, promoting employee participation, ensuring unquestionable compliance with laws and other relevant conditions, adopting a preventive approach, and fostering continuous improvement. It is based on a risk-based process approach and evidence-based decision-making.

OUR MISSION



To be a strategic business partner in the logistics sector that creates value for its stakeholders and provides innovative products and services to its customers.

OUR VISION



We Carry to the Future: By creating a difference in the industry with technology, providing a "Platform" for customer-specific sustainable solutions.

Our Policy

Value, Love, and Unity for People and Each Other:

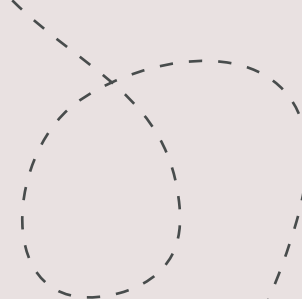
- We value people and each other, demonstrating a humane and conscientious approach.
- We show sensitivity and care beyond ourselves, considering the well-being of one another, the community, and nature.
- We value and take care of each other's lives, health, knowledge, expertise, development, efforts, endeavors, ideas, emotions, and potential.
- Every Borusan employee, in every role and job, is an important and valuable part of the bigger picture.
- We shape all our ways of working and relationships in the company based on the principle of valuing Borusan employees.
- Our communication and relationships are shaped not by hierarchy but by goodwill, trust, love, respect, and a sense of "WE."
- We believe that our love for one another nurtures unity, togetherness, and sincerity.
- For us, love means wanting the best for each other, taking care of one another, and making each other feel valued and good. The understanding that "we don't need to love each other; respect is enough" does not apply to us. We strive to know and love one another.
- We act with the responsibility of being part of the Borusan Group.
- We work synergistically with group companies operating in complementary sectors. We develop intra-group collaborations based on a win-win principle.
- We ensure preventive health monitoring suitable to our purpose, the size and complexity of operations, and the nature of internal and external issues affecting and being affected by us, ensuring the prevention of injuries and health impairments, taking into account OHS risks and improvement opportunities.
- We anticipate hazards, assess risks, and reduce them by taking proactive and reactive measures, never forgetting that the safety of our colleagues is also in our hands.

- We ensure the participation of our employees and representatives in the OHS management system and support development by consulting them.
- We work with the awareness that health and safety are an integral part of our work culture and a shared responsibility.
- We understand that health and safety are essential to our business performance and important for sustainable growth and development.
- We collect feedback from our customers and all relevant parties (VOC-VOS), manage it effectively and efficiently, and improve our processes by monitoring satisfaction and engagement.
- We view our customers and suppliers as partners and place great importance on establishing long-term relationships.
- We focus on all relevant stakeholders, providing the necessary resources and information.

Compliance with Laws, Ethical Values, Integrity, and Reliability

- We act in accordance with laws and other compliance obligations, the Orange Ethics and Discipline policies and rules, and the set of procedures and rules. We expect our partners/stakeholders to adhere to these as well.
- We stand by our promises to all stakeholders. What we say is consistent with what we do, our decisions, and our practices.
- While striving for results, we do not compromise on our shared values, principles, and ethical standards. We recognize behaviors that undermine these and provide immediate open feedback, taking necessary measures and actions.
- We establish long-term supportive and value-creating relationships with local authorities.
- We provide transparent sharing and reporting to our shareholders.

- We continuously audit our established system and activities and keep them open for inspection by relevant parties in accordance with our group information security policies and contracts.
- We adopt a process approach and risk-based thinking. We identify, prioritize, and manage our strategic, financial, operational, quality, information security, occupational health and safety (OHS), environmental, and business continuity risks and opportunities by allocating necessary resources.
- We comply with Borusan Group's Information Security Policies and the company's information security applicability statement (SOA).
- We address company assets within the framework of confidentiality, integrity, and accessibility, protecting the assets and data involved in our processes in accordance with legal and other relevant conditions. We use our company's assets, facilities, and services properly and in compliance with the law.
- In all our products and services, we aim for quality and a sustainable service understanding, ensuring compliance with Borusan standards and all fundamental quality needs and expectations of our customers. We protect information belonging to our customers and all relevant parties within the framework of legal requirements, our information security principles, and customer confidentiality agreements.
- We establish and support Health and Safety Committees.



Mutual Trust and Goodwill

- At Borusan, each of us takes on the responsibility of nurturing trust in every direction. We choose to trust one another, always taking the first step to foster an environment of trust.
- We set aside our prejudices and trust in each other's goodwill, knowledge, expertise, experience, judgment, and common sense without discrimination.
- We do not allow energy loss in relationships or engage in "appearances." When we sense that something is not right, we confront it openly without delay and work to rebuild trust.
- We do not remain enclosed within small "us" circles; we embody a sense of "WE."
- Within the framework of the trust we establish, we ensure that our successes are sustainable.
- We set our objectives and goals in alignment with company policies and strategies, legal and other conditions, and management system standards, ensuring they are regularly reviewed.
- We define our company performance indicators in the areas of Quality, OHS, Environment, Energy, Information Security, and Customer Satisfaction, and we do our part to achieve the targets.
- We ensure that employees are protected from retaliation when reporting incidents, hazards, risks, and opportunities related to OHS, Environment, Quality, Information Security, and other matters.

Equal Borusan: Inclusion, Equal Opportunity, and Justice

- 'Borusan Equals': Borusan is a fair and equitable company.
- We embrace diversity and reject discrimination based on ideology, gender, generational differences, religion, language, race, ethnic identity, sexual orientation, or disability status. We create the environment and conditions necessary for diversity to be expressed.
- Justice and equity for us mean maintaining harmony and balance among the parts of our Group.

- With the awareness that equality does not always equate to justice, equal opportunity and fairness are our priorities, and we choose our practices and behaviors accordingly.
- Our systems, processes, and practices are open, transparent, and accountable. We do not allow favoritism or discrimination in our company.
- In all our human resources practices, we determine Group policies and implementation principles through collective wisdom to ensure consistency, equal opportunity, and fairness across Borusan. We customize our practices in line with these principles, adapting them to the sectoral and operational realities and needs of our companies.
- "Career at Borusan = Development"; we ensure equal opportunity in the development process and prioritize fairness.
- In line with our principle of fairness, we observe and distinguish between those who perform at a high level and those who do not, as well as those who act in accordance with our cultural values and principles and those who do not. We do not ignore mediocrity or non-compliance with our cultural values and principles; we take action for development.
- We ensure continuous improvement and enhancement.

Sustainability, Sensitivity to Society and the Environment, and Contribution

- In line with our vision of being a "200-year-old" company, we act with the awareness of creating value for our entire ecosystem and increasing overall benefit from a global perspective.
- We think beyond ourselves and work with a benefit-oriented approach. We are aware of our responsibility towards the future of the world and strive to provide solutions for a better world.
- With a sense of duty to society and the country, we work with the awareness that we are responsible not only to ourselves but also to the community. We act with this approach in our professional and personal lives and expect the same from those around us.

- We address the environmental, social, and economic dimensions of sustainability together and view "climate, people, and innovation" as the foundation of all our business processes.
- We strive to spread sustainability awareness and each of us sets an example in this regard.
- We are represented by our senior executives in reputable non-governmental organizations and professional associations.
- We contribute to our community in the fields of environment, culture, art, sports, and education.
- We assess, control, and prevent our current and potential environmental impacts.
- To ensure environmental protection, we support sustainable resource use and conserve biodiversity and ecosystems.
- We calculate and maintain our carbon footprint to mitigate climate change.
- By using our existing energy resources as efficiently as possible, we achieve energy savings and prevent waste.
- We manage our relationships with employees, customers, suppliers, shareholders, and other business partners based on transparency, continuity, mutual trust, and honesty.
- We support design activities that consider energy performance improvement and allocate resources for them.
- In our purchasing and procurement activities, we support compliance with all legal and other conditions, the procurement of environmentally and energy-efficient products and services, adherence to identified quality needs and expectations, and services that comply with Borusan Logistics' OHS and Information Security policies. In this context, we evaluate all our suppliers and measure their performance.

2.9. OUR VALUE-FOCUSED BUSINESS MODEL

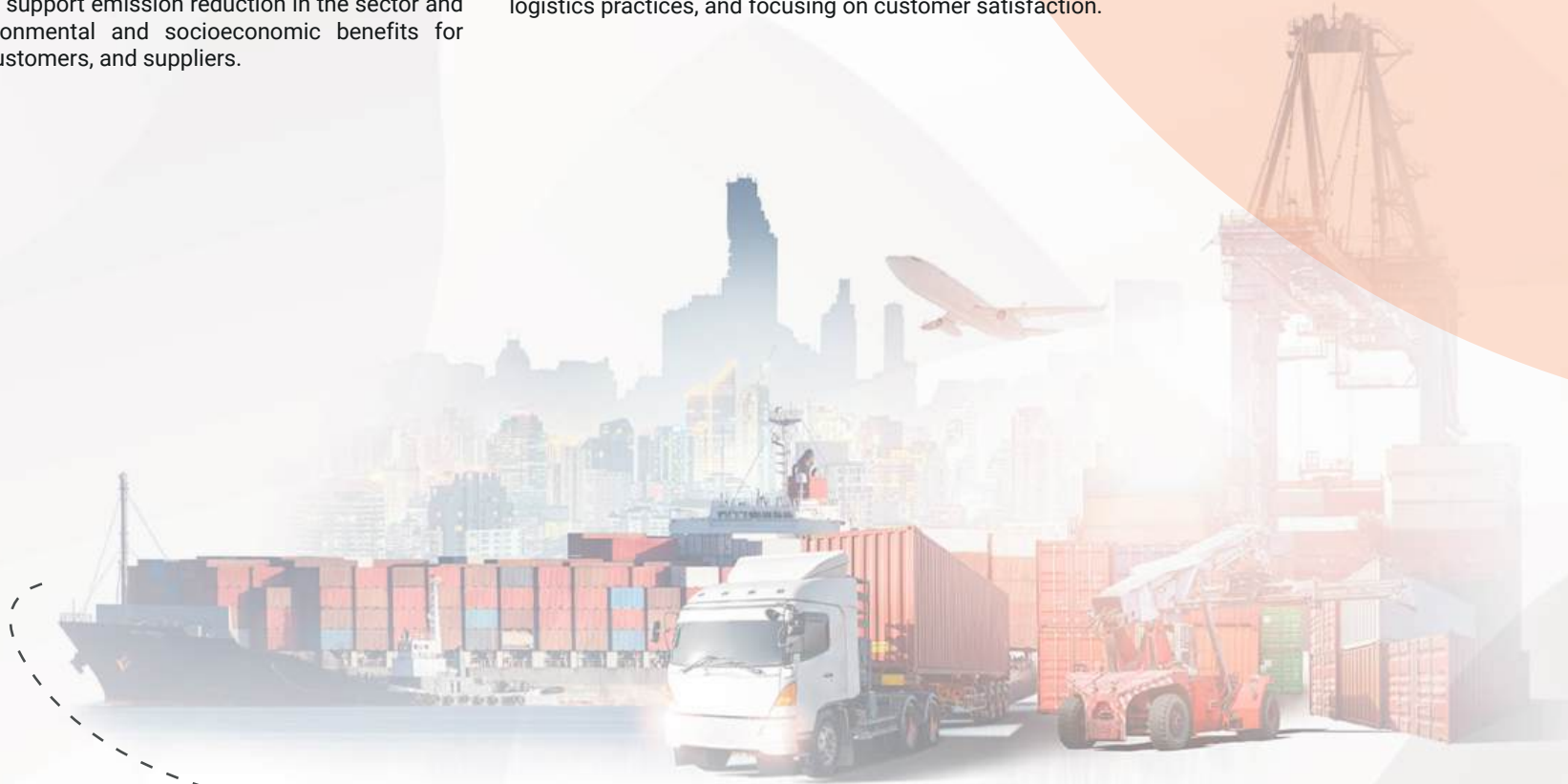
The logistics sector is a crucial industry due to its contribution to emissions related to the world's green transformation. Therefore, building sustainability in the logistics sector requires a comprehensive strategy.

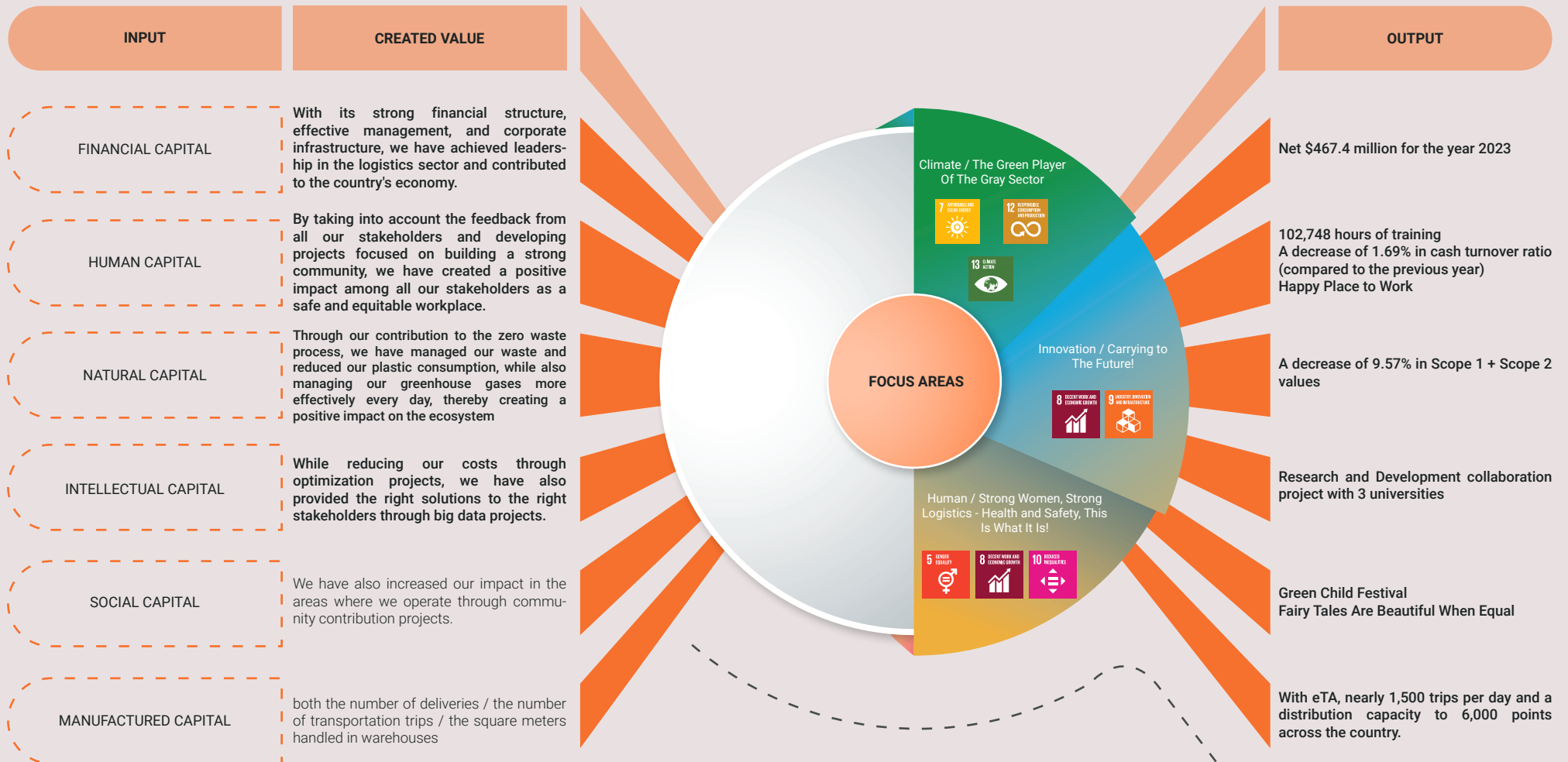
Borusan Logistics operates in the areas of Climate, People, and Innovation with the themes it has defined, focusing on decarbonization, social benefit, and the digital transformation of processes. Its main goal is to implement practices that support emission reduction in the sector and provide environmental and socioeconomic benefits for employees, customers, and suppliers.

Borusan Logistics Value-Focused Business Model

Creating value in the logistics sector involves improving the efficiency of all processes to reduce costs, enhance quality, and manage environmental and social impacts to ensure customer satisfaction. In this sense, it is a balanced input-output system that encompasses all stakeholders, from process design to inventory management, innovative initiatives, ensuring optimal networks, implementing green logistics practices, and focusing on customer satisfaction.

As Borusan Logistics, we wanted to illustrate *"the value we create while designing journeys that carry lasting traces into the future with memories from the past"* graphically on the next page.





2.10. SUSTAINABILITY ORGANIZATION AND GOVERNANCE STRUCTURE

Borusan Logistics conducts its sustainability approach at the highest level. Under the leadership of the Logistics General Manager and the executive board, all business processes are aligned with the sustainability vision as part of the strategic business plan.

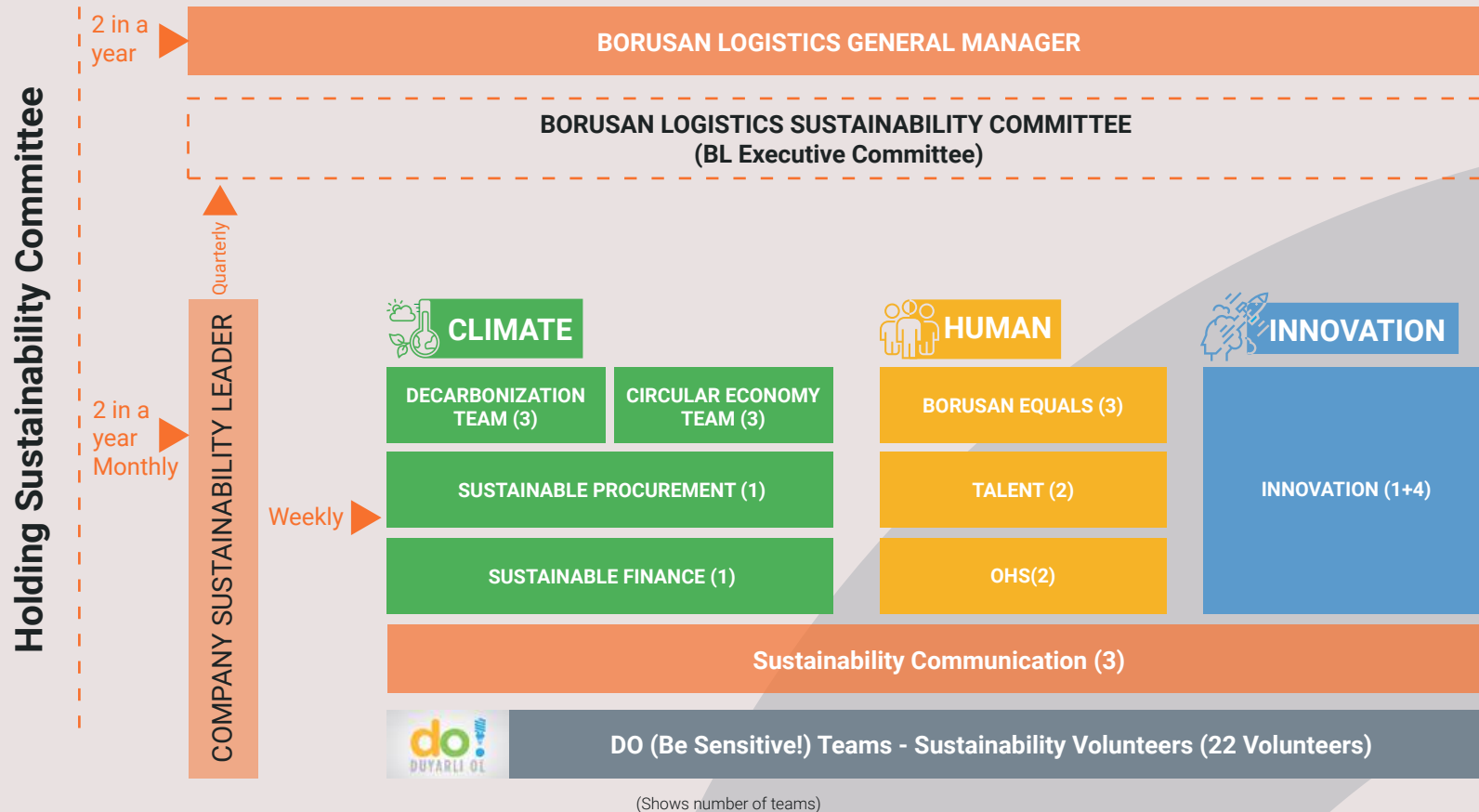
In this context, our sustainability governance structure is **designed to consist of senior management (BL executive board), a sustainability leader, a sustainability team, and volunteer teams (Be Sensitive! Teams)**

Sustainability Governance Meetings of Borusan Group attended by Borusan Logistics

MEETING	Borusan Group Sustainability Leaders Meeting	Borusan Group Sustainability Committee	Borusan Group Thematic Working Group Meetings (Climate Change and Decarbonization, Circular Economy, Occupational Health and Safety, Talent, Borusan Equals, Innovation, Sustainable Finance)	Borusan Logistics Board of Directors (with a Sustainability Agenda)
PARTICIPANTS	Borusan Holding Head of People, Communications, and Sustainability Group Borusan Holding Sustainability Team Sustainability Leaders from All Group Companies	Borusan Group CEO Borusan Holding Head of People, Communications, and Sustainability Group Borusan Holding Sustainability Team General Managers of All Group Companies Sustainability Leaders of All Group Companies	All Group Companies' Sustainability Committee Representatives	Borusan Logistics Chairman of the Board Borusan Logistics Board Members Borusan Logistics Executive Committee
FREQUENCY	Once a Month	Every 6 months	Once a month	Every 2 months

Borusan Logistics Sustainability Governance Meetings

MEETING	Borusan Logistics Sustainability Executive Committee Meeting	Borusan Logistics Strategy Meeting (with a Sustainability Agenda)	Borusan Logistics Sustainability Team Meeting	Borusan Logistics Process Development / Sustainability Meeting	Borusan Logistics Sustainability Team Evaluation Meeting	Be Sensitive Volunteer Teams Meeting
PARTICIPANTS	BL Executive Committee BL Sustainability Leader	BL Executive Committee BL Strategy Committee Sustainability Leaders	BL Sustainability Leader BL Sustainability Committee	BL Sustainability Manager Business Unit Representatives	BL Sustainability Leader BL Sustainability Committee Business Unit Representatives	BL Sustainability Manager Be Sensitive Team
FREQUENCY	Every 3 months	Every 6 months	Every 2 weeks	Once a month	Every 6 months	Every 3 months



Borusan Logistics Circular Economy Team participates in monthly meetings with all group companies in the Borusan Group Circular Economy Committee and engages in discussions regarding circular economy topics and projects (waste/wastewater/water consumption).

The AYM and Decarbonization Team's objective in its focus area is to develop practices that support emission reduction in the industry and to reduce carbon emissions through suitable process design in relation to both total emissions and our project work volume. We participate in the committee activities of the Holding Group AYM & Decarbonization Committee with our Decarbonization Team.

Our Group OHS Committee conducts activities aimed at achieving the ideal of "zero workplace accidents" for all employees, customers, suppliers, and stakeholders, in line with Borusan Group's core OHS objectives in conjunction with the Holding.

In the Group Borusan Equals Committee, activities are carried out with the belief that gender equality must be embraced and internalized at both corporate and individual levels

2.11. SUSTAINABILITY MATERIAL TOPICS AND STAKEHOLDER ENGAGEMENT

Stakeholder engagement affects the entire logistics process, from the planning stage to delivery and post-delivery services. In this context, capturing community and stakeholder expertise, local knowledge, ideas, and feedback, and incorporating them into the process strengthens the entire operation. For Borusan Logistics, stakeholder communication is managed under headings such as customers, suppliers, shareholders, the community, NGOs, public institutions, universities, and financial institutions. You can find the frequency and methods of communication we have with our stakeholders on the appendix page of our report.

Expert company leaders share Borusan Logistics' best practices, knowledge, and experience with universities, schools, associations, and non-governmental organizations. Borusan Logistics has collaborated with numerous sectoral unions and universities in this regard and is conducting joint projects. Among these, UTİKAD, UND, Logistics Platform, TÜRKLİM, KARİD, TUSİAD, TKYD, DTD, PERYÖN, and KALDER are professional organizations with active participation from industry leaders.

Although Borusan Logistics strives to be at the forefront and effective in all our processes, achieving excellence always involves adapting to change. To ensure stakeholder satisfaction and to stay one step ahead, we manage all our processes at a strategic level.

Management of Feedback (VoC – VoS)

Voice of Customer (VoC) has become a part of feedback and communication for Borusan Logistics since the 2000s. In 2007, Borusan Logistics became the first company in Turkey's logistics sector to obtain the ISO 10002 certification for the management of customer feedback.

In 2021, the VoC system was migrated to the new CRM dynamics infrastructure and began providing services with an updated interface. Feedback from customers is monitored through KPI sets tracked up to the management level and a feedback governance model.

In 2023, system enhancements were made, and the Voice of Supplier (VoS) system was implemented. This has increased the effectiveness of the stakeholder feedback management system and systematically contributed to providing better service to customers and enhancing supplier loyalty in the corporate memory.

Stakeholder Engagement and Materiality

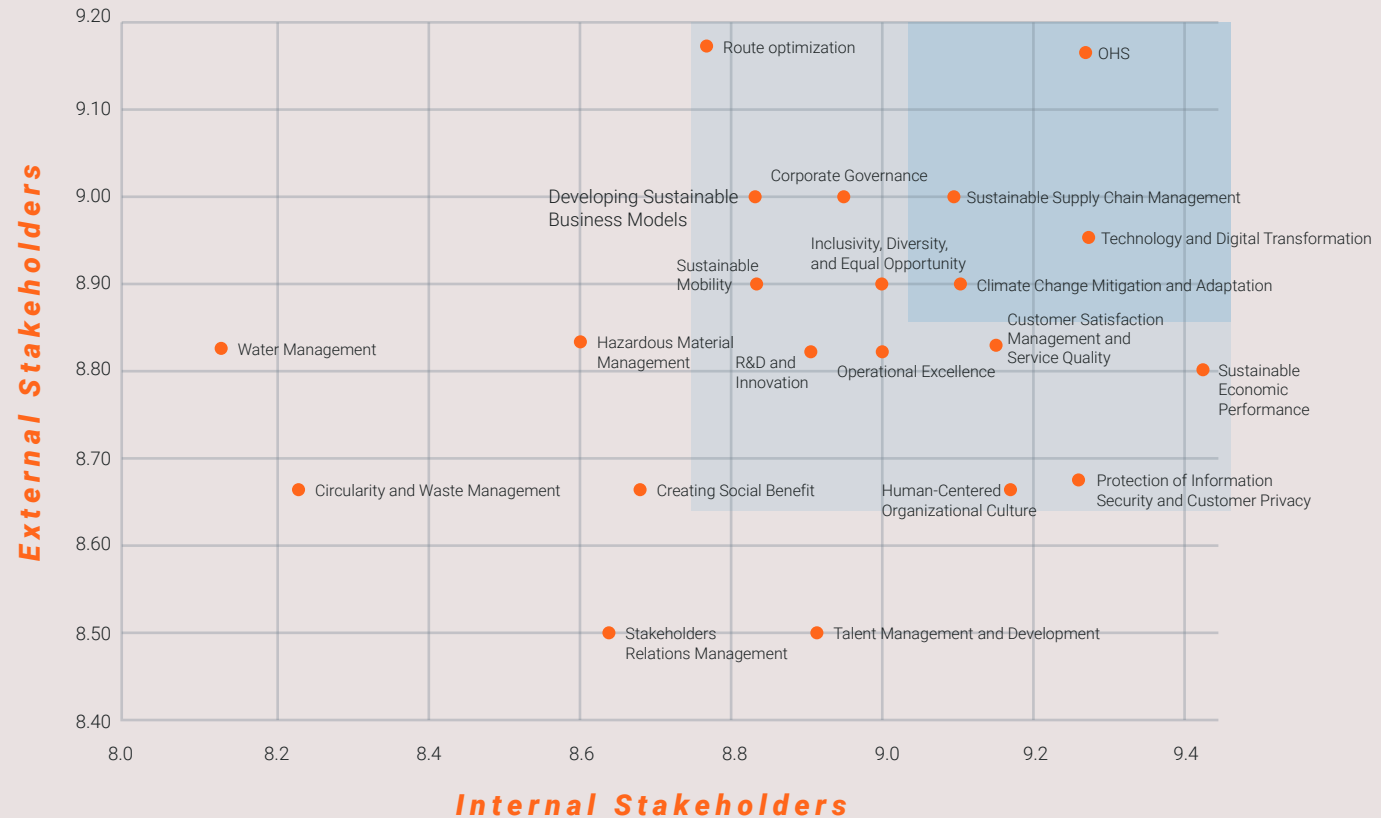
As we move forward confidently on our sustainability journey, we have prioritized gathering the opinions of our stakeholders. To keep stakeholder communication continuously updated within the focus areas of Climate, Human, and Innovation, we conducted a stakeholder communication and materialization study at the beginning of 2024. As Borusan Logistics, we have made our own internal materialization process more inclusive through a Group collaboration. The materialization work, which occurs in three steps, will be regularly updated in line with current developments, strategic approaches, and stakeholder expectations.

The main steps of the material topic analysis conducted by the Group are outlined below:

- First, a literature review to identify a long list of topics categorized by sectors.
- The listed material topics are filtered through the lens of Borusan Group Companies and the Holding's business strategy, investment focuses, global and sectoral trends, and the current Climate, Human, and Innovation (i3) strategic focus areas to determine the Group's priority issues.

In our material topic study, we expanded the content of the sustainable business model topic to also explore the sustainable mobility approach specifically in logistics. Following all these steps, we conducted an analysis through an online survey we prepared to gather the opinions of our stakeholders. In this study, we sent our questionnaire to a total of six stakeholder groups: senior management, employees, suppliers, NGOs, universities, financial institutions, and the media.

During our approximately three-week analysis, we asked stakeholders to evaluate Borusan's impact on the 20 identified topics in the short, medium, and long term and to prioritize them. As a final step, we participated in a workshop organized by Borusan Holding. As a result of all these efforts, we identified the topics we need to focus on throughout 2024.



The material topics determined as a result of the survey and strategy work conducted by Borusan Logistics are listed below.

At the end of the study, our high-priority topics were identified as follows:

- Occupational Health and Safety
- Sustainable Supply Chain Management
- Technology and Digital Transformation
- Combating Climate Change and Adaptation

With the participation of the internal control, strategy, sustainability, legal, and finance teams, we aim to integrate a double materiality analysis approach into our materialization study, developed through workshops and

senior management discussions held this year, while taking into account the methodology proposed by the European Financial Reporting Advisory Group (EFRAG) in 2024.

As Borusan Logistics, we evaluate all our identified material topics in our sector against the United Nations Sustainable Development Goals (SDGs), mobilizing all our resources with the aim of leaving a more livable world for future generations in alignment with the United Nations' 2030 Sustainable Development Agenda.



2.12. SUSTAINABILITY TARGETS

As Borusan Logistics, you can find a summary of our targets set within the focus areas of Climate, Human, and Innovation, along with the 2023 achievement rates in the table below.

Our targets are regularly reviewed in the strategy studies conducted under the leadership of Borusan Group and are updated as necessary. You can access the sustainability datasets of Borusan Logistics in the appendix section of the report.

	Target	KPI	Unit	2021 F	2022 F	2023 F	2023 Target
CLIMATE	Decarbonization	Emission Release Amount (Scope 1-2)	ton CO2 e	16.690	16.294	15.093	16.605
		Emission Reduction Rate (Scope 1-2)	%	0%	2,37%	9,6%	0,5%
		Project-Based Carbon Reduction	ton CO2 e	-	12.365	19.464	8.107
	Circular Economy	Reduction of Plastic Usage / Circular Use	ton	1,7	4,3	12,6	2,0
		Water Consumption Amount	M lt	22,3	22,7	21,5	21,2
		Amount of Waste Sent for Disposal (Hazardous)	ton	16,0	14,2	2,9	15,2
		Implementation of Circular Business Model (Product/Service)	#	0	3	4	2
HUMAN	Talent Management	Future Leader Turnover Rate	%	31,3%	2%	5,9%	31%
		Alpha Turnover Rate		-	-	11,1%	29%
	Borusan Equals	Office Female Employee Ratio (WC)	%	44,3%	45%	45%	44%
		Grey-Collar Employee Ration	%	6,2%	7%	7%	8%
		Field/Plant Female Employee Ratio (BC)	%	5,3%	7%	9%	8%
		Female Leader Ratio		-	-	25%	25%
	OHS	Incident Frequency Rate	#	7,49	7,69	7,56	6,79
		Incident Gravity Rate	#	0,15	0,21	0,16	0,13

2.13. CLIMATE / THE GREEN PLAYER OF THE GRAY SECTOR

Combating Climate Change and Adaptation (M)

Combating climate change and adaptation is among the priorities of Borusan Group. Reducing greenhouse gas emissions, which is one of the important factors in the transition to a low-carbon economy, is among the fundamental and critical factors for achieving a profound transformation towards a sustainable future.

5.5% of global carbon emissions come from the logistics and transportation sectors. Considering consumption habits and the growth of e-commerce, we believe that the environmental and social transformation of the sector is extremely important. As Borusan Logistics, we are aware of this risk and are focusing our developments and investments on technologies that will also enable carbon reduction. Under our vision, we conduct our work in the Climate focus area under two main themes: "Decarbonization" and "Plastic Reduction."

With the work we have done in 2023, we prevented and reduced 19,463 tons of CO2 equivalent emissions. Additionally, despite the increase in our business volume, we have managed to reduce our absolute emissions by 9.6%.

Leading in Green Logistics: Borusan Logistics

As Borusan Logistics, our vision includes two main themes in the Climate focus area: 'Decarbonization' and 'Plastic Reduction.' In the area of decarbonization, we aim to develop practices that support emission reductions in the industry and to reduce carbon emissions through suitable process design in relation to both total emissions and our business volume through projects. Under this main theme, we strive to stand out in the sector with our Green Logistics activities by:

- Continuing our Green Logistics activities,
- Developing efficient and digital solutions,
- Reducing carbon emissions in the short to medium term through optimization projects,

- Establishing a measurement, tracking, and reporting mechanism for emissions in compliance with the SDGs,
- Aiming to reduce Scope 1 and Scope 3 emissions through the use of decarbonized transportation models (alternative fuels, technology, etc.).

Additionally, as Borusan Logistics, we have been participating regularly in the Conference of the Parties where Climate Negotiations are held since 2022, and we create impact under our leadership mission by actively following the agenda.

COP28'i Sürdürülebilirlik
Liderlerimizle Yerde Takip Ettik!



Yeşil Lojistik Sertifikamızla sürdürülebilir
bir yolculuğa devam ediyoruz.



Decarbonization Project: Green Logistics

Borusan Logistics obtained the Green Logistics Certificate in 2023. Initiated in 2022, this project aims to promote the widespread adoption of the intermodal transportation model, a low-emission transportation mode. Transporting the same load over the same distance by road generates four times more emissions than by rail or sea, and thirty times more by air. Therefore, combined transportation is considered one of the most crucial emission reduction strategies in the logistics sector.

Project Outputs:

Borusan Logistics has earned the Green Logistics Certificate by implementing the green logistics activities listed below and submitting them for ministry inspection.

- Conducting at least 200 combined freight transport operations annually
- Holding a Renewable Energy Certificate (YEK-G) or International Renewable Energy Certificate (I-REC), demonstrating that at least 5% of the company's energy consumption is sourced from renewable energy
- Utilizing climate control systems with Low Global Warming Potential (GWP) gases across all climate processes within the company
- Conducting green packaging activities with a minimum annual rate of 5%
- Donating at least 500 saplings annually to the General Directorate of Forestry for approved reforestation areas throughout Turkey
- Having a Zero Waste Management System in compliance with the Zero Waste Regulation
- Holding an ISO 14046 Water Footprint Management System certificate
- Holding an ISO 50001 Energy Management System certificate
- Holding an ISO 14001 Environmental Management System certificate
- Holding an ISO 14064 Greenhouse Gas Management System certificate

Key Achievements:

Under our green logistics activities, approximately 13,859 tons of CO₂e emissions savings were achieved in 2023. This project contributed to a 15% reduction in Scope 1 and Scope 2 emissions compared to last year, despite the increasing business volume. Borusan Logistics has been the first logistics company in Turkey to hold the ISO 14064 Greenhouse Gas Verification and ISO 50001:2018 Energy Management System certifications since 2012.

Energy targets monitored in sustainability meetings are defined separately for all operations. The review of energy activities is conducted twice a year before business plans and budget periods, and the action plans for the following year are developed accordingly. Energy review reports are documented, and efficiency projects and emission reduction-supporting projects included in the sustainability business plan are monitored. In 2023, Borusan Logistics certified the electricity consumption of its Tuzla Operations Center, as well as its warehouses in Bursa and Çatalca, with I-REC. Thus, in 2023, Borusan Logistics obtained 43% of its total electricity consumption from renewable energy sources.

SDG: 12.2, 13.2, 13.3



In 2023, we participated in the Ministry of Environment and Climate Change's 2050 Climate Action Plan meetings as the sole representative from the Transportation and Logistics Sector on behalf of TÜSİAD. Additionally, in early 2024, our Green Logistics Project earned an award in the "Inspiring the Future Awards" program, organized by Borusan Holding since 2022 to recognize projects accelerating sustainability efforts.

You can access our video about our Green Logistics Project on the "Yeşil Lojistik Belgesi / Youtube - Borusan Lojistik" page.

Yeşil Lojistik Belgesi
(youtube.com)



Combating Climate Change

This journey is not new for Borusan Logistics...

- Our sustainability efforts and commitment to transforming the industry date back nearly 20 years. Since 2006, we have created a forest area of over 600,000 trees by planting one tree for every ten shipments, and we continue to expand these initiatives.
- Since 2011, we have been the first logistics company in the industry to complete ISO 14064 Carbon Footprint verification, ensuring that we have verified and tracked our data for 13 years. By integrating digitalization, we accurately and reliably measure our emissions, aligning with the emissions trading system.
- Over the past 13 years, improvements in our Energy Management System, including upgrades to equipment and facility infrastructure, have reduced our energy consumption by over 1,000 TOE, significantly reshaping our energy and carbon profile.

In 2023, Borusan Logistics certified the electricity consumption at its Tuzla Operations Center and its warehouses in Bursa and Çatalca with the I-REC. The renewable energy purchased for these facilities amounts to approximately 11,574 GJ, representing 25.8% of Borusan Logistics' total electricity consumption.



2023 Tuzla Operations Center Energy Consumption Table

	2021		2022		2023	
GES	1.074.906	%33	1.138.117	%37	1.188.984	%41
Grid	2.135.928	%67	1.913.265	%63	1.723.807	%59
TOTAL	3.210.834		3.051.382		2.912.792	

We are starting micro-distribution domestically with our electric vehicles. Through the transition to lithium-ion battery-powered equipment, efficient warehouse management activities, and LED transformations, we are enhancing energy efficiency.

In 2022 and 2023, all our digital, accommodation-meeting, and OHS field events were conducted as carbon neutral. Additionally, in 2022, we installed Modales through an R&D-university collaboration, which measures emissions for 30 transport and passenger vehicles. With Modales, we can observe emission differences based on vehicle usage and have started providing eco-driving training for drivers accordingly.

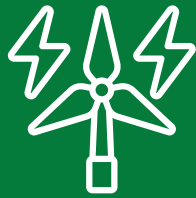
Below are some of the improvement projects we have undertaken to design carbon-neutral processes.

- Through the LTL Hinterland (Network Layout Optimization) project, which we initiated in 2021, we achieved significant advancements in 2023 using the ATLAS LTL software. Location verification, planning, optimal positioning of transfer hubs, seasonality adjustments, and capacity management were enhanced using big data, resulting in a 242-ton e-CO2 reduction in our partial load operations.

- The "Climate Change Mitigation Strategy and Action Plan," published by the Ministry of Environment, Urbanization, and Climate Change's Climate Change Department in March 2024, includes strategic actions focused on the transportation sector. One such strategy, "Strategy U-S.3: Use of Sustainable/Clean Energy Sources in Transport Systems," aims to integrate cleaner energy sources. At Borusan Logistics, we aim to be one of the first logistics companies to use alternative fuels (such as Hydrogen and Electricity) in our fleet, contributing to market development in this direction. As known, today's transportation technologies are largely fossil fuel-based, with diesel, gasoline, and LPG being common fuel types. According to the Climate Change Mitigation Strategy and Action Plan, establishing a sufficient number of charging stations at strategic locations on the road network, and encouraging the use of renewable energy sources in these stations, can have a dual impact on reducing national emissions. Among alternative fuels, CNG, biofuels, etc., continue to be promoted for expanded use. Sustainable aviation fuels compliant with CORSIA for air transport and alternative fuels for urban/rural bus transportation are prioritized. As a future investment, research on alternative fuel vehicles (such as LNG/Hydrogen-powered) is encouraged, along with tracking international developments. Until alternative fuel vehicles become widespread, Borusan Logistics is testing various technologies in our diesel fleet to initiate improvements.

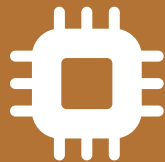
- In 2023, through Euro 6 conversion in our international transport fleet of 38 tractors, we prevented 1,903 tons of e-CO2 emissions. Our AEO (Authorized Economic Operator) certificate has reduced our waiting times at customs, accelerating vehicle cycles and reducing empty return trips and inefficient operations, saving an additional 20 tons of e-CO2 through kilometer reductions.
- By using intermodal transport in 2023, we reduced road emissions by 1,511 tons. Additionally, converting road alternative-sea container transportation to hanging mode led to a further 39.2 tons of e-CO2 savings.

DECARBONIZATION WORKPLAN



Renewable Transformation

- Increasing the use of renewable energy
- Researching alternative fuel usage in road transport (Electric Vehicles - CNG)
- Exploring ways to utilize waste heat/energy
- Transition to Li-ion batteries in warehouses
- Hybrid vehicle conversion (passenger)
- LED conversions



Carbon Measurement & Tracking

- Development of carbon tracking dashboards
- Integration with existing applications
- Creation of software to facilitate carbon emission measurement (either through external purchase or in-house development within the group)

- CBAM sectoral impact and compliance analysis
- Carbon Border Adjustment Mechanism (CBAM) consulting and training
- Sectoral transition plan
- Integration of carbon footprint into raw material and intermediate goods procurement processes
- Reporting specific to Borusan Logistics for access to green financing



European Green Deal



Decarbonization Projects

- Close monitoring of new technologies and sharing within the subcommittee
- Increasing sustainable and green logistics practices
 - Expanding intermodal/rail transport
 - Route and load optimization
 - Distribution hinterland planning
- Efficiency projects
- Fuel catalysts
- Customer joint reforestation for decarbonization

Circularity and Waste Management

Through our waste management projects, we aim to achieve zero waste by prioritizing waste as a resource, either retaining it within Borusan Logistics or reintegrating it into the system, supported by our zero waste certificates. In 2021, Borusan Logistics became the first logistics company among 34 signatories of the Business World Plastics Initiative, created in collaboration with the Global Compact and the Business Council for Sustainable Development. This commitment led to a reduction and transformation of plastic use and waste, yielding significant savings.

As part of our plastic reduction projects, we repurposed discarded tarpaulins into shelters for stray animals, and old tires were transformed into trailer dock bumpers. We replaced stretch film with reusable mesh for internal warehouse movements, enabling continuous reuse. Water purification systems have been installed in our warehouses and offices, eliminating plastic bottles and single-use cups by providing personal water bottles for employees.

In 2023, we conducted 2,164 person-hours of environmental training.

We also received appreciation from our clients after obtaining Zero Waste Certificates across eight of our customer platforms, establishing Borusan Logistics as a pioneering company in this area.





2024 Nisan



Pazartesi	Salı	Çarşamba	Perşembe	Cuma	Cumartesi	Pazar
01 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	02 Yeni plastikler ve diğer plastikler yerine "Yeni" plastikler kullanalım. Plastiklerimizi yeniden kullanalım. Plastiklerimizi yeniden kullanalım. Plastiklerimizi yeniden kullanalım.	03 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	04 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	05 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	06 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	07 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.
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22 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	23 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	24 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	25 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	26 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	27 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.	28 Atıkla çevremizi kirliletmemek için çöp kutularını doğru kullanalım. En yakın çöp kutusuna atalım.
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GERİ DÖNÜŞTÜRÜN

ATIKI AZALTIN

YENİDEN KULLANIN

ORGANİKLERİ SAKLAYIN

DÖNÜŞTÜRÜN

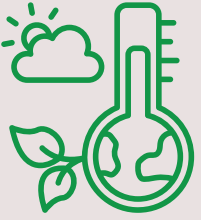
CHALLENGE BAŞLIYOR

30 Mart Uluslararası Atık Günü itibarıyla
1 ay boyunca 0 atık için challenge başlatıyoruz.
0 atık yolunda önemli bir adımı birlikte atıyor,
bunu bir yaşam tarzı haline getirmeyi hedefliyoruz.

Siz de takvimdeki görevleri uygulayın,
birlikte başaralım.



Sıfır Atık Challenge için takvim, 1 Nisan Pazartesi
günü paylaşılacak. Takipte kalın!



Zero Waste in Logistics Project

The waste management project aims to establish a comprehensive waste management system by preventing, reducing, and converting waste from all operations in accordance with the waste hierarchy. At the same time, it seeks to raise awareness among Borusan Logistics employees, fostering new transformation stories and encouraging habit changes to make a difference within a larger ecosystem. Achieving zero waste and ensuring that waste is returned to the system as a resource at its maximum value point are among the primary objectives of this waste management project.

Project Outputs:

- After March 30 was declared as Zero Waste Day in 2023, a 30-day challenge calendar was introduced to raise awareness among our colleagues on topics such as waste reduction, recycling, and reuse. In 2022, similar awareness efforts were conducted through a month-long "Plastic-Free Friday" challenge. Additionally, in recognition of World Environment Day on June 5, annual competitions with specific themes are organized among employees to encourage reflection on environmental issues and our contributions. Furthermore, monthly environmental briefings are held according to each month's theme to enhance our colleagues' awareness and consciousness.
- Following the declaration of March 30 as Zero Waste Day in 2023, a 30-day calendar was implemented to raise awareness among Borusan Logistics employees on topics such as waste reduction, recycling, and reuse.

Key Achievements:

- Borusan Logistics has achieved Zero Waste Certification for 13 locations.
- At the Tepeören warehouse, 3 tons of food waste from the cafeteria were converted for energy recovery, entering the biogas cycle for electricity generation. The gas produced in this cycle generated 3,300 kWh of electricity, equivalent to the energy consumption of 63,000 A++ refrigerators in one hour.
- Through micro-waste management, coffee grounds generated in central offices were collected and processed, resulting in 230 kg of coffee waste collected over 5 months, achieving an equivalent reduction of CO₂ emissions in kilograms.

SDG: 12

As part of the "Inspiring the Future Awards," our project titled "Plastic-Free Logistics and Circular Economy" made it to the finals in the Climate – Waste Management and Circular Economy category. All of our waste management initiatives in the logistics field support our goals for Plastic-Free practices and the Circular Economy.



Water Management

At Borusan Logistics, water consumption is solely for human use, with water sourced from municipal supplies and rainwater recovery systems. Various practices are followed to minimize consumption. For instance, sensor-activated faucets and dual-flush toilets are used, and water-saving dishwashers are utilized in cafeterias, eliminating the need for hand washing. Floor cleaning is conducted using water and is done with cleaning carts. For company vehicles, there is a limit of two washes per month. In PDI operations, pulverized water is used to reduce consumption.

Borusan Logistics also carries out initiatives to protect freshwater ecosystems. Each facility manages waste, hazardous materials, and chemicals, with designated waste areas regularly monitored in compliance with legal standards. Systems and response equipment are in place to prevent spills from reaching water and soil, minimizing potential impacts during emergencies.

Since 2022, Borusan Logistics has calculated blue and grey water footprints in accordance with the ISO 14046:2014 Environmental Management – Water Footprint – Principles, Requirements, and Guidelines standard, with verification by an independent institution.



SÜRDÜRÜLEBİLİR BİR GELECEK İÇİN AYAK İZLERİNİ TAKİP ET!

Bu yıl itibarıyla kurumsal su ayak izimizi hesaplamaya başladık ve başarıyla belgelendirdik!

Peki sen bireysel su ayak izini biliyor musun?

Hem bireysel su ayak izini hesaplamak hem de su tüketimini azaltmak için hemen aşağıdaki QR kodu okut! Hesaplamayı tamamladığında, karşına gelen azaltım taahhütlerini seç ve ekran görüntüsü alıp numaranı telefon ile paylaşarak sürpriz ödüller kazanma şansını yakala.

Su ayak izini hesaplamak
ve su tüketimini azaltmak için
QR kodu okut!

Su Ayak İzini Biliyor musun?





Rainwater Harvesting

In 2023, Borusan Logistics reviewed its water management policy with the goal of collecting rainwater for use as a water source in suitable areas, thus reducing reliance on municipal water. A rainwater harvesting system was installed at the Borusan Logistics Çatalca Warehouse. Through this project, 8 tons of rainwater were collected and reused within the facility.



SDG: 6

We transitioned to using water purification systems in our warehouses, eliminating the use of plastic bottles and water dispensers. Additionally, this transition was implemented in our central offices, supporting our plastic-free office initiative. As a result, we reduced plastic usage by over 1.6 tons. With the installation of water purification systems across 10 locations, including central offices, we have stopped the use of plastic bottles and paper cups, while also preventing emissions related to water transportation.



2.14. HUMAN / STRONG WOMEN, STRONG LOGISTICS

2.14.1. Borusan Logistics - General

As Borusan Logistics, we are inspired by our stakeholders and talents when designing our business models. With a people-centered approach, one of our most important capital assets, and our corporate culture, we create value for our talents and the society we live in. Positioned as a technology company within the traditional logistics sector where we have operated for 50 years, we aim to bring our stakeholders into the future with the most suitable solutions and platforms for the supply chain. As a company that prioritizes a people-centered approach, we take pride in celebrating our 50th anniversary with our employees under the slogan "Our Mark on the Future."

With a commitment to fostering a people-centered corporate culture and social development, we prioritize creating a happy, healthy, and safe working environment for our employees. We strive to be more equitable, fair, and inclusive to contribute to the future of work, talent development, and diversity.

According to a report by Gartner, women made up approximately 41% of the supply chain workforce in 2021, with around 15% of this group holding senior roles within companies. This demonstrates the significant role of female leaders in advancing the sector.

(Gartner Survey Finds Women Comprise 41% of the Supply Chain Workforce)

According to a study published by WILAT in March 2024, the logistics sector has been focusing on the development of female entrepreneurship, inclusivity, diversity, and sustainability initiatives. However, the research indicates that there are still significant opportunities to better leverage women's workforce participation and contributions

Our primary goal is to contribute to the future of work, talent development, and diversity, alongside our priority of occupational health and safety. In this context, we embarked on our journey with the motto "Strong Women, Strong Logistics," in alignment with the goals of the "Borusan Equals" platform. Today, we have over 100 female operators, supporting them with training to obtain their operator licenses. Additionally, to address the driver shortage, a significant need in our sector, and to create new employment opportunities, we are hiring and training female truck drivers. To date, we have employed five female truck drivers.

Through our Borusan X corporate culture initiatives, we have made numerous changes in our working methods and environments. We always prioritize providing a happy, healthy, and safe workplace, and for two consecutive years, we have been recognized with the award for the Happiest Workplace in the logistics sector. To raise awareness among children and youth, we continue our social responsibility projects focused on quality education and sustainability awareness.

As Borusan Logistics, we carry out initiatives that support Borusan Group's people-centered approach and its journey toward becoming a 200-year Holding. We advance our projects addressing the needs of all our employees with a spirit of collaboration and transparency.

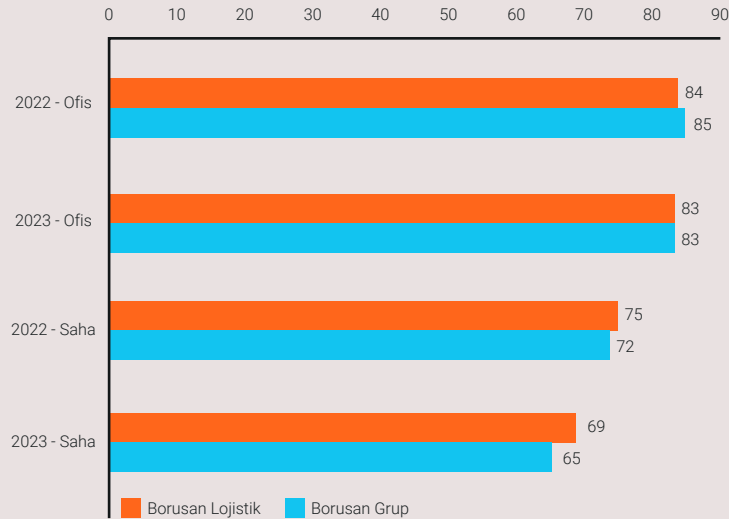


2.14.1.1. Borusan Logistics - Employee Satisfaction and Engagement

At Borusan Logistics, we aim to be the collective voice of our employees by measuring their satisfaction on an annual basis to understand their feedback. Based on survey results, we generate ideas to improve our processes and make enhancements that will foster a better experience.

To ensure our employees have accessible healthcare options, we provide all office employees with private health insurance covering both outpatient and inpatient treatments. Additionally, we offer a range of annual health screenings and life insurance options. With our company-sponsored Individual Pension Plan, we aim to support the future of our employees. We match the monthly contributions deducted from the salaries of employees in the retirement plan. The benefits provided vary according to the seniority levels of our employees.

Employee Satisfaction



We earned the Happy Place to Work Certification, making us the happiest company in the logistics sector for two consecutive years!

The Happy Workplace® Certification is an endorsement of employee happiness within a workplace. This certification program is based on the psychological experiences of employees during their work. In the first phase, a 14-question survey is sent to employees to assess their interactions with their work, colleagues, managers, and the workplace itself. In the second phase of the Happy Workplace® Program, the company's human management infrastructure and practices are reviewed and reported based on fundamental standards.



Lojistik Sektörünün
En Mutlu Şirketi Seçildik!



As a result of the initiative launched by Borusan Group, titled "We recognize the parental rights of our fathers who are always with us," the paternity leave period has been extended to two weeks.

Number of employees
who took paternity
leave

2023

Borusan Lojistik

26

In addition, the Borusan Group Parent Guide has been published.



2.14.2. Borusan Logistics - Equal Borusan

For the past 10 years, under the "Borusan Equals" platform, Borusan Logistics and the Borusan Group have been actively working on gender equality initiatives, implementing various projects on behalf of the Holding and Group companies. Our goal is to establish a structure where gender equality is embraced and internalized at both the corporate and individual levels.

As Borusan Logistics, we operate on a nationwide scale in Turkey, with over 4,000 employees, including both office and field staff. We set annual targets by evaluating the ratio of female employees in both office and field roles and work towards achieving these goals. Given that our sector is traditionally male-dominated, advancing in this area is particularly significant. We strive to employ women in logistics services, warehouse roles, and as truck drivers, and to develop projects that ensure balanced representation of men and women in society.

To make roles such as truck driving, which are rarely chosen, more appealing and to increase demand with a focus on gender equality, we are moving forward. With the motto "Strong Women, Strong Logistics," we are drawing closer to our goal of equality each day.



OUR 10-YEAR JOURNEY IN EQUALITY

2012

We have become a signatory of the 'United Nations Women's Empowerment Principles' and gained membership in the 'Leadership Group'

We have become a signatory of the 'Equality in Business Platform'

We implemented the 'My Mother's Job is My Future' project and established nurseries in organized industrial zones.

2015

We established the 'Borusan Equals Social Equality Platform'

We became supporters of the 'He for She' campaign.

2016

We implemented the 'Let's Girls Code' project and provided coding education to 200 daughters of Borusan employees.'

2017

We published the 'Guide to Avoiding Discriminatory Words and Behaviors in the Workplace'

We launched the 'Love Begins with Language Movement'.

2018

We carried out the 'Name the Sexism' campaign.

We launched the 'No Job for Women' campaign in collaboration with Borçelik.

2019

We carried out the 'Together Equal' campaign with Borusan Mannesmann. Additionally, we implemented the 'First, I Am a Father' program.

We organized 'Gender Equality' seminars in collaboration with Borusan Mannesmann.

2020

We launched the 'Gender Lens' program

We earned the right to receive the 'Equal Opportunity Model'

We published the 'Gender Equality and Domestic Violence Guide'.

2021

We initiated the 'Nursery Assistance' program for our employees.'

We implemented the 'Two-Week Paternity Leave'

We carried out the 'This is an Equality Field' campaign in collaboration with Borusan Mannesmann.

We implemented the 'Key is with Women' project in collaboration with Borusan Otomotiv

We conducted the 'Women Expert Training' program with Borusan Vehicle Auction.

We launched the 'The Energy of Girl Students is the New Power of the Green Collar' program with Borusan EnBW Energy.

We provided the 'Customer-Focused Digital Marketing Training from Idea to Trade for Women Entrepreneurs' with Borusan Port.

With our advertisement film 'The Silent Ones,' we raised awareness about domestic violence.

We organized the 'See Life as Equal and Leaders Who Look Equal' seminars with Borusan Mannesmann.

We provided a 'Forklift License' course for our female employees in collaboration with Borusan Logistics.

2022

As part of the activities for 'International Day for the Elimination of Violence Against Women' on November 25th, we organized a seminar.

We joined the 'Business Against Domestic Violence' (BADV) network of companies.

We published the 'Group Parent Guide'

We prepared a coaching program for Gemlik Atatepe AMT High School in collaboration with Borusan Port.

We launched the Empowerment Project for Women's Employment in collaboration with Borçelik and BÜİKAD (Bursa Businesswomen and Executives Association)

We implemented the women's heavy machinery operator training project in collaboration with Borusan Cat and Kaltun.

We launched the 'There's a Woman's Hand in This Job' project in collaboration with Supsan.

Together with Borusan Logistics, we organized the 'Equality Through the Eyes of Children' painting competition. Additionally, to raise awareness, we gifted the 'Equal Tales' book to the children of Borusan employees.





Strong Women Strong Logistics

Borusan Logistics launched the "Strong Women, Strong Logistics" project to promote gender balance in roles traditionally dominated by men, such as warehouse positions, heavy machinery operators, and truck drivers. The initiative also aims to increase demand for the truck driving profession, which has seen declining interest. The project provides training opportunities to enhance the competencies of female employees in these areas. Candidates who perform well in training are offered employment, increasing the number of women in male-dominated fields and contributing to the empowerment of women.

Within the scope of the project, partnerships have been established with vocational training institutions, schools, and local authorities, offering mentorship to candidates in need. In alignment with Borusan Logistics' commitment to gender equality and women's active role in the workforce, we support our female warehouse employees by providing additional training for them to obtain operator licenses.

Project Outputs:

- In 2023, we employed 5 female truck drivers and completed their training processes.
- Through the "This License Carries the Power of Equality" project, we enabled over 100 lifting and transportation equipment operators to obtain licenses and assisted them in completing their training.
- Today, we operate one of the lines at our Vehicle Logistics Center entirely with female inspectors and organize the transfer and placement of vehicles in the storage area with female drivers.

Key Achievements:

- Employment areas for female field employees are being diversified.
- Employment is supported by introducing female truck drivers to the sector.
- Increased awareness of gender equality among employees and external stakeholders has been observed, contributing to breaking down biases.
- Job applications for forklift operator positions have risen.

SDG 5: Gender Equality

With our "Strong Women, Strong Logistics" initiative, we reached the finals in the Inspiring the Future Awards.



Güçlü Kadın Güçlü
Lojistik! (youtube.com)



2.14.3. Borusan Logistics – Talent Management

Within the Borusan Group, we position talent management and development as an inclusive, accessible, dynamic, and diversity-driven continuous learning circle. Aligned with our core business strategy, we continue to create added value for Turkey's economy, focusing on a vision open to global markets and committed to developing innovative products and services. As we create this value, we grow and develop every day alongside Borusan Logistics employees who share the same vision and enthusiasm. Our goal is to transform our colleagues' potential into high performance while offering a fulfilling, meaningful, and unique work experience.

In our Talent Management process, we evaluate our employees' performance results and future potential, identifying standout talents within our organization. Through inclusive initiatives that generate positive social impact, we strive to strengthen talent management.

With our "Career = Development" approach, we recognize that the path to advancing all Borusan employees and the Borusan Group lies in continuous growth. We believe our success comes from enhancing our team members' competencies and talents, working together toward shared achievements. Established in 2007, Borusan Academy reinforces this vision by providing distinctive development solutions and pioneering flexible and digital applications for our employees.

In addition to our regular performance evaluation process, we use the "Puantum" application to foster a feedback culture. Our aim is to maximize employee potential through both feedback-driven initiatives and Performance Management Processes. Employee feedback is tracked not only through satisfaction surveys but also through suggestion systems.

Borusan Lojistik 50. Yaşında
- Gelecekte İzimiz Var!



Talent Management processes at Borusan Logistics are aligned with the Borusan Group approach and are structured as outlined below.

Career Management Process:

We aim to develop career plans for our employees that support both their professional and personal growth in alignment with company strategies. To achieve this, we design both horizontal and vertical career paths within the organization, ensuring continuous development and long-term success for the company. Employees are placed on a talent map based on their performance and potential outcomes.

Following committee meetings, employees identified as Future Leaders receive a tailored communication plan from their managers, and those who complete a career development form are provided with feedback on their career expectations. The needs of employees in the talent pool vary by level, and they are enrolled in relevant programs defined as the Leadership Faculty.

To ensure continuous growth for employees in the Future Leader group, they are encouraged to keep their skills and knowledge current through development actions involving blended learning methods aligned with strategic focus areas. This support continues after they complete the talent development program. Among our sustainability performance indicators is the "Future Leader Annual Attrition Rate %," reflecting our primary goal of ensuring our talent remains happy and productive within our companies.

Mentorship Programs

The mentor-mentee relationship is formally implemented for employees newly promoted to managerial positions, participants in the Leadership Faculty, and young talents joining the group through our Alpha Program for recent graduates.

The Mentorship Program is designed as a development tool tailored to the needs of different segments, using innovative methods. It is structured to meet the goals of various target groups and purposes.

Coachlike Leadership Program:

The Coachlike Leadership Program targets first-level, mid-level, and senior management who lead teams, providing participants with the opportunity to strengthen and demonstrate coaching skills that enhance both their work and personal lives. Through this people-centered development journey, participants gain practical knowledge on coaching their teams, supported by professional coaches to turn these insights into actionable skills.

	Number of Mentors	Number of Mentees
2022	9	6
2023	18	9



Notice Sustainability! (Be Aware!)

Launched in 2015 by the Business Council for Sustainable Development Turkey (SKD Türkiye), the Be Aware! (do!) project is an internal communication initiative aimed at creating awareness and promoting resource conservation. Borusan Logistics became the first company to join this project. In 2022, we developed our communication network with a methodology that reached over 4,000 employees and established our Be Aware! Teams.

Our goal was to foster a culture of sustainable consumption within the organization and support employees in becoming responsible individuals in their daily lives regarding resource use and recycling. This aligns with the five main categories in SKD Türkiye's assessment system: governance, sustainable procurement, energy management, water management, and waste management. Thanks to the spread of our project, we earned an award in the Internal Communication category at the Sustainable Business Awards.

Project Outputs:

- Through Inspiring the Future trainings, we had the opportunity to provide 2,745 person-hours of training.
- Sustainability Legal Compliance Training by Narter Law totaled 296 person-hours.
- Sustainability workshops gave us the chance to hear suggestions from all our colleagues (63 person-hours).
- Sustainability meetings allowed us to conduct 208 person-hours of seminars.

Borusan Lojistik "Duyarlı Ol!"
Projesinde Altın Sertifika
Aldı - ekoIQ



do!
DUYARLI OL



Key Achievements

As part of this communication initiative:

- We formed a Be Aware! team of volunteers, conducting internal awareness activities with them and aiming to expand our impact through their involvement.
- We launched Inspiring the Future trainings, including events and awareness sessions with the Aegean Forest Foundation at the Zero Carbon Point Center. Our sustainability team increased engagement through internal training, gamified content, and sessions. We also organized Legal Compliance Awareness Trainings with Narter Law.
- We became the first company to achieve the Gold Level Certificate under the "Be Aware! (do!)" project organized by the Sustainable Development Association.



SDG 17 Partnerships for Purposes / SDG 4 Qualified Education





The Captain is Valuable!

Recently, Borusan Logistics has also been affected by the driver shortage crisis, which has had a significant impact on the logistics sector in both global and local markets, affecting our business continuity and customer satisfaction. According to a 2023 study, of the 2.6 million driver shortage worldwide, more than 85,000 are in Turkey, accounting for over 10% of total driver positions. This critical shortage has led to noticeable disruptions in key supply chains, particularly in European countries like the UK. The decrease in the number of heavy vehicle drivers is especially concerning, as it poses a serious challenge for the logistics sector.

The essential role of the logistics sector in the economy became evident through the sacrifices made during the pandemic and, unfortunately, during the earthquake disaster at the beginning of this year. Heavy vehicle drivers are among the most crucial actors in logistics. The driver shortage crisis could become an even more serious issue in the coming years.

At Borusan Logistics, we have initiated social responsibility projects and collaborative efforts with our clients to address this issue. Our goal is to make the profession more valued and to raise public awareness on the matter. The "The Captain is Valuable" initiative was launched as part of this effort. As part of the project, we first engaged in one-on-one sessions with our drivers to understand their needs and expectations. From this feedback, we identified areas for social and physical improvements in the profession.

Under this initiative, we built a new waiting area in our Gemlik Pregate location, the busiest site for our drivers. The area now



includes updated facilities: a canteen with an expanded product range to meet needs, renovated restrooms and prayer rooms, a dedicated dressing room for female truck drivers, shower facilities for hygiene and cleanliness, and dedicated cleaning staff for continuous service. We also organize specific days each month for drivers to spend time together in Gemlik, creating a social environment for them. Our aim is to foster a sense of belonging in the profession while also providing them with physical comfort.

Additionally, we work with our clients on awareness initiatives, taking steps to renovate and improve the waiting areas for truck drivers at client locations as well..

SDG 8 Decent Work and Economic Growth
SDG 17 Partnerships for Purposes

Gemlik Pregate Alanını Yeniledik!



2.14.4. Social Benefit

Borusan, committed to repaying its debt of gratitude to society, focuses on education, culture, and the arts to provide social benefits, implementing comprehensive projects in these areas. Community engagement is driven by Borusan Logistics' Corporate Social Responsibility (CSR) philosophy and policies, aiming to set an example and advance the industry through active participation and sponsorships.

As Borusan Logistics, we recognize our responsibility to benefit both the community we operate in and all stakeholders, inspired by the leadership role we hold. Within our CSR framework, considering the expectations of not only employees, customers, and shareholders but also the broader community is one of our core values. We aim to contribute to the social and cultural development of society and be one of the exemplary institutions in our country with our social responsibility efforts.

As the Borusan Group, we view sustainability — encompassing environmental, social, and economic dimensions — as the foundation of our business processes. Our organization, known for its ethical values, incorporates sustainability principles into our 5-year strategic plan, shaping our investments and programs accordingly. Renewable energy investments, for example, reflect the integration of Borusan Group's sustainability philosophy into its business strategies.

Due to technological advancements, Borusan Logistics' reputation and marketing management efforts have expanded beyond traditional methods to include digital platforms. Our social responsibility initiatives focus on children, education, sports, and the environment. We organize and support projects that contribute to development in these areas, while also aiding the growth of the regions we operate in, as part of our CSR commitment.

At Borusan Logistics, we have developed numerous projects within our focus areas centered on women and children. Our primary focus in these projects is our employees and their families; however, contributing to broader societal development remains one of our core responsibilities.

We understand that impact within the ecosystem progresses like a butterfly effect. By raising awareness among our children, we recognize the potential to drive change within society.



*Mardin Atmaca İlk Okulu
Yardım Kampanyası-2023*





Green Child Festival

At Borusan Logistics, our work involves dispersed locations and diverse job groups, which we see as an opportunity. We recognize the challenge of creating shared time and a common language in such an environment. While it's difficult to gather all employees working in different dynamics at the same time and to reach children from various backgrounds with the same message, we wanted to begin awareness efforts with our employees' children. Through events that bring everyone together and benefit children, we aim to increase "sustainability awareness and knowledge."

In this scope, our Green Child Festivals are organized on weekends at child-friendly, carefully chosen office locations, with a new location each time. By inviting only the age group predetermined for the event and extending invitations irrespective of department or job function, we emphasize inclusivity and equality.

At the Green Child Festivals, we aimed to help children build a closer relationship with nature and learn eco-friendly behaviors. During the events, the waste sorting activity taught children how to separate waste and understand the importance of recycling. The maracas-making activity demonstrated how recyclable materials can be used and allowed children to express their creativity. Additionally, the seed ball activity enabled children to experience plant-growing skills and fostered their love for nature.

The Green Child Festival originated from the results of a 2022 Sustainability Perception survey, and we will continue regular awareness activities within this framework.





Drawing Competition

Since 2022, we have been organizing drawing competitions with the children of our employees to understand the world and sustainability through their unique perspectives and draw inspiration from them. After holding our first competition in 2022, we organized the second in 2023. In 2022, our theme focused on People - Equality, and in 2023, we continued with the theme Climate - Green Logistics.

Two trucks featuring the winning artwork from 2022 embarked on a journey through all 81 provinces of Turkey, sharing the vision of equality through the eyes of the winning child. According to the young winner, equality is "a joyful and fair world where all children can play under the same sky, dream together, and share happiness." We brought this dream to life on our trucks.

In 2023, we expanded the competition by opening participation to everyone and launching the call on YouTube to reach a wider audience from the start. The winning climate-themed artwork was displayed on one of our trucks, which will continue to spread this message of awareness to the public.

Borusan Eşittir: Dünyaya Eşit Gözle Bakan
Nesiller İçin Resim Yarışması | Borusan Lojistik
Borusan Lojistik | Çocukların Gözünden
Eşitlik Resim Yarışması | Borusan Lojistik





Fairy Tales Are Beautiful When Equal!

We recognize that the foundation for embracing gender equality is related to values developed in childhood. To foster a more equal future, we distributed the Equal Tales Series, a collection of classic stories reinterpreted with an inclusive perspective, to the children of all Borusan Logistics employees in collaboration with Odeabank.

Support Projects

In addition to our focus-themed projects, we aim to make a positive impact through various support projects:

- With the participation of all our employees, we supported 30 children through the "I Have a Daughter in Anatolia Who Will Be a Teacher" project by the Association for Supporting Contemporary Life.
- Through the "Education on Hold" project by the Asım Kocabıyık Foundation, we provided support to 110 children and young people.
- We contributed to the
- Darüşşafaka Society's New Year Donation, supporting 250 children.
- In 2022, we distributed the Equal Tales book to our employees, and in 2023, we introduced the story of climate activist Greta to our employees' children in collaboration with Yuvam Dünya.

- We continued our support for the Association for Supporting Contemporary Life's "I Have a Daughter in Anatolia Who Will Be a Teacher" and the Education on Hold projects.



Customer Satisfaction

Customer focus is fundamental to Borusan Logistics' mission, values, and policies, reflecting as a culture in its business practices. The most important factor in embedding a customer-focused approach as part of the company culture is the continuous development of customer-oriented applications.

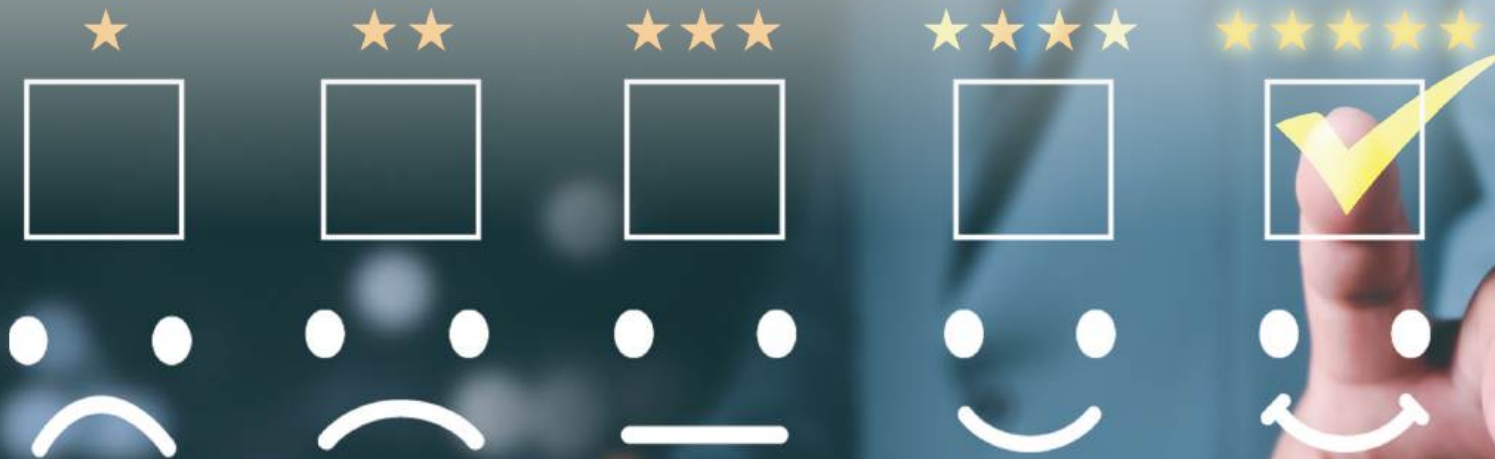
Customer satisfaction fundamentally involves developing sustainable transport models that align with the customer's strategies and goals. Route optimization, planned through optimization algorithms, leads to cost reduction, increased efficiency, emission reduction, and a competitive advantage within the sector.

The VOC (Voice of the Customer) Model has been in use since 2003 and serves as a comprehensive system for all types of feedback from customers.

The enhanced management of VOC applications over the years, reflecting back to the customer, is measured by the NPS (Net Promoter Score) conducted by the Commercial Excellence and Marketing department. Customers are contacted weekly/monthly to assess satisfaction, with feedback recorded in the CRM system. Additionally, satisfaction and loyalty surveys are conducted, identifying areas for improvement, which are then addressed with action plans to maintain and enhance customer satisfaction and loyalty for the next survey period.

In 2006, Borusan Logistics received the EFQM Competence in Excellence Award and continues its quality journey with customer feedback management practices aligned with the ISO 10002 Customer Satisfaction and Complaints Handling standard.

Borusan Logistics' customer satisfaction rate in 2023 was 82%.



Sustainable Supply Chain

In the logistics sector, supply chain management refers to the oversight of the entire process from the production of goods or services to their delivery to the consumer. Supply chain management is crucial in logistics, helping companies gain a competitive edge, reduce costs, and enhance customer satisfaction.

At Borusan Logistics, we serve over 5,000 clients across nearly all industries within a year, working directly and indirectly with Turkey's top 1,000 companies. Our goal goes beyond being a logistics provider; we strive to be a business partner that adds value to our clients' products and services through sustainable logistics solutions.

To reinforce our leading position in the industry, we have initiated Sustainable Supply Chain Meetings to increase our clients' awareness of regulations and technological developments that may impact their sectors. For the first series, we targeted clients from energy-intensive sectors such as steel, aluminum, hydrogen, electricity, cement, and fertilizer, as well as clients in automotive, home appliances, machinery, and chemicals. The initial event featured panels and presentations on the EU Green Deal and assisted clients in the logistics sector with developing their decarbonization roadmaps.

Borusan Lojistik | Sürdürülebilirlik
Tedarik Zinciri Buluşmaları
(youtube.com)

Through these events, we reached over 400 individuals and secured three contracts.

Following the event, materials related to the event were shared directly via email with 1,500 recipients. To ensure lasting impact, we also sponsored the relevant issue of ekolQ magazine, which focused on the Green Deal, and shared it with our clients.

AB Yeşil Mutabakatı'na Lojistik Sektöründen
Yanıtlar Geliyor - Sürdürülebilirlik Hakkında
Her Şey (ekolq.com)

In 2024, we will continue with three in-person meetings and two webinar series. Additionally, we have collaborated on joint carbon reduction projects with key clients. For some clients, we act as partners in their decarbonization journeys, providing route and business model recommendations to help reduce emissions.

At Borusan Logistics, we serve over 5,000 clients across nearly all industries annually. Among the value-added sectors we serve are machinery, automotive, durable goods, chemicals, cleaning products, paper and packaging, food and beverages, and fast-moving consumer goods, working directly and indirectly with Turkey's top 1,000 companies. Through our efforts, we can reach a broad audience, helping clients reduce logistics emissions and manage regulatory compliance processes, raising awareness on these fronts.

Our solutions are benchmarked by other locations of global companies, making this a high-impact project across the value chain.



In this year's Ecovadis assessment, we achieved a Bronze medal with our stakeholder-focused process approach, ranking above the industry average.

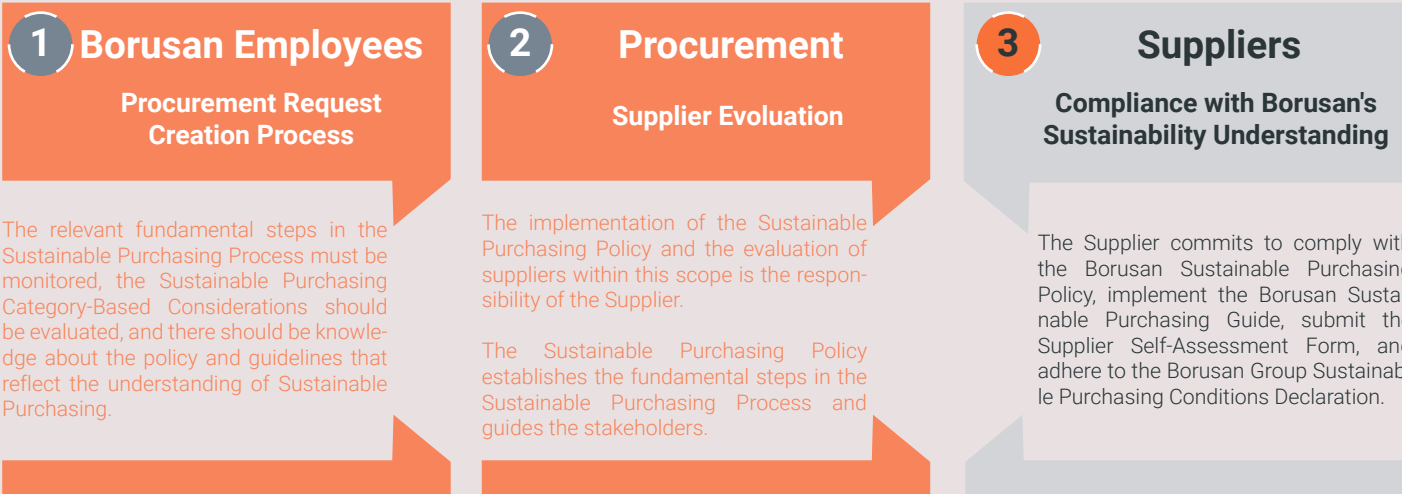


Sustainable Procurement

With the mission of becoming a 200-year-old company, we aim to create a positive impact on society and the planet through our sustainable business model, structured under the Climate, People, and Innovation (i3) value areas within Borusan.

In line with our long-term goals, we are planning a carbon-free business model. Our people-centered corporate culture, focus on social benefit, and innovation for sustainability guide our activities. With our existing approach to sustainability, we take responsibility for expanding the environmental and social impact we create among Borusan employees and throughout our value chain, and we are fully committed to these efforts.

In this context, we assess the Borusan Sustainable Procurement Approach from two perspectives: "Within Borusan" and "With Suppliers." To ensure the widespread adoption of this approach among all stakeholders, we implement a Sustainable Procurement Policy, a Supplier Self-Assessment Form, and a Sustainable Procurement Supplier Guide.



<https://surdurulebilirsatinalma.co/index.html>

In 2023, the Sustainable Supply understanding has been adopted to monitor the transformation of sustainability across our entire value chain. Throughout 2023, we conducted Supplier ESG scoring with our suppliers who are part of the agreement, and we reward our suppliers based on the results.



Borusan Logistics Sustainable Supply Chain Meetings and Customer Decarbonization Efforts

Borusan Logistics has started organizing Sustainable Supply Chain meetings to enhance awareness among its customers regarding regulations and technological developments that will impact their industries, aiming to be a partner that adds value to their products and services through sustainable logistics solutions. Initially focusing on customers from energy-intensive sectors such as iron and steel, aluminum, hydrogen, electricity, cement, and fertilizers, as well as those in the automotive, white goods, machinery, and chemical sectors, these meetings include panels and presentations to assist customers in preparing decarbonization roadmaps in line with the EU Green Deal. Our goal is to contribute to the knowledge base of importing and exporting companies, enabling them to achieve more profitable and regulation-compliant business outcomes. The first series of the event has been completed with the participation of 97 individuals from 61 companies.

Key Achievements

- Awareness has been raised regarding the reduction of logistics emissions and the management of legal compliance processes.
- Satisfaction surveys conducted after the event revealed a high satisfaction level of 4.5 out of 5, with positive feedback from customers expressing their desire for the continuation of this event.
- New business opportunities have arisen for Borusan Logistics.

SDG 9, SDG 13





Sustainable Supply Chain Certification Program

As Borusan Logistics, one of the areas we prioritize is ensuring that sustainability contributes to humanity and society and becomes an integrated culture in our way of doing business. In this context, we are including not only our existing talents and stakeholders but also potential talents, such as transportation and logistics students who will join the sector. Particularly over the last two years, with this mission, we have been educating students and young people entering the sector through university events about sustainability, global risks, and the awareness of prevention. However, we understand that this awareness will come from creating lasting training programs rather than short-term trainings.

Therefore, in 2023, we launched the Sustainable Supply Chain Certification Program under the Istanbul University Logistics Department, which is Turkey's first and only 'Faculty of Transport and Logistics,' and the Istanbul University Continuous Education Center (SEM). In this program, we provided training in climate-human-innovation focus areas to young logistics students preparing to enter the sector in a hybrid format at Istanbul University's Beyazıt campus and online through the SEM training platform. Out of the 48 hours of training, 6 hours were delivered by Istanbul University instructors, while the remaining 42 hours were conducted by expert leaders from Borusan Logistics in their respective fields. The training covered topics such as 'Fundamental Concepts of Sustainability, EU Green Deal and Compliance, Carbon Emission Calculation (ISO 14064), Circular Economy, Sustainable Purchasing, Communication, Equality and Diversity, Effects of E-commerce on the Sector, Import and Export Processes and CBAM Impact, Digital Logistics and Product Management, R&D Project Management, Artificial Intelligence and

Automation in the Logistics Sector, RPA, Career and Talent Management, and OHS Applications in the Logistics Sector.' The final exam results were also added to the course grades of Istanbul University students.

In 2024, the program will continue under Istanbul University SEM as an external offering. We expect young professionals entering the workforce to utilize the knowledge and vision gained from the training in their operational decisions or purchasing choices.

The project will contribute to many students, especially those at Istanbul University, which we view as a potential talent pool and the first logistics faculty in Turkey, by instilling a sustainability perspective. This aligns with Borusan's vision of becoming a preferred company and will propel us forward. Our project has two distinct target audiences: the first being students, and the second being the families and communities affected by these students in their lives.

Potential talents in the value chain have been equipped with a sustainability perspective in the workplace. Awareness has been raised by addressing legal and other compliance issues that will significantly impact the supply chain.

As a result of the exam taken after the training, 46 students have qualified to receive a Certificate of Achievement in Supply Chain Training.



2.14.5. Occupational Health and Safety

Ensuring the safety and well-being of employees during the execution of logistics activities, as well as the continuity of operations in the supply chain, are among our top priorities concerning Occupational Health and Safety (OHS) processes. We adopt the motto 'This is Health and Safety' and carry out operational risk analyses, performance measurements, OHS-focused trainings, drills, infrastructure development, and improvement practices within the framework of our target of 'zero fatal workplace accidents.'

Health and safety are the highest priorities for Borusan Logistics. By giving utmost importance to OHS management, we carefully monitor our activities while aiming to provide a safe and healthy work environment for all our employees, subcontractors, stakeholders, customers, and suppliers.

To ensure the health and safety of our colleagues, we plan and conduct trainings tailored to their needs, utilizing innovative training models that enhance training efficiency. In addition to mandatory trainings, annual calendars are established, and on-site discussions on health, safety, and environmental issues are conducted to increase staff awareness.

For this reason, the topic of occupational health and safety at Borusan Logistics is viewed not merely as informative activities but as a cultural transformation initiative.

OCCUPATIONAL HEALTH AND SAFETY ACTION PLAN



A total of 39,969 person-hours of training have been provided to 3,831 employees



<p>JULY</p> <p>Occupational Safety </p> <p><i>Our Occupational Safety Strategy and Goals Together Towards the Future Awaiting Us..</i></p> <p>Occupational Health </p> <p><i>Tuberculosis Awareness</i> You Are Not Alone in Your Fight!</p> <p>Environment </p> <p><i>Energy Efficiency Week</i> Let's Save in All Our Energy!</p>	<p>FEBRUARY</p> <p>Occupational Safety </p> <p><i>Occupational Health and Safety Culture is One of Our Values.</i></p> <p>Occupational Health </p> <p><i>Cancer Awareness</i> Recognize It Before It's Too Late!</p> <p>Environment </p> <p><i>Our Sustainability Efforts</i> Creating Value for Life.</p>	<p>MARCH</p> <p>Occupational Safety </p> <p><i>Workplace Risks</i> Take Safe Steps!</p> <p>Occupational Health </p> <p><i>Kidneys are Life</i> Less Salt, Healthier Living!</p> <p>Environment </p> <p><i>World Water Day</i> Let's Protect Every Drop of Water. <i>International Zero Waste Day</i> 0 Waste for 100% Efficiency!</p>	<p>APRIL</p> <p>Occupational Safety </p> <p><i>We Support Workplace Wellbeing</i> to Enhance Productivity.</p> <p>Occupational Health </p> <p><i>Heart Health</i> Let Our Hearts Beat with Health!</p> <p>Environment </p> <p><i>Earth Day</i> We Stand for a Greener World.</p>	<p>MAY</p> <p>Occupational Safety </p> <p><i>Causes of Workplace Accidents</i> The Goal is to Work Without Issues!</p> <p>Occupational Health </p> <p><i>Life in Every Breath</i> Our Priority is Occupational Health and Safety.</p> <p>Environment </p> <p><i>International Recycling Day</i> Let's Bring Waste Back to Life!</p>	<p>JUNE</p> <p>Occupational Safety </p> <p><i>Manual Handling and Safe Lifting</i> A Requirement of Our Expertise</p> <p>Occupational Health </p> <p><i>Life is in Every Drop</i> Generosity is Within Us!</p> <p>Environment </p> <p><i>World Environment Day</i> We Work in Collaboration with Nature.</p>
<p>JULY</p> <p>Occupational Safety </p> <p><i>Equipment and Pedestrian Safety</i> Our Priority is People.</p> <p>Occupational Health </p> <p><i>Get Informed, Get Vaccinated, Stay Protected</i> The Best Prevention Against Hepatitis!</p> <p>Environment </p> <p><i>World Wildlife Day</i> We Are Responsible for the Future.</p>	<p>AUGUST</p> <p>Occupational Safety </p> <p><i>Emergency Situations</i> We Are Always Prepared for Emergencies!</p> <p>Occupational Health </p> <p><i>Protecting Our Health in Hot Weather</i> Don't Let Heat Affect Our Wellbeing!</p> <p>Environment </p> <p><i>Limit Exceeding Day</i> Let's Not Deplete Ourselves While Consuming!</p>	<p>SEPTEMBER</p> <p>Occupational Safety </p> <p><i>Safe Working with Work Equipment</i> The Power of Technology is with Us</p> <p>Occupational Health </p> <p><i>First Aid</i> First Aid Saves Lives!</p> <p>Environment </p> <p><i>Green Consumer Day</i> For a Sustainable Future!</p>	<p>OCTOBER</p> <p>Occupational Safety </p> <p><i>Traffic and Road Safety</i> Let's Choose Safer Roads</p> <p>Occupational Health </p> <p><i>Health is in Our Hands</i> Let's Touch Life with Clean Hands.</p> <p>Environment </p> <p><i>International E-Waste Day</i> Let's Collect and Recycle E-Waste</p>	<p>NOVEMBER</p> <p>Occupational Safety </p> <p><i>Workplace Risks II</i> Let's Not Ignore the Risks.</p> <p>Occupational Health </p> <p><i>Not Too Much Medicine, Just the Right Medicine</i> Only When Needed</p> <p>Environment </p> <p><i>Buy Nothing Day</i> Only as Much as We Need, More is Harmful to the Environment.</p>	<p>DECEMBER</p> <p>Occupational Safety </p> <p><i>2024 Projection</i> Security from Every Angle.</p> <p>Occupational Health </p> <p><i>Make Way for Life</i> If You Want, You Can Do It</p> <p>Environment </p> <p><i>World Soil Day</i> Life Begins from the Soil.</p>



Occupational Safety Olympics Project

Our goal is to establish an Occupational Health and Safety culture through health and safety practices that are understood, internalized, and transformed into working habits and lifestyles by employees. The strongest indicator of a safety culture is when our employees feel the notion of 'I Am Valuable' clearly, openly, and without hesitation. In organizations where the safety culture is robust, employees report hazardous situations and behaviors, near-miss incidents, and incidents with or without injuries or damages without any concerns. This awareness helps them prevent the recurrence of similar incidents and ensures their own safety and that of their colleagues.

Being safe can only be achieved through complete team solidarity and strong cooperation. With this approach, a positive occupational safety culture has been internalized at our Tuzla Operations Center, which employs a total of 650 workers (with daily support for 1,000 people) across 7 different operations and 3 shifts. We have initiated the Occupational Safety Olympics Project, where team spirit is nurtured, lessons are conveyed in a competitive environment through fun games, and active participation of employees is encouraged.

In our project, we have brought together our best practices that serve our OHS cultural transformation, creating a competitive environment where teams composed of voluntary representatives from our operations compete alongside their respective managers. The monthly scores were communicated to the entire facility through emails and posters. During the Olympic period of 2023, the team with the highest score was crowned 'Olympic Champion,' while the team with the lowest score was assigned a project task that would contribute to our Occupational Health and Safety culture to conclude the year."

Project Outputs

- Compared to 2022, the number of accidents has decreased by 65%, and the number of accident-related lost days has decreased by 62%.
- Despite the increased workload compared to 2022, the accident frequency rate has decreased by 70%, and the accident severity rate has decreased by 66%.
- To enhance our feedback culture, near-miss reports have increased from 300 to 3200 over the year. Participation in on-the-job toolbox training has risen from 70% in 2022 to 85% in 2023.
- In monthly OHS-themed games, post-game evaluations have shown

higher training effectiveness compared to non-interactive training sessions.

- When examining the nature of accidents in 2023, there has been a shift from major accidents occurring during primary tasks to minor accidents occurring during secondary or non-primary tasks.

Key Achievements:

SDG 4, SDG 8



- **Health and Safety Culture:** Placing people at the core of the work and setting priorities within this framework facilitates the internalization of a positive culture.
- **Contribution to Borusan X's Corporate Culture:** Enabling employee participation and considering their feedback and suggestions has fostered a sense of value among employees, shifting from an "I" approach to a "we" approach, supporting decision-making through collective wisdom, and increasing employees' sense of belonging to their work/company.
- **Financial Losses:** Reducing the likelihood of accidents and occupational diseases related to employees' tasks or work environment has helped prevent financial damages that could arise from employees neglecting their work.
- **Safe Work Environment:** Employees have become more sensitive to situations that may pose a risk to themselves and their colleagues in the workplace, and through their reports, they have helped prevent these situations from turning into accidents. This has led to a more streamlined work environment that triggers action against hazards.
- **Customer Satisfaction:** Our efforts have ensured customer satisfaction on national and international platforms, while also enhancing our company's reputation.
- **Monitoring Individual Performance:** Awareness and monitoring of key health and safety performance indicators by all employees have contributed to a conscious journey toward the zero-accident target.
- **Improvement in Project Safety Culture:** The project's contribution to raising the level of safety culture has also positively impacted performance outcomes.



Accredited Search and Rescue Team – Disaster Management

Considering the fact that our country is located in an earthquake zone, Borusan Logistics established a volunteer-based Search and Rescue team as part of disaster management to raise awareness among our employees and the community, to be prepared for disasters, and to protect our employees by performing timely and accurate interventions with professional teams. This team also aims to contribute to society through volunteer efforts, effectively and efficiently implementing crisis management as a phase of disaster management.

Project Outputs:

- A Search and Rescue team consisting entirely of Borusan Logistics employees has been established.
- Through the project, professional search and rescue training has been completed for a total of 30 people. Additionally, 714 employees across the company have gained disaster awareness.

Key Achievements:

- Occupational Health and Safety Day/Week activities were organized at various locations, reaching 1,000 people.
- On April 28, World Occupational Health and Safety Day, Borusan Logistics gathered all operations together to reinforce our Occupational Health and Safety awareness with the "Spot the Hazards" game. We rewarded the teams that identified the most hazardous situations in the shortest time.

- During Occupational Health and Safety Week from May 4-10, we held OHS-themed games, safety theater performances, and five-sense awareness activities at our Tepeören, Çatalca, Şekerpınar, and Eskişehir Ford EPC facilities. Through these enjoyable stations, we enhanced our Occupational Health and Safety knowledge and awareness together with all our colleagues.

SDG 4, SDG 8





Home Delivery Ergonomic Load-Carrying Equipment Project

In the logistics sector, home deliveries are the line of work that relies most heavily on physical labor and offers the fewest alternatives. Factors such as delivery locations being in high-rise buildings without elevators, the need to carry items up narrow stairways in older buildings, and icy conditions at apartment entrances during winter make it challenging to develop safe solutions suitable for delivery points. Borusan Logistics Special Distribution, working with the largest white goods companies in the country, performs approximately 567,000 home deliveries per year relying on physical labor. Based on all near-misses, accidents, and incidents we've encountered in our home delivery operations, as well as an evaluation of all loads we transport, we developed equipment capable of handling the heaviest and largest items. This equipment was developed in collaboration with Borusan Logistics' Occupational Health, Safety, and Environment Department and an approved supplier.

Project Outputs:

The equipment can be adjusted to fit all products perfectly, has a foldable design that takes up minimal space in the vehicle, features dual batteries that extend working time, and can be charged inside the vehicle, meeting our operational needs. It offers excellent maneuverability on narrow staircases and provides highly ergonomic usage, as it can be continuously improved to meet our needs.

Key Achievements:

In addition to contributing to the protection of employees' health, the equipment helps prevent transport-related financial losses, optimizes the number of employees needed, and enhances customer satisfaction.

SDG 8





Equipment and Pedestrian Safety Project with Visual and Audio System

In logistics facilities, pedestrian and equipment safety is crucial for safeguarding employee well-being and maintaining overall facility efficiency. Ensuring pedestrian safety is essential to prevent workplace accidents and to allow uninterrupted workflow. At Borusan Logistics, we widely implement various technology-based safety measures at our sites to address this need.

With sensors and detection systems installed on equipment, the equipment slows down in designated danger zones when pedestrian movement is detected. This system provides simultaneous audio and visual warnings, and it also alerts the approaching pedestrian through vibrations. Additionally, sensors installed on ramps ensure that the equipment operates at a safe speed during loading and unloading.

SDG 8





Loading (Ramp) Safety

With our project design that emphasizes digitalization in occupational health and safety and uses AI-powered image processing to detect and prevent safety errors on ramps, we earned the TÜSİAD SD2 Industry 4.0 Digital Transformation awards. This recognition has accelerated our efforts to expand the project focused on identifying safety issues on ramps.

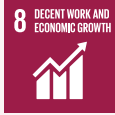
The project details involve using artificial intelligence technology to develop a recognition and alert system that detects unsafe

situations in images from an integrated camera through a pre-trained deep neural network. By integrating a mechanical stopper system with sectional door systems, we aim to minimize risk in all ramp areas and, in later phases of the project, within warehouse interiors. The design phase of the project is complete, and as of 2023, it has been gradually implemented.

Benefits:

- Reduction of workplace accidents in ramp areas
- Efficient operation management

SDG 8



2.15. INNOVATION / CARRYING TO THE FUTURE!

According to the UTIKAD report, "Current Situation Analysis of E-Commerce Logistics," e-commerce continues to develop in direct proportion to the changing and evolving global conditions. Even those who had not shopped online before 2019 experienced e-commerce. Following this period, global e-commerce sales experienced a rapid rise, and by the end of 2023, these sales are expected to reach 5.9 trillion USD. This represents an 8.9% increase over the previous year, indicating the continued year-on-year growth of the global e-commerce market. In this context, the importance of a strong and resilient digital infrastructure for the sustainability of companies has become increasingly evident. Companies that place digital transformation at the core of their processes stand out from others with their success, while those unable to keep up with digital transformation trends have been adversely affected in terms of competitiveness.

As the Borusan Group, we see digital transformation as an integral part of our sustainable value creation processes, and through our digital transformation projects, we are taking steps to confidently carry our company into the future. In the traditional logistics sector, where we have been present for 50 years, we position ourselves as a technology company, leveraging the confidence and strength this brings to provide the most suitable solutions and platforms to carry our stakeholders into the future. With a focus on innovation, our goal is to offer digital services independent of time and location, reduce risks, and drive efficiency. In line with this perspective, we allocate 52% of our investments to IT and R&D projects, solidifying our position as the company that "Carries Turkey's Logistics Sector into the Future." Through our digital applications designed for customers and suppliers on both mobile and web platforms, we aim to provide the best service by pioneering many industry firsts and differentiating ourselves in the sector. Using artificial intelligence, we have developed efficiency-focused projects in our operational processes, such as route optimization, energy efficiency, renewable energy usage, and dynamic pricing processes on the eTA Platform, and we continue to enhance these based on business needs and expectations.

In 2022, as Borusan Logistics, we ranked 132nd in Turkish Time magazine's list of the Top 250 Companies in Turkey by R&D Expenditure! In 2023, we rose within the top 500 to secure the 94th position.

With our innovation-focused sustainability approach, our goal is to redesign our processes innovatively using technology and a streamlined perspective, ensuring the reduction of operational risks and the efficient use of resources and labor. To achieve this, we have started to identify current workflows and manual process steps, building our digital roadmap. In addition to Back Office Automation and RPA transformation projects outlined in our Digital Roadmap, initiatives such as Route and Load Planning and Optimization, as well as the Order and Vehicle Tracking Program, contribute to sustainability from an innovation standpoint, taking process efficiency to the next level.

Our Borusan Logistics R&D Center, with its team of 98 employees, manages all processes within the scope of innovation. Our Innovation Strategy and Process Development steps are supported through collaboration with the Start-up/Academia ecosystem, IT-driven Data Governance foundations, a New Graduate Program, Corporate Architecture Approach, and Technology Stack development.

We approach our innovation-focused strategy under three main pillars:

- Creating Value for the Customer,
- Internal Efficiency,
- Creating Value in the Spot Market.

Our R&D team has also filed 8 patent applications, aiming to secure legal rights for all the steps we take. Collaborations have been initiated with Yaşar University, İYTE, and Okan University, and these partnerships are set to continue in the coming years.

Makale Link :



We are aware that in this era, countries that develop and adopt green technologies will gain a competitive advantage, while others risk turning opportunities into disadvantages. With our mission of sectoral leadership, we are shaping innovative approaches to prepare for future regulations.

As Borusan Logistics, we aim to have at least 50% of our processes conducted digitally by 2030.

In the logistics sector, through optimization projects, we aim to improve efficiency across all operations while reducing emissions with fewer vehicles, warehouses, and/or kilometers.

- Borusan Logistics has utilized an EBRD loan of 33.2 million USD to finance the company's capital expenditures, including measures to enhance its competitive strength. The proceeds from this loan have enabled the company to accelerate digitalization and renew its logistics fleet.



By the end of 2023, the target is to prevent the usage of 175,000 sheets of A4 paper and, by adding import declarations, to eliminate the use of 315,000 sheets annually. Additionally, the first phase of the project is estimated to save 3 person-hours in efficiency. The RPA project has enabled faster and more effective operations within supply chain management. It has also positively impacted supplier communication, inventory management, and logistics processes while reducing waste, creating a positive environmental impact.

- To drive digitalization in logistics, we organized a competition named "HACKATHON," focused on developing new prototypes for customer service, on-time delivery, route optimization, carbon emission reduction, load and vehicle tracking, load safety, and supplier management. We ensured the event was carbon neutral by offsetting the emissions generated throughout the competition.

Borusan Lojistik Hackathon
2022 – Final videosu

RPA (Robotic Process Automation) in Declaration Software

The RPA project for declaration software enables the entry of declarations without the need for printed output or human oversight. This project achieves both paper savings and time efficiency. While it may appear as simply digitalizing declarations, the RPA project has completely transformed a traditionally managed process into an integrated digital workflow.

Project Outcomes:

The declaration entry process, which is highly susceptible to operational errors, carries significant legal penalties, and is manually intensive with defined standards, has been re-engineered through this project to allow robots to perform declaration writing and checks using RPA, OCR, and artificial intelligence technology. This project marks the first instance in the industry of using robots for declaration entry, initiating a transformation within the sector. With OCR technology, text can be extracted from camera images, PDFs, or scanned documents, providing both time and cost savings.

By 2023, RPA had achieved 88% automation for export declarations. In 2024, with the onboarding of new clients, the goal is to reach 100% transformation and initiate RPA entry for all import declarations.

Key Achievements:

By the end of 2023, the target is to prevent the usage of 175,000 sheets of A4 paper and, by adding import declarations, to eliminate the use of 315,000 sheets annually. Additionally, the first phase of the project is estimated to save 3 person-hours in efficiency. The RPA project has enabled faster and more effective operations within supply chain management. It has also positively impacted supplier communication, inventory management, and logistics processes while reducing waste, creating a positive environmental impact.



DGS (Dock And Gate System)

The DGS project is a digitalization initiative focused on efficiency, covering our warehouse processes. As the need for efficiency and performance in warehouse loading and unloading operations grows, this project allows all processes and stakeholders (customers, suppliers, drivers) involved to conduct their operations in a digital environment. It was developed as a solution to manage and report on the heavy vehicle traffic in the region where local milkrun suppliers, international suppliers, and other non-milkrun local suppliers are continuously transporting materials. This includes both suppliers integrated with collaborating customers and those that are not.

Project Outcomes:

The project adds value in areas such as planning ramp capacities for truck parking and empty container management through a developed reservation structure, analyzing ramp times, real-time autonomous tracking of delays, notifying relevant operational personnel and drivers, autonomous monitoring of plan adherence, and increasing the cycle count of the milkrun fleet.

Key Achievements:

The project has enabled non-compliance checks during operations to be managed through a technological structure, allowing for immediate notification and rapid on-site intervention for any adverse situations related to occupational health and safety.





Oculus – Traceability Project

The Oculus project aims to eliminate the need for external dependencies in vehicle tracking by managing the tracking of all vehicles used in Borusan Logistics operations through a single, unified platform. Developed as an integrated tracking and alert platform tailored to operational needs, it provides end-to-end monitoring and traceability from the customer's goods acceptance process to the final delivery point across various logistics operations.

Project Outcomes:

Oculus aims to build end-to-end monitoring capabilities across Borusan Logistics' operations, ensuring vehicles are utilized at maximum efficiency while also serving as a foundational design for other innovative projects. It enables real-time alert notifications based on specific rule sets designed for operational needs, and provides up-to-date tracking via dashboards and



the Oculus portal interface. These alerts, accessible to operations teams, customers, and dealers, are intended to enhance operational efficiency and customer satisfaction simultaneously.

Key Achievements:

Aligned with our strategic plan for 2023–2025, we are redesigning our processes as part of new value propositions offered to both customers and suppliers. Throughout 2023, instead of developing projects specific to individual business units, we focused on creating product designs that deliver new value propositions encompassing all business units.



Digital Wallet Application

In our digital wallet application, payments for truck and lorry drivers are transferred to their digital wallets on the mobile app at the end of each trip. This makes freight payments much more transparent and the process significantly faster.

- Cash flow has been eliminated, and there is the advantage of free, 24/7 money transfers between wallets.
- Wallet holders can make free transfers to their bank accounts.
- Business owners can create corporate wallets to consolidate cash advances for all their company vehicles in a single wallet.
- Through a loyalty program, wallet holders can participate in a league to accumulate points, which can then be converted to cash. Drivers who secure digital trips via eTA have the chance to earn more as suppliers in the Bronze, Silver, Gold, and Platinum leagues.
- Wallet holders can make discounted purchases at partner merchants using both cash and reward points.
- Payments can be made via QR code without the need for cash or cards.





Freight Pricing Project

Developed to enhance efficiency in operational processes within road transportation, this project creates dynamic pricing for routes via the eTA platform, aiming to increase logistics sector efficiency and minimize costs.

Project Outcomes:

The digital platform serves as a connection point between suppliers and customers in the field of road transportation. A digital learning system was established for load pricing predictions using machine learning techniques and a mathematical model. Based on the developed model, efforts were made to predict transport fees on the digital platform using real data and to convey these predictions to operational units to reduce current freight costs.

The system was implemented in 2023, supported by artificial intelligence and designed to be highly resilient to sudden inflation and currency fluctuations. It adapts dynamically to current market conditions, responding swiftly to changing circumstances. Next year, the number of routes covered by the system is planned to increase. The system's reliable and fast dynamic pricing mechanism has yielded exceptionally accurate results, a rarity in the industry. This project highlights Borusan Logistics' capability to adapt to contemporary technologies in its operations.



Key Achievements:

- The project has brought about various critical successes in the road transportation sector, significantly increasing transparency in the value chain. By offering a more reliable pricing process between suppliers and customers, it has contributed to raising industry standards through transparent processes.
- Operational efficiency has increased. With the AI-supported algorithm, load predictions are now more accurate and faster, resulting in a noticeable improvement in process efficiency.
- The project was presented by the AI team at an international conference, receiving positive feedback from participating companies and university members. The project process has been published as an international article, and a national patent application has been filed for the project.

SDG 8, SDG 9





Route Optimization

Route optimization is a sophisticated strategy aimed at skillfully managing the complex logistical mazes that businesses face. This remarkable approach not only enhances traditional transportation and distribution processes but also provides businesses with various advantages to keep them ahead of the competition. To achieve this goal, route optimization combines precise data analysis with intuitive technology integration, enabling businesses to guide every step within the supply chain seamlessly. Alongside operational excellence, this strategy also supports environmental sustainability goals, reshaping business models and equipping companies to meet future demands. Route optimization empowers organizations with the potential to lead not only in logistics but also in innovation and competitive advantage.

Project Outcomes:

Looking at the Borusan Logistics Route Optimization project, İzmir and Bursa were selected as pilot regions in the initial phase, with the project then expanding across Turkey.

The sophisticated strategies of route optimization reshape an organization's logistical framework, opening the door to innovation and providing the business world with unique opportunities. This innovation not only allows for more efficient management of current operations but also offers a competitive edge in strategic planning for the future. Beyond this, route optimization demonstrates advanced leadership in decarbonization and sustainability, integrating environmental responsibility. Combined with electric vehicles, smart energy management, and sustainable logistics solutions, this innovation provides businesses with the ability not only to minimize environmental impact but also to meet societal expectations.

Route optimization emerges not only as a logistics strategy but also as a key that opens the door to innovation for businesses. In implementing route optimization, we meticulously examined existing transport data and identified operational challenges.

At this stage, we used an intelligent algorithm developed by the AI team to refine address information. We continuously shared the process with our internal and external stakeholders. Another key step was establishing and implementing the data flow and integration processes, which was successfully completed. After the technical components of the project were finalized, one of the critical stages involved field-testing the proposed routes. During this phase, routes were implemented according to predefined parameters, and their performance was monitored. Supported by continuous data analysis and feedback, this process assessed the effectiveness of optimized routes in real-world conditions. The project outcomes include tangible benefits such as a significant reduction in transportation costs, improvements in delivery times, and increased overall operational efficiency.

Key Achievements:

In conclusion, the route optimization project, when approached with effective risk management and opportunity assessment, is a strategic initiative with the potential to enhance competitive advantage in the sector and contribute to sustainability goals.

With our Route Optimization project, we reached the finals in the Innovation category at the Inspire the Future Awards. You can access detailed information about the route optimization project through the provided link.

Rota Optimizasyonu
(youtube.com)



Digitalization in Carbon Measurement and Monitoring

As Borusan Logistics, we receive over 100 requests annually from our clients for sustainability reporting, emissions compliance, and joint projects. To meet these demands, we are leveraging our R&D center's capabilities to enhance our carbon calculation mechanism on MS PowerBI, incorporating Climate-People-Innovation goals. In our first phase, we are testing our system—designed as an alternative to similar solutions sold by other companies—where data entries are manually recorded.

Additionally, we have developed an e-invoice kWh report on SAP and integrated our data from ATLAS UT, LTL, and eTA into the system, enabling us to provide end-to-end reporting (from vehicle tracking to performance) soon.

In the final phase, we aim to offer low-emission route recommendations to our clients based on predictive analytics. Furthermore, with partnerships with Apollo IoT and Powerhud, we now track energy consumption—previously managed manually—through notifications via SMS, email, or mobile app. Even if electricity usage remains constant across facilities, we gain cost advantages by adapting processes to daily PTF forecasts.

Through AI-driven analysis, we've been able to reduce costs without decreasing energy consumption by selecting tariffs that match our usage patterns. This approach also helps us prevent errors in billing due to incorrect tariffs or taxes. By monitoring energy leaks and real-time consumption fluctuations, we've increased our technical teams' response speed for interventions.

Bölüm 3 :

BORUSAN PORT

 **BORUSAN
PORT**

PORT
SERVICES



3.1. GENERAL INTRODUCTION

Borusan Port operates in three main business units: Port Services, Project Transportation and Chartering, and Project and Heavy Transport. This structure leverages the synergy of these interconnected service areas, benefiting from centralized management.

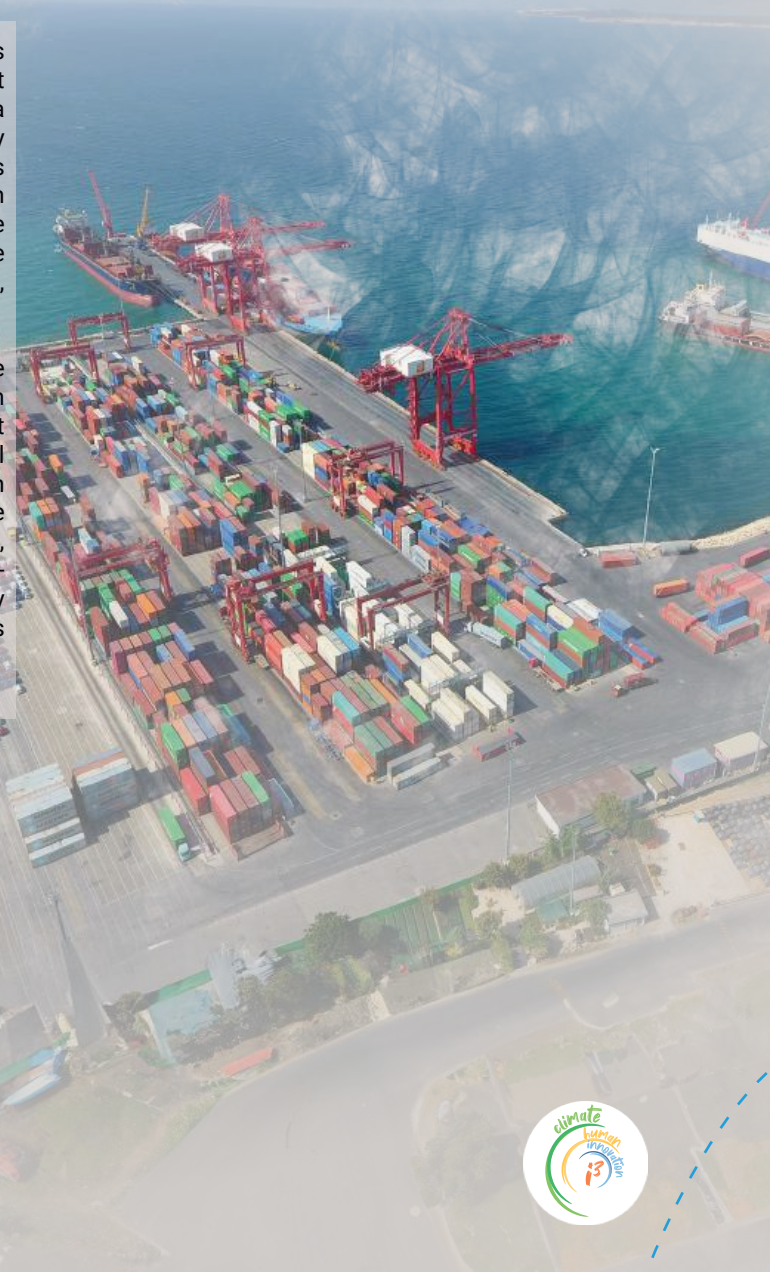
Port Services, located strategically in the Gemlik Region, serves a rapidly growing hinterland with diverse product groups. Within this scope, Borusan Port holds significant market shares and can simultaneously provide services in four segments: general cargo, project cargo, containers, and vehicle handling.

Borusan Port's presence in different segments supports financial performance through high flexibility and capacity utilization. Consequently, Borusan Port is a leader in General Cargo, Project Cargo, and Vehicle Handling operations in the Gemlik Region. For project cargo, it is one of the top preferred ports in the Gemlik Region and its surrounding hinterland. Thanks to its expertise and specialized equipment, Borusan Port handles project cargo of various sizes and weights, including Turkey's largest-scale loads.

The Project Transportation and Chartering business unit provides international vessel chartering and brokerage services. With a focus on exports to Europe and America, the annual cargo volume exceeds 1.4 million tons. The portfolio places significant emphasis on door-to-door project shipments. Project transportation services include port handling in both domestic and international ports, all types of inland transportation, and consultancy services. Through its capabilities in vessel arrangements, port operations, and road transport, Borusan Port delivers door-to-door integrated services for its clients on an international scale.

The Project and Heavy Transport business unit handles overland transportation of heavy and oversized loads, port organization, and warehouse services. Equipped with a specialized team, proprietary equipment, and a robust supply network, it can manage multiple projects simultaneously. It is particularly distinguished in Turkey for its capability in transporting wind energy equipment and machinery. As the market leader in export-oriented port transportation and one of Turkey's top logistics firms for heavy project cargo, Borusan Port stands out in this sector.

Borusan Port is among Turkey's first ports to receive the Green Port Certificate, providing world-class services through significant investments and a skilled, experienced team. It has an annual handling capacity of 5 million tons of general cargo, 450,000 TEU containers, and 350,000 units vehicle in port and terminal services. Additionally, it can accommodate large container vessels with a capacity of up to 13,000 TEU, providing 1,773 meters of berth and a 520,260 m² bonded/-non-bonded terminal area. With a 635-meter linear quay length and a water depth of 14.5 meters, it can handle vessels carrying up to 20 rows of containers.



3.2. OUR SERVICES

With over 40 years of operations, Borusan Port's core strategy is to position itself as a strategic business partner for its clients through an integrated logistics approach in port services, incorporating sustainability into its business strategy. Borusan Port conducts its sustainability initiatives with a focus on climate, people, and innovation, developing business models that value people, benefit society, and are environmentally conscious.

PORT SERVICES

General Cargo Services

As the regional market leader in general cargo, Borusan Port specializes in handling steel products (coil, pipe, plate, profile, etc.), palletized goods, big-bag, and packaged items. With a capacity of 5 million tons per year and extensive facilities including bonded, non-bonded, and Type A warehouses with both open and closed storage areas, Borusan Port manages all processes in an integrated manner, covering "vessel loading, unloading, terminal, and storage services."

Our services include:

- Loading and Unloading Services
- Lashing/Unlashing Services
- Terminal Services
- Storage Services (bonded, non-bonded, and Type A warehouse, open/closed areas)
- Stock Management
- Repair, Welding, and other Mechanical Services

Container Services

At Borusan Port, we provide world-class services to Super Post-Panamax container vessels with a 635-meter linear berth and a water depth of 14.5 meters. Equipped with high-tech machinery, we achieve high handling speeds, offering a service rate of 90 containers per hour for mainline vessels. For feeder vessels, we offer six alternative berths of 200 meters or more at the most extensive facility in the region.

Using NAVIS SPARCS N4 software, we operate in an integrated structure with our clients, seamlessly planning and managing all container operations, terminal yard, and quay operations.

Our port has an annual container handling capacity of 450,000 TEU. Our container services include:

- Loading/Unloading/Shifting
- Storage
- CFS Operations (in our open and closed areas)
- Reefer Container Terminal Services
- Empty Container Depot
- Loading/Unloading/Lashing Services for Special Cargo
- Stock Management
- Container Repair & Hot/Cold Water Washing
- IMDG Container Services

Container CFS Service

In addition to container port services, Borusan Port adds value for its clients with a 30,000 m² CFS area, providing loading/unloading and customs services for up to 500 TEU containers per day.

Our CFS services include:

- Stuffing
- Stripping
- Full Inspection
- Sampling
- Inspection
- X-Ray
- L/S/D Services for all cargo groups

Vehicle Handling Services

With new investments and a minimum stock area for 7,000 vehicles, Borusan Port holds significant capacity in its region. Thanks to its expert team and operational proficiency, it provides Ro-Ro services with an average loading speed of 130 vehicles per hour. The annual vehicle handling capacity is 350,000 units.

Our vehicle handling services include:

- Loading/Unloading
- Stevedoring
- Warehousing
- Washing
- Lashing/Unlashing
- Labeling
- Stock Management
- Trailer Truck Ramp Service
- Fuel Service
- Battery Reinforcement Service
- Other Additional Services



Project and Heavy Transport

At Borusan Port, we handle approximately 40,000 tons of "project cargo" annually, including Turkey's largest-scale project loads in various sizes and weights. Our specialized team's extensive experience, advanced equipment, and strategic location are just a few reasons why we are the top choice for project cargo.

Our services include:

- Loading/Unloading (Machinery, tanks, wind turbines, coils, yachts etc.) Service
- Load Lashing/Unlashing Services
- Welding, Cutting etc. Services



Non-Bonded Warehouse Services

- Container Stock Management
- Container Damage Control & Classification
- Reefer PTI (Pre-Trip Inspection)
- Container Washing, Drying & Sweeping
- Container Repair & Painting
- Container Tarp Installation & Removal
- General Purpose Storage

Project Cargo

At Borusan Port, we handle approximately 100,000 tons of "project cargo" annually, including Turkey's largest-scale project loads in various sizes and weights. Our specialized team's extensive experience, advanced equipment, and strategic location are just a few reasons why we are the preferred choice for project cargo.

Our project cargo services include:

- Loading/Unloading (e.g., machinery, tanks, wind equipment, coils, yachts)
- Lashing/Unlashing
- Welding and Cutting Services

Project Transportation and Chartering

We provide fast, economical, high-quality, and secure general cargo vesselling services to any port worldwide. In addition to sea transport, we offer regional price research, port organization services for loading and unloading, road transportation, and consultancy in maritime law based on customer requests.



3.3. ECONOMIC PERFORMANCE

In 2023, Turkey's port sector saw significant developments in its economic outlook. Digitalization and green transformation also emerged as key focus areas for the sector. Achieving digital transformation in ports, enhancing efficiency, and aligning with environmental regulations, such as the European Union's border carbon taxes, became critical.

In 2023, Turkish ports experienced growth in various cargo types: a 5.1% increase in general cargo, 13.7% in liquid bulk cargo, 4.4% in Ro-Ro, and 1.2% in container cargo. Additionally, the importance of efforts to reduce the carbon footprint in port operations was emphasized as part of sustainability goals. Turkey's logistics sector, influenced by global crises and geopolitical developments, developed new strategies to make supply chains more resilient.

Türklım's Sector Report

These developments in the sector highlight the importance of investments and policies aimed at enhancing Turkey's competitiveness in port operations. Additionally, in early 2023, the Russia-Ukraine war caused delays for vessels passing through the Black Sea and led to shorter cargo dwell times at ports.

At Borusan Port, our Port - General Cargo operations primarily serve our group companies, Borçelik and Borusan Boru, for steel coil imports and exports. Like the rest of Turkey, we felt the impact of the industry-wide contraction in the steel sector in 2023.

In our Port - Container operations, beyond the effects of the war, high inflation and declines in GDP in Turkey and Europe post-pandemic have reduced demand, relieving port congestion and accelerating the decrease in freight rates. Container operators are attempting to counter this rate decline by reducing the number of trips on long routes.

Additionally, the escalating conflict between Israel and Palestine, which has spread to the Red Sea, combined with the ongoing war in the Black Sea, has impacted transit handling in the Turkish market due to Turkey's geographical position.

In our Port - Vehicle handling operations, the high volume of spot business in 2023, combined with congestion at Gulf ports, has increased the volume of vehicles handled in the Gemlik Region. Additionally, the growing investments in wind energy (WES) worldwide and in Turkey have positively impacted market growth, allowing us to capture a share of this expanding market.

Despite these challenges, in 2023, we handled 3.1 million tons in General Cargo, 97 kTEU in Container operations, and 224,000 units in Vehicle Handling operations.

Compared to 2022, the main differences included delays in vessel schedules due to the conflicts in the Black Sea and Red Sea, as well as a decrease in business volumes in line with reduced demand. **Nonetheless, 2023 was a financially successful year, with Port Services revenue reaching \$147.4 million, including \$54.3 million in the port sector, \$68.6 million in Vessel Chartering, and \$24.6 million in Project and Heavy Transport.**



3.4. BORUSAN PORT AT A GLANCE

In 2023, Borusan Port achieved the following capacities in its key operations:

- General Cargo: 3.1 million tons handled
- Container Operations: 97,000 TEU handled
- Vehicle Handling Operations: 224,000 vehicles dispatched from the port

CLIMATE – HUMAN – INNOVATION

In 2023, we initiated the East Terminal Modification Project within our port business unit.

In line with our digital initiatives, we have launched projects focused on transforming our processes for efficiency, enhancing customer benefits, boosting employee productivity, improving workplace safety, and contributing to our company's sustainability principles. As part of this effort, we invested in projects like the Automated Shift Planning System, Project Heavy Transport ERP Systems, and the B-imza project, developing all software in-house with our own resources. Notably, our B-imza project reached the finals in the Innovation-Product category at the Sustainable Business Awards organized by the Sustainability Academy.

We have developed technologies aimed at streamlining our operational processes to align with our technology investments, focusing on areas where change is necessary. Additionally, these initiatives, which we launched to digitalize both local and corporate processes across all areas where we interact with stakeholders, have been structured and completed to provide parallel benefits to our customers' operations.

We have developed projects to create shared platforms for our customers and group companies, integrating our processes to enhance efficiency and collaboration.

The "Hope of Marmara: Pina" project, led by Prof. Dr. Mustafa Sari, aims to protect the Pina populations, which are unique to the Marmara Sea and can filter 6 liters of water per minute, from the impacts of mucilage and ecosystem damage caused by climate change. As Borusan Port, we have joined this project as a communication sponsor to raise awareness in coastal cities.



3.5. BORUSAN PORT IN NUMBERS



Number of Employees

585



Accident Frequency Rate

13,09



Incident Gravity Rate

0,59



Office Female Employee Ratio

33 %



Field Female Employee Ratio

6 %



Business Volume

Container (TEU): 96,810
General Cargo (tons): 3,272,937
Vehicle Handling (units): 223,680
Chartering and Project Transportation (metric tons): 1,295,716
Project and Heavy Transportation (units): 2,470 towers, 369 blades



Savings

42980 KW elektrik



Amount of Recycled Waste

1252 ton



Reduced / Prevented Emission Amount

406 ton CO2



Renewable Energy

S3 Roof Solar Power Plant: 0.99 MW
weighbridge -TM2 Roof Solar Power Plant: 0.03 MW

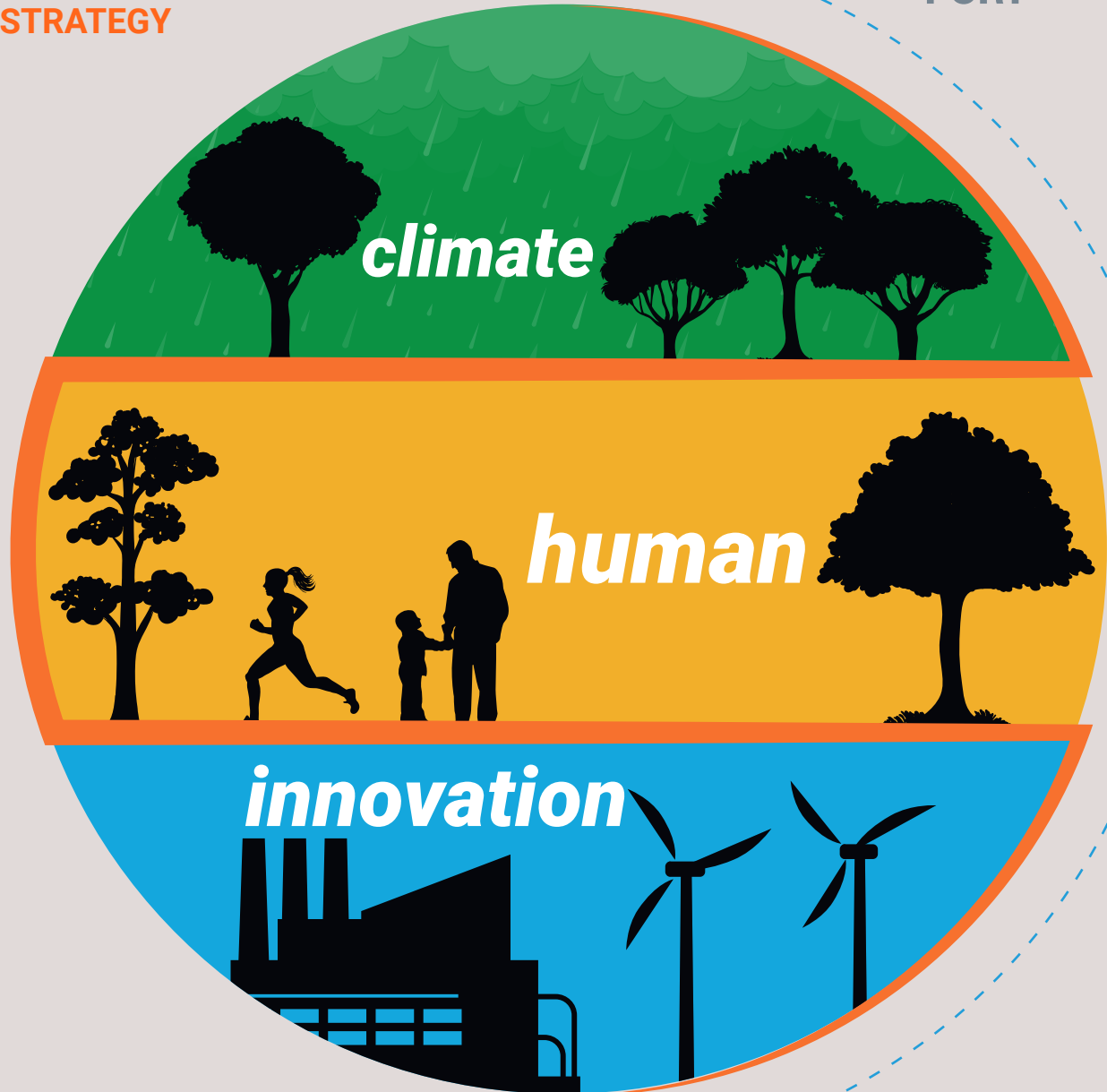
3.6. OUR BORUSAN PORT SUSTAINABILITY STRATEGY

The value creation strategy of Borusan Port is focused on climate, people, and innovation, aiming to add value to business processes in collaboration with all internal and external stakeholders. Embracing our responsibility as a leader in the industry, we consistently adopt and lead more innovative approaches.

Key topics have been identified and prioritized in alignment with Borusan Holding's strategy and the Sustainable Development Goals. We are working diligently to achieve our goals while advancing our strategy to contribute to the preservation of ecological balance. We regularly monitor our targets, prioritizing issues, stakeholder expectations, and national and international developments.

With our commitment to continuous improvement and efficiency as Borusan Port, we aim to create sustainable value for all our stakeholders as a port operator providing world-class services in general cargo, container, and vehicle handling operations. In addition to being a port operator, we stand out in the logistics sector with our comprehensive logistics understanding through Chartering and Project Transportation as well as Project and Heavy Transport business units.

We aim to add value to our business processes through innovative practices focused on climate, human, and innovation.





CLIMATE

- ❖ **Developing Carbon-Neutral Business Models (SDG 13):** Reducing carbon emissions in Scope 1 and 3 through our decarbonization projects.
- ❖ **Using Clean and Renewable Energy (SDG 7):** Increasing the use of renewable energy and reducing our Scope 2 emissions through Energy Efficiency Projects, while supplying all of our energy needs from renewable sources with on-site wind and solar power plants.
- ❖ **Responsible Resource Use and Contribution to a Circular Economy (SDG 12):** Reducing waste and sorting it at the source, transforming it, and using resources efficiently.



HUMAN

- ❖ **Sustainable Talent Management (SDG 8):** Ensuring sustainable talent and youth talent management.
- ❖ **Borusan Equals (SDG 5, SDG 10):** Supporting employment and career management in workplaces under the themes of Equality, Diversity, and Inclusion, while working to enhance and increase women's employment in the industry.
- ❖ **Contributing to Quality Education for Children/Youth (SDG 4):** Raising sustainability awareness among children and youth and supporting education.
- ❖ **Creating Healthy and Safe Work Environments (SDG 8):** Creating safe working environments through technological solutions and promoting a culture of Occupational Health and Safety to establish decent working conditions.



INNOVATION

- ❖ **Creating Sustainable Growth and Future-Ready Business Models (SDG 8 - SDG 9):** Developing carbon-neutral and circular business models by digitizing processes with agile business models that meet the requirements of the era.

One of the key areas of the strategy is "**Effective Sustainability Approach.**" Our primary goal is to be a company that stands out in our industry through pioneering practices focused on Climate, Human, and Innovation.

Borusan Port Sustainability Roadmap and Our 2030 Goals

CLIMATE

Developing "Carbon-Neutral" Business Models

- Establishment of a measurement, monitoring, and reporting mechanism for emissions in compliance with CBAM

Becoming Carbon Neutral

Using Clean and Renewable Energy

- Renewable Energy Usage

- Energy Efficiency Projects

Deployment of Solar and PV Systems

Responsible Resource Use and Contribution to a Circular Economy

- Supply chain management in accordance with sustainable procurement criteria.

- Reducing water consumption and increasing recycling.

- Minimizing waste sent for disposal and participating in its transformation.

- Creating environmental awareness for all our stakeholders.

18% Water Reduction and 33% Waste Reduction

HUMAN

Sustainable Talent Management

- Alpha and Future Leader Program
Borusan X Culture Transformation Project

- Sustainable Employee Engagement

Employee Engagement
Future Leader & Alpha Intern

Borusan Equals

- Increasing the Number of Women Employees in Field, Office, and Leadership Positions"

- "Raising Awareness on Equality and Diversity"

- "Hearing Every Employee's Voice Equally with the Motto 'Together We Are Strong'"

%38 WC
%19 BC
%29 Leader

Contributing to the Quality Development of Children

- Collaborating with vocational high schools to bring young talents into the industry

Creating Healthy and Safe Working Environments

- Achieving Zero Fatal Accidents, Reducing Accident Frequency and Severity Rates

- "Creating Safe Working Environments with Technological Solutions"

- "Establishing and Enhancing a Health and Safety Culture"

decrease 57% in KSO and 38% in KAO

INNOVATION

Creating Sustainable Growth and Future-Ready Business Models

- Developing circular and carbon-neutral business and service models.

- Reducing operational risk through process automation and ensuring effective and efficient resource and workforce utilization.

- Adding value to customers through system integrations.

- Contributing to the company's sustainability principles through digital transformation projects.

3.7. TRANSITION RISKS AND OPPORTUNITIES

SECTORAL TRENDS	BORUSAN PORT POTENTIAL IMPACT AREAS, RISKS, AND OPPORTUNITIES	BORUSAN PORT'S MATERIAL TOPICS	BORUSAN PORT KPIs
<ul style="list-style-type: none"> • Technological advancements • Green transition and decarbonization • Climate change mitigation and adaptation • New trade routes 	<ul style="list-style-type: none"> • Uncertainties created by political conditions, possible risks to sales due to international sanctions and wars • Risk of inability to realize investments due to potential regulatory non-compliance related to previously obtained certifications and investment permits in the Marmara Sea region, designated as a special protection area • Risks associated with non-compliance with regulations and the resulting commercial risks • Inability to adapt to changing conditions in the industry and failure to achieve set targets as a result • Risk of not being able to renew certifications • Accessing alternative markets and developing new business areas through market research • More effective use of existing capacity • Investment in renewable resources being streamlined 	<ul style="list-style-type: none"> • Climate change mitigation and adaptation • Circular economy and waste management • Water management • Talent management and development • Inclusion, diversity, and equal opportunity • Occupational health and safety 	<ul style="list-style-type: none"> • Scope 1 emissions • Scope 2 emissions • Amount of hazardous and non-hazardous waste • Water consumption • Accident frequency rate • Accident severity rate • Number of fatal accidents • Number of major accidents • Employee engagement survey score • Future Leader Turnover Rate • Borusan Alpha Turnover Rate • Percentage of female employees


3.8. OUR MISSION, VISION, AND POLICY

OUR MISSION



To create sustainable value for all our stakeholders as a port operator providing world-class services in container, general cargo, and vehicle handling operations through our commitment to continuous improvement and efficiency.

OUR VISION



To be a strategic partner for our customers through our holistic logistics approach in port operations.

Our Policy

Our Relationships with Shareholders

- We aim to rapidly increase company value.
- We maintain transparency in sharing and reporting to our shareholders.
- We identify, prioritize, and allocate necessary resources to manage our strategic, financial, operational, OHS, environmental, risk, and opportunity areas to achieve "sustainable growth."

Our Relationships with Competitors

- We aim for fair and ethical competition within the framework of competition law and ethics, avoiding unfair competition. We only compete on legal and ethical grounds.

Our Relationships with Group Companies

- We act with the responsibility of being part of the Borusan Group.
- We work in synergy with other Group companies operating in complementary sectors.
- We develop intra-Group collaborations based on the win-win principle.
- We consider competitive conditions in intra-Group services.

Our Relationships with Customers

- We understand our customers' logistics needs, continuously enhance our services, and integrate digitalization into our processes.
- We manage customer feedback proactively and reactively, aiming to continuously improve customer satisfaction and our processes effectively and efficiently.
- We uphold principles of business ethics and fairness in our relationships with customers.

- We view our customers as partners and prioritize building long-term relationships.
- We ensure our commitments to customers are upheld within the framework of business continuity.
- We protect customer information under legal requirements, our information security principles, and customer confidentiality agreements.
- In all operations we provide to our customers, we aim for quality and sustainable service, adhering to Borusan standards and meeting all fundamental quality needs and expectations of our customers.

Our Relationships with Government and Legal Compliance

- We comply unconditionally with laws and relevant regulations.
- Our accounting records accurately and comprehensively reflect company operations and asset management.
- We do not support any political party and maintain an equal distance from all political parties.
- We establish long-term, supportive, and value-creating relationships with local governments.

Our Relationships with Colleagues

- We foster a corporate culture based on love, respect, mutual trust, transparency, sharing, participation, and constructive feedback.
- We anticipate hazards, assess risks, take proactive and reactive measures to reduce them, and always remember that the safety of our colleagues is also in our hands.
- We ensure the prevention of injuries and health deterioration through protective health monitoring suited to our purpose, the scale and complexity of operations, and the nature of OHS risks and

improvement opportunities relevant to the internal and external factors affecting and influenced by us.

- We support our employees' success, participation, and development.
- We ensure timely recognition and appreciation of our employees.
- We encourage our employees and their representatives to participate in the OHS management system and support development through consultation.
- In conducting our activities, we ensure that all team members act in accordance with Borusan Group values, ethical standards, business principles, and Borusan's way of conducting business.

Our Relationship with the Company

- We provide necessary resources and information by focusing on all relevant stakeholders.
- We adopt a risk-based process approach and evidence-based decision-making.
- We ensure continuous improvement and development.
- We sustain the continuity of our achievements within the environment of trust we have created.
- We adhere to company values and comply with ethical standards.
- We set our company objectives in the areas of Quality, OHS, Environment and Energy, Information Security, and Customer Satisfaction, and do our part to achieve them. In line with this, we aim to minimize corporate risks and bring our opportunities to fruition.
- We achieve energy savings by using the company's existing energy resources efficiently and preventing waste.
- We use the company's assets, facilities, and services properly and in compliance with the law.
- We never confuse personal interests with the company's interests.

- ŞWe manage the confidentiality, availability, and integrity of information belonging to our company.
- We work with the awareness that health and safety are integral parts of our work culture and a shared responsibility.
- We recognize that health and safety are essential to our performance and are crucial for sustainable growth and development.
- We protect the data and information of our employees in accordance with legal and relevant requirements.
- We conduct our relationships with employees, customers, suppliers, shareholders, and other business partners based on transparency, continuity, mutual trust, and honesty.

Our Relationship with Society

- In addition to commercial success, we aim to contribute to the national economy in the areas where we operate.
- We contribute to our community in the fields of environment, culture, arts, sports, and education.
- We are represented by our senior executives in reputable non-governmental organizations and professional associations.
- We support our employees in serving and adding value within reputable social and professional organizations.
- We assess, control, and prevent potential and existing environmental impacts.
- We support sustainable resource use, protect biodiversity and ecosystems to ensure environmental preservation.
- We calculate and continuously monitor our carbon footprint to mitigate climate change

Our Relationships with Suppliers and Business Partners

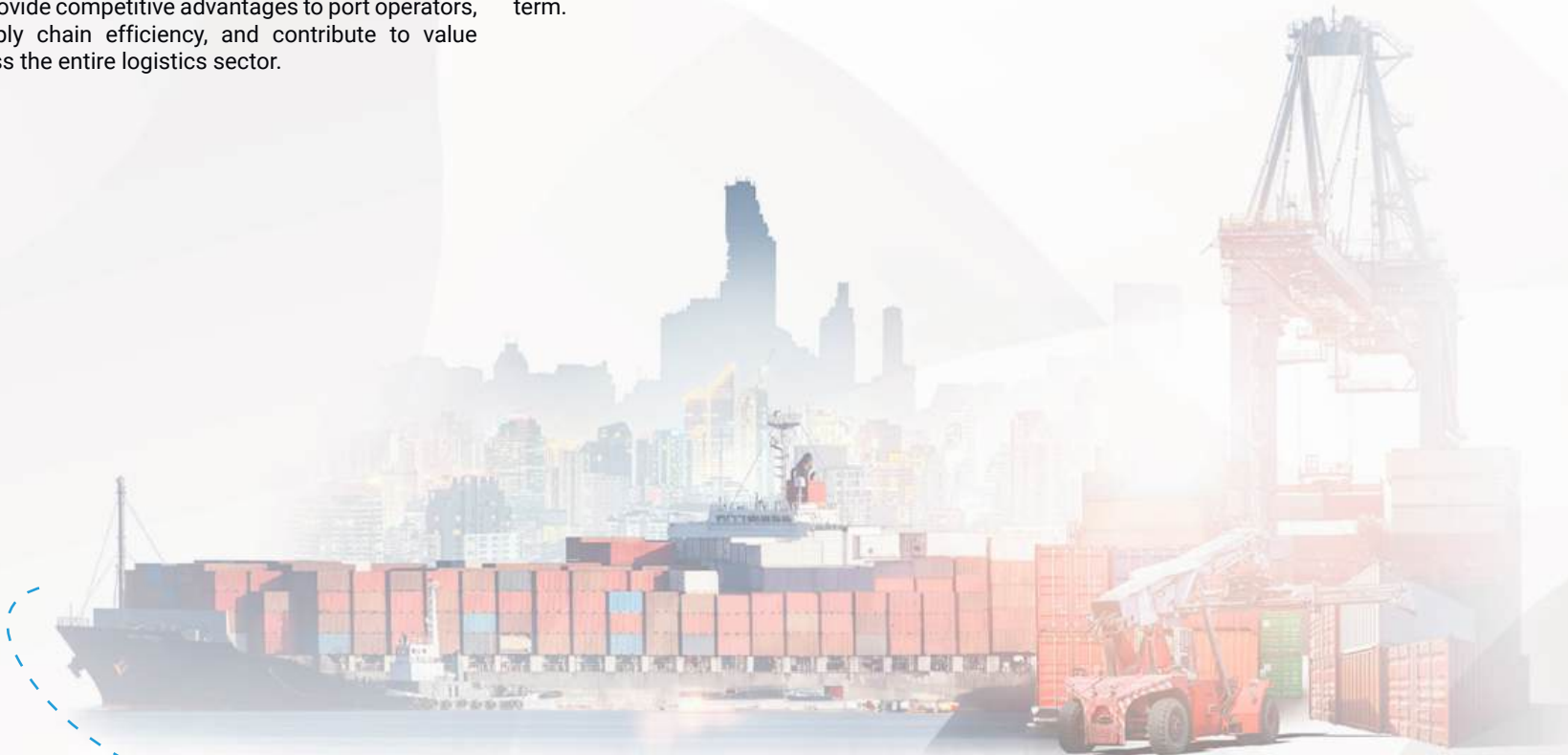
- We build long-term, lasting, and reliable relationships with our suppliers to improve our performance.
- We consider the interests of our suppliers and support their development to maintain sustainable relationships.
- In the procurement process, we prioritize price, quality, energy, environment, and safety, emphasizing reliability and honesty.
- Within the framework of Borusan Group's management approach and practices, we avoid any personal relationships that could harm Borusan principles and ethics.
- We protect supplier information in accordance with legal requirements and confidentiality agreements.
- We prioritize working with business partners who have a strong health and safety culture.

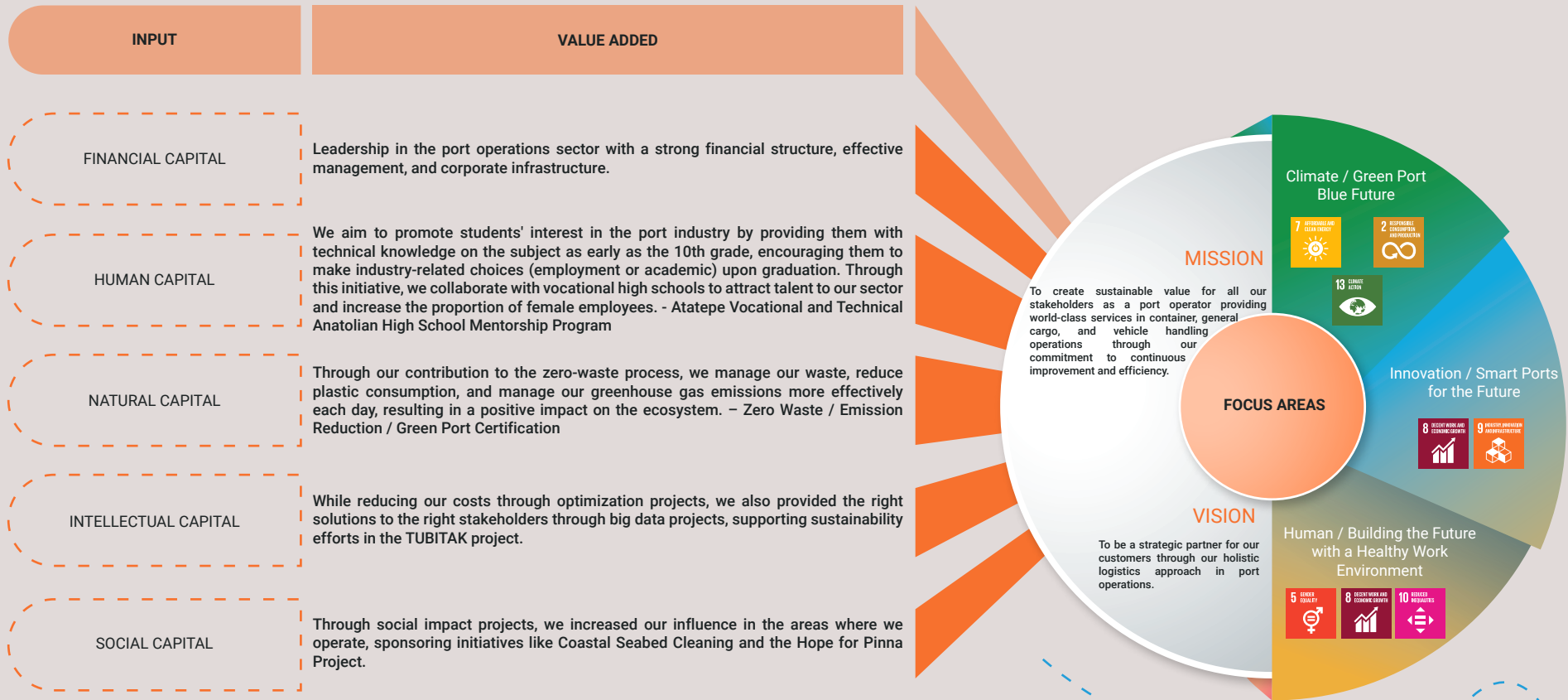
3.9. OUR VALUE-DRIVEN BUSINESS MODEL

Borusan Port designs its processes to deliver not only economic outcomes but also integrated outputs, building its value creation model on this foundation. While designing its processes, Borusan Port carefully manages risks a firm hand from externalities, focusing on cost reduction, continuous improvement of service quality, process optimization, and route optimization, while also mitigating environmental and social risks to ensure processes are managed with the most positive impact. The effective implementation of these factors can provide competitive advantages to port operators, enhance supply chain efficiency, and contribute to value creation across the entire logistics sector.

As Borusan Port, we are proud to be one of Turkey's first ports to receive the Green/Eco Port Certificate. This certification documents our commitment to port operations that minimize environmental impacts, enhance energy efficiency, and adopt sustainable port management practices. With our Green Port certification, we uphold a sustainable port management approach that protects the port, vessels, and, most importantly, the ecosystem. This approach is designed to deliver both environmental and financial benefits in the long term.

Borusan Port has embraced a philosophy of continuous improvement and efficiency. Through projects focused on circular economy, decarbonization, and waste management, it aims to achieve its core sustainability goals. Its primary objective is to create sustainable value for all stakeholders, employees, and customers as a port operator providing world-class services in general cargo, container, and vehicle handling operations.





3.10. SUSTAINABILITY ORGANIZATION AND GOVERNANCE STRUCTURE

Within our sustainability organization, we monitor the company's sustainability agenda, aiming for success by assessing performance in the context of annual targets and actions outlined in our strategies.

Sustainability governance at Borusan Port is carried out under five main groups. Each year, sustainability-related projects are discussed in business plan workshops. Budgets are reviewed quarterly and revised as needed.

Group Innovation Committee

- Strategic planning and business plan studies are conducted, with an annual workshop.
- Management meetings are held bi-weekly to review progress toward goals, assessing any projects to add or remove.

Group Circular Economy Committee

Monthly meetings are held with all group companies to discuss circular economy topics (waste, wastewater, and water consumption) and continue related projects.

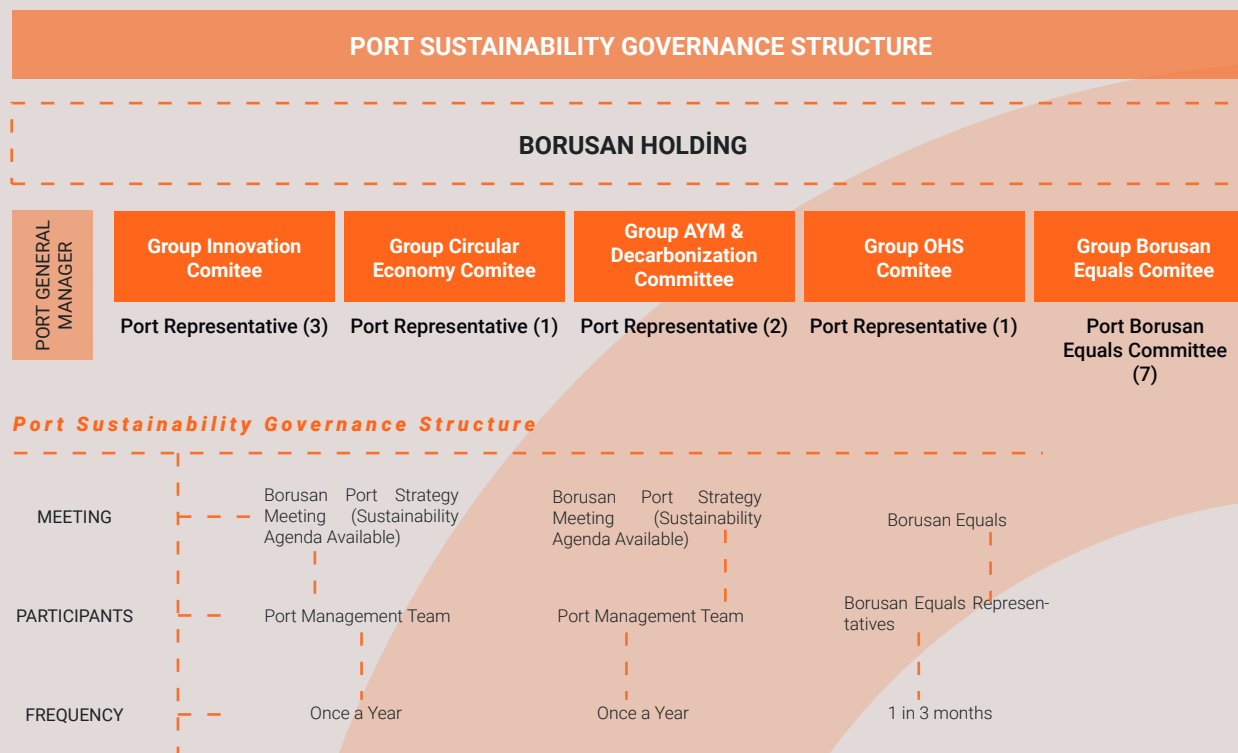
Group AYM & Decarbonization Committee

The primary objective is to create sustainable value for all stakeholders, employees, and customers as a port operator providing world-class services in general cargo, container, and vehicle handling operations.

In decarbonization, our goal is to develop emissions-reducing applications within the industry and to reduce carbon emissions both overall and relative to business volume through well-designed processes.

We participate in the committee activities led by the Holding Group AYM & Decarbonization Committee.

At Borusan Port, our decarbonization efforts include the completion of our Warehouse Rooftop Solar Power Project,



and we are currently in the project phase for a kinetic energy and wind turbine project.

Group OHS Committee

The primary OHS goals of Borusan Group focus on achieving the "zero workplace accidents" ideal for all employees, customers, suppliers, and relevant parties.

Group Borusan Equals Committee

Believing that gender equality must be embraced and internalized both at an organizational and individual level, we conduct various activities under Borusan Equals. Initiatives include the "Stronger Together" project, the Gemlik Atatepe Vocational and Technical Anatolian High School Mentorship

Program, and technical tour programs for university students.

Through the "Stronger Together" project, we aim to raise awareness of our female employees. Every three months, we bring all employees together in different relaxation areas to improve communication between office and field workers, make shared spaces more comfortable for our female employees, and create an environment where they can express their ideas more freely.

As part of the Mentorship Program, we provide coaching to 10th-grade students and internship support to 11th-grade students. We also welcome university students to our port for visits to help them gain more insights into the sector



3.11. SUSTAINABILITY MATERIAL TOPICS AND STAKEHOLDER ENGAGEMENT

Borusan Port understands that process excellence depends on effective stakeholder communication. In port operations, the term "stakeholder" encompasses various groups that are affected by or have an influence on port activities and management processes. Given the complexity of port operations and management, interaction and collaboration among the various parties involved are essential. Stakeholder relations in port operations create value in areas such as port security, environmental impacts, economic contributions, and social benefits. Borusan Port prioritizes stakeholder communication when setting its strategic priorities. The frequency and methods of communication with our stakeholders can be found in the appendix of our report.

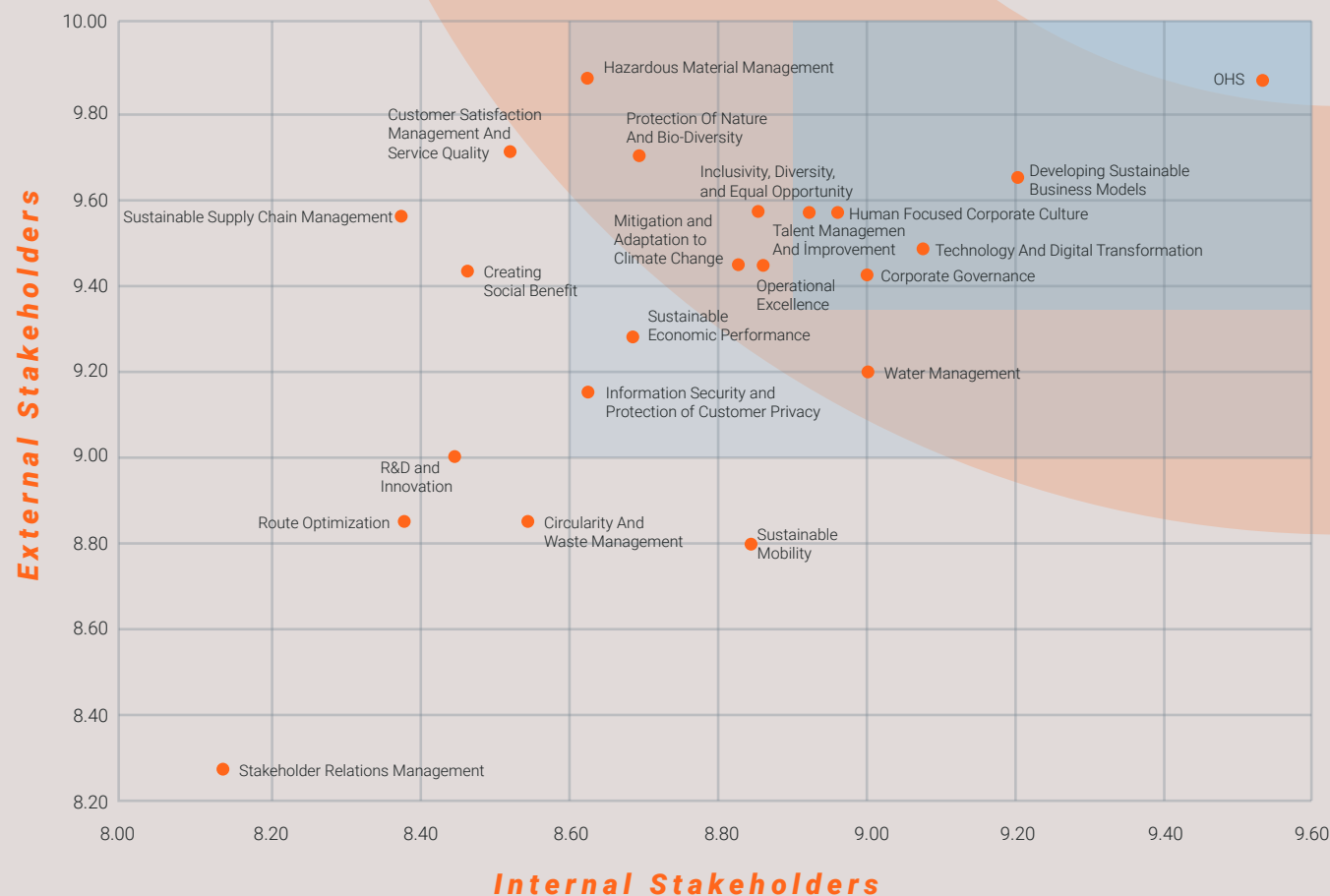
Stakeholder Engagement and Materiality

In alignment with Borusan Group's focus areas of Climate, People, and Innovation set in 2020, a stakeholder communication and materiality study was conducted at the beginning of 2024 to keep stakeholder engagement continuously up to date. Gathering and considering our stakeholders' perspectives is crucial as we progress on our sustainability journey. Based on this survey, we identified the topics we need to focus on throughout 2024. Through an online survey, we collected stakeholder expectations and feedback, conducting our impact analysis first and then a double materiality analysis according to the EFRAG Double Materiality guidelines.

The material topics identified through the survey and strategic planning process for Borusan Port are listed below.

The most impact-focused priority topics identified through this study are yerine de The most impact-focused material topics identified through this study are:

- Occupational Health and Safety
- Developing Sustainable Business Models
- Technology and Digital Transformation



- Occupational Health and Safety
- Developing Sustainable Business Models
- Technology and Digital Transformation

3.12. SUSTAINABILITY TARGETS

You can find our goals set within the focus areas of climate, human, and innovation, along with the annual achievement rates, in the table below.

	Category	Subcategory	Unit	2021 F	2022 F	2023 F	Target
CLIMATE	Circular Economy	Amount of Hazardous Waste	ton	47,9	25,9	19,2	24,6
		Amount of Non-hazardous Wastes	ton	1.209	1.280,8	1.232,8	1.152
		Amount Of Water Consumption	megalitre	12,49	20,29	19,48	19,27
	Decarbonization	Direct (Scope1) Emission	ton CO2 e	4.943,8	4.970	4.578,6	4.461
		Indirect (Scope2) Emission	ton CO2 e	1.818,5	1.797	1.884,2	1.641
HUMAN	Borusan Equals	Female Leader Ratio	%	9%	0%	5%	14%
		Female Office Employee Ration	%	29%	29%	32%	30%
		Female Feiled/Plant Employee Ratio	%	7%	9%	7%	6%
	OHS	Incident Severity Rate	%	0,63	0,56	0,85	0,56
		Incident Frequency Rate	%	20,17	19,93	27,32	18,15
		Fatal Work Accident	#	0	0	0	0
	Talent Management	Borusan Alpha Turnover Rate	%	0%	0%	100%	33%
		Future Leader Turnover Rate	%	0%	8%	9%	17%

3.13. CLIMATE / GREEN PORT, BLUE FUTURE

3.13.1. Climate Change Mitigation and Adaptation

Climate change mitigation and adaptation are among Borusan Port's key priorities, as they play a crucial role in preventing the potential risks posed by climate change. We understand that the most effective way to combat climate change is through the management of greenhouse gas emissions.

As one of Turkey's first Green/Eco Ports, Borusan Port conducts comprehensive work in our sustainability focus areas: Climate, People, and Innovation. We have integrated the "Affordable and Clean Energy" goal, one of the 17 Sustainable Development Goals set by the United Nations Development Programme, into our corporate strategy. By 2030, we aim to reduce carbon emissions through the implementation of numerous innovative projects, including investments in solar energy systems and, primarily, wind energy.

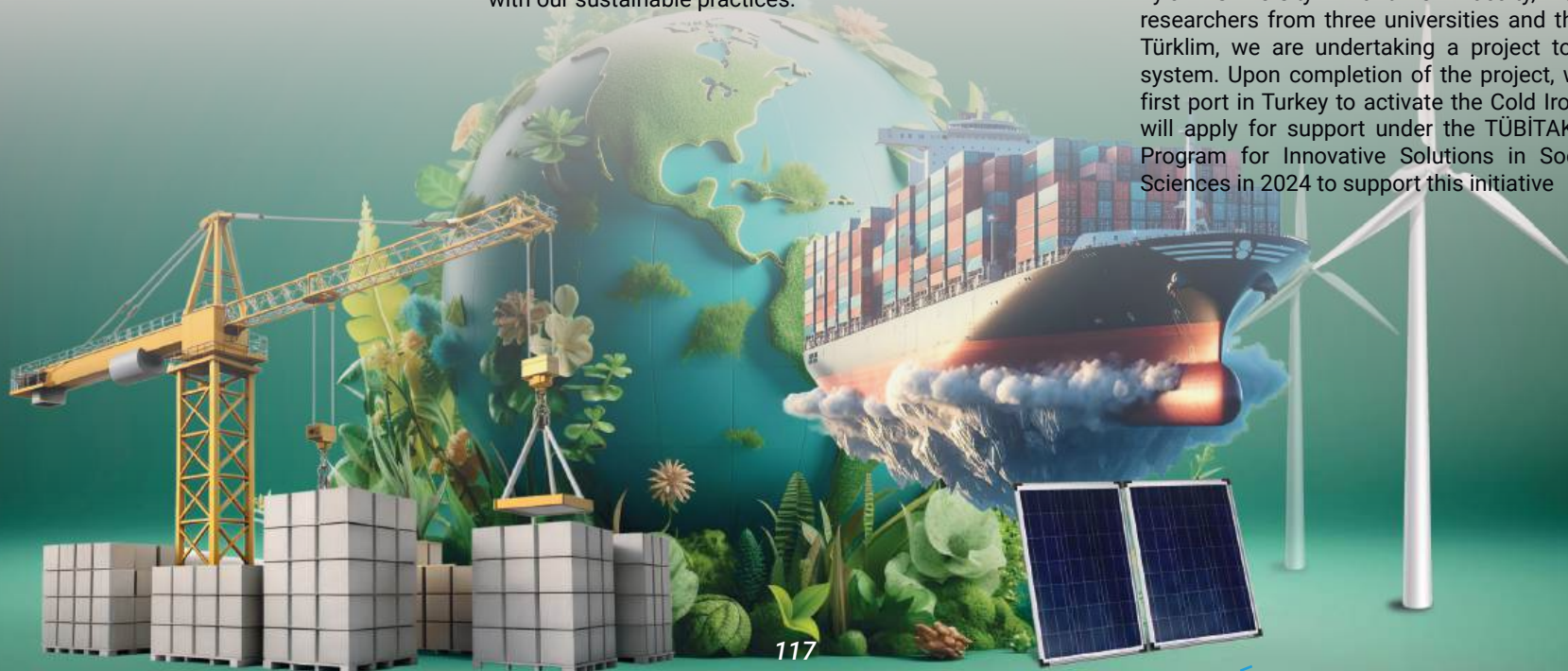
We are converting our terminal equipment from diesel to electric power, and to reduce energy consumption, we are replacing older machines with more environmentally friendly, energy-efficient equipment. Projects such as electric conversions for mobile cranes and RTGs, as well as transitioning to LED lighting in yards and warehouses, are resulting in significant energy savings and carbon emission reductions. Anticipating an increase in electric vessels in the future, we aim to prepare our port to accommodate this transition.

Green Port

As Borusan Port, we are among Turkey's first ports to receive the Green/Eco Port Certificate in 2016. With annual inspections by TSE on sector-specific criteria, we maintain our Green Port Certification and continue to lead the industry with our sustainable practices.

On November 18, 2023, the Turkish Ministry of Transport and Infrastructure published the "Regulation on the Issuance of Green Port Certificates to Coastal Facilities" in Official Gazette No. 32373. This regulation establishes the procedures and principles for promoting and supporting efforts to reduce environmental damage from vessel and cargo operations at coastal facilities and to enhance energy efficiency. Under this regulation, the requirements for Green Port certification have been redesigned.

In line with these regulatory provisions, we are preparing to renew our Green Port certification in 2024. One of the key initiatives is implementing the shore-to-vessel power supply (Cold Ironing, CI) system, which will significantly reduce emissions from vessels during shore operations at our port. In collaboration with Prof. Dr. Ömür Saatçioğlu from Dokuz Eylül University Maritime Faculty, alongside eight researchers from three universities and the partnership of Türklüm, we are undertaking a project to implement this system. Upon completion of the project, we aim to be the first port in Turkey to activate the Cold Ironing system. We will apply for support under the TÜBİTAK 3005 Research Program for Innovative Solutions in Social and Human Sciences in 2024 to support this initiative.





Decarbonization Project: Rooftop Solar Power System (GES)

SDG: 7, 13



The Rooftop GES Installation Project plays a significant role in Borusan Port's decarbonization efforts, contributing to Borusan Group's 2030 Climate Goals. Developed to ensure that Borusan Port's total electricity consumption is supplied by renewable energy, this project involved the installation of a solar power system on a 6,000 m² closed warehouse named Sundurma 3 (S3), which was completed by the end of 2023. Borusan Cat served as the project contractor, bringing the project to life in collaboration with Borusan Port.

Project Outcomes:

- Prevention of 556 tons of CO₂ emissions annually
- Annual electricity production of 1,358,000 kWh
- Project payback period of 41 months
- Attainment of an International Green Energy Certificate (I-REC)

Key Benefits:

Based on data from a demo project conducted in 2020, this project aims to supply approximately one-third of Borusan Port's main electricity consumption. The port's annual average electricity consumption is about 4,500,000 kWh, and this project is expected to produce 1,358,000 kWh annually. In line with legal requirements, any unused energy generated is fed back into the system through a bidirectional meter, further reducing energy costs.





Decarbonization Project: Rentar Device (Fuel Saving and Emission Reduction)

Port operations are primarily conducted using heavy machinery powered by diesel, electricity, or hybrid (diesel + electricity) systems. Electric versions of diesel-powered machinery have not yet been developed globally. To address this, we researched methods to reduce fuel consumption and carbon emissions. The Rentar device optimizes fuel consumption, allowing vehicle engines to operate more efficiently and helps achieve fuel savings. The port uses an average of 800,000 liters of fuel annually, and installing the Rentar (fuel-saving and emission-reducing) device on equipment contributes to fuel conservation.

Project Outcomes:

- Optimized fuel consumption, leading to more efficient engine operation
- Achieved fuel savings

Key Benefits:

In 2022, Borusan Port installed the Rentar fuel-saving and emission-reducing device on 25 pieces of equipment (Stackers and Heavy Tugs) from a fleet of 35 machines, and in 2023, an additional 5 machines were equipped. This initiative reduced fuel consumption for the relevant equipment by 3-5%, with an estimated reduction in carbon emissions of around 10-15%.



SDG: 13

We are converting our terminal equipment from diesel to electric power and replacing older machines with more environmentally friendly, energy-efficient models to reduce energy consumption. Projects include electric conversion for mobile cranes and RTGs, as well as transitioning to LED lighting in yards and warehouses, which has resulted in significant energy savings and reduced carbon emissions. Anticipating an increase in electric vessels in the future, we aim to prepare our port infrastructure to accommodate this shift.



3.13.2. Circularity and Waste Management

In the fight against climate change and efforts to mitigate its effects, we recognize that waste management and circularity play a critical role in building a sustainable future. To achieve our 2030 targets of “reducing waste by 50% and achieving 100% recycling participation,” we continue to implement projects focused on waste management and recycling.

Through our recycling projects at Borusan Port, we save over 10,000 trees from being cut down each year. Additionally, we are one of the few ports in Turkey licensed and operational as a facility for receiving waste from vessels, fulfilling our responsibility to prevent marine pollution by recovering waste. Inspired by natural circular models, we continue our operations with climate-friendly practices that minimize natural resource and energy usage, prevent waste generation, and reduce our carbon footprint.

To raise awareness of zero waste and environmental consciousness, informational posters were shared throughout the year, toolbox talks and environmental awareness training were conducted, and zero waste audits were completed. In efforts to reduce paper waste, OHS field audits and inspections are now conducted using tablets, maintenance and machinery checklists have been moved online, entry declarations are digitalized through the B-İmza system, and mandatory HR and OHS notifications are now electronic through E-signature applications. These initiatives save 81,000 sheets of paper and approximately 30,000 TL annually.



Paper Cup Project

In 2023, Borusan Port replaced paper cups used in the cafeteria with glass cups. Additionally, the use of protective paper for utensils (forks and spoons) was eliminated.

Key Benefits:

- Prevented the use of 1,200,000 paper cups annually
- Prevented the use of 144,000 protective papers annually
- Encouraged supplier companies to contribute to sustainability

SDG: 12.5



3.13.3. Protection of Nature and Biodiversity

The protection of nature and biodiversity holds a significant place in Borusan Port's sustainability strategy and initiatives. Our commitment extends beyond ensuring clean air, drinkable water, and fertile soil for ourselves; it encompasses the value we place on every living being around us. This dedication is our primary motivation behind our activities and goals to protect biodiversity.

Our projects and initiatives aimed at preserving biodiversity form a comprehensive sustainability strategy aligned with our fight against climate change. Through these efforts, we aim to contribute to a sustainable future.



Cleaning the Seas, Hope for Tomorrow Project

As part of Borusan Port's circular economy and Zero Waste Blue Project initiatives, the "Cleaning the Seas, Hope for Tomorrow" project aims to raise awareness through annual underwater and coastal cleaning activities.

Key Achievements:

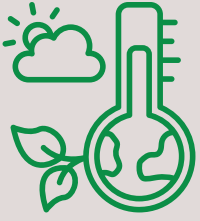
- Provided all Borusan employees with "Clean Seas Online Training," raising awareness on the relationship between climate change and sea/coast cleanliness, the role of Pinna shells in ocean cleaning, and the issue of mucilage in the Marmara Sea.
- On June 5, World Environment Day, professional divers conducted an underwater cleanup at Gemlik Pier Square. The collected waste was displayed in a visible area at Gemlik Pier to enhance environmental awareness among the local community.
- On June 8, Marmara Sea Day, a Coastal Cleanup event was held on Gemsaz Beach with Borusan Ocean Volunteers and volunteer students from Borusan Primary School. This project aimed to foster environmental awareness among Borusan employees, the Gemlik community, and Borusan Primary School volunteers. Additionally, with support from Bandırma 17 Eylül University's Maritime Faculty, the project promoted the Pinna project, which plays a critical role in cleaning seas, while raising awareness about the mucilage issue in the Marmara region.

SDG: 14



Borusan Port Supports the
Umut Pina Project





As part of our "Cleaning the Seas, Hope for Tomorrow"

Project, a webinar was held for all Borusan Group employees, featuring Prof. Dr. Mustafa Sari. In the webinar, Prof. Dr. Sari addressed the following topics:

- What should we know about water and coastal cleanliness?
- The mucilage problem in the Marmara Sea and the role of Pinna shells.
- What can we do individually?

SDG: 12, 13



Cleaning in the seas, hope for tomorrow

SEA HEROES MEET IN COASTAL CLEANING

We care about our seas. Therefore, blue of sea always remains beautiful and no-coast remains uncleaned, we take action with Borusan Ocean Volunteers and Borusan Primary School volunteer students to carry out a Coastal Cleaning event.

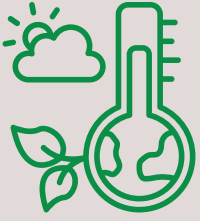
We are waiting for your applications for this event that we will clean the coast under the leadership of Prof. Dr. Mustafa Sari and join hands for a livable world.

June 8, 2023 09:00 - 12:00
Gemsaz Beach, Gemlik/Bursa

- Etkinliğimiz tüm Borusanlıların katılımına açıktır ve 30 kişilik kontenjan ile sınırlıdır.
- Etkinliğimize katılım göstererek çalışma arkadaşlarımız "gönüllülük izni" kullanabilirler.
- Etkinlik günü toplanma noktamız Borusan Misafirhane olacaktır.

You can apply through [this survey](#) until June 5, 2023.





Forest Cleanup

As the Borusan Port family, we came together for a trekking event, taking our love for nature one step further. Guided by our values of sustainability, social and environmental responsibility, and community benefit, we organized a forest cleanup with our employees, making a small contribution to our natural surroundings. We will continue our journey to leave a clean, green world for future generations.

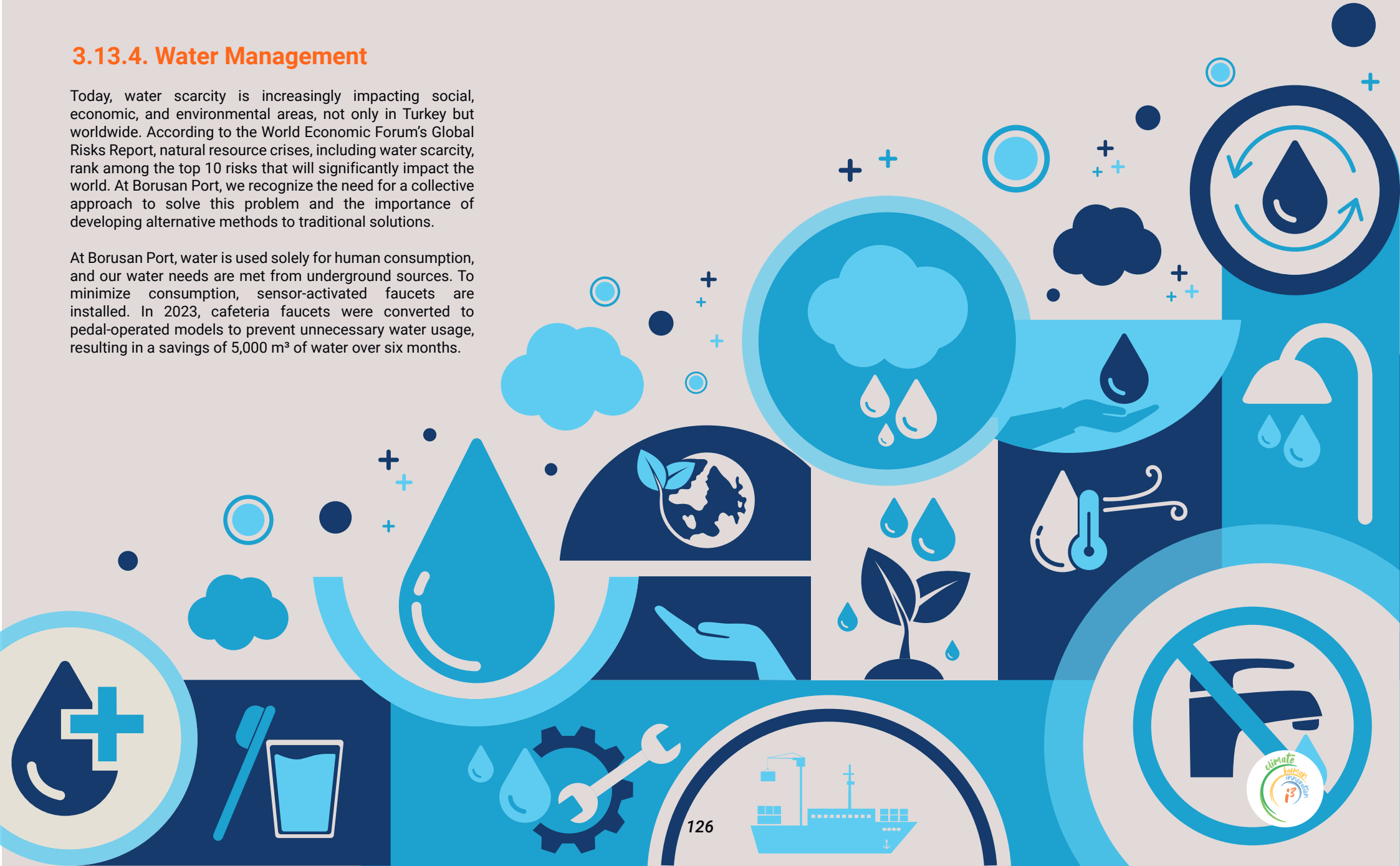
SDG: 13



3.13.4. Water Management

Today, water scarcity is increasingly impacting social, economic, and environmental areas, not only in Turkey but worldwide. According to the World Economic Forum's Global Risks Report, natural resource crises, including water scarcity, rank among the top 10 risks that will significantly impact the world. At Borusan Port, we recognize the need for a collective approach to solve this problem and the importance of developing alternative methods to traditional solutions.

At Borusan Port, water is used solely for human consumption, and our water needs are met from underground sources. To minimize consumption, sensor-activated faucets are installed. In 2023, cafeteria faucets were converted to pedal-operated models to prevent unnecessary water usage, resulting in a savings of 5,000 m³ of water over six months.





Bacteria Dosing System

At Borusan Port, we installed a bacteria dosing system to prevent wastewater containing vegetable oils from dishwashing and food services from mixing with our domestic wastewater.

Key Benefits:

- The bacteria dosing system dispenses bacteria at specific times of the day, reducing the load of vegetable oils in the wastewater. This allows our treatment facility to purify wastewater more efficiently and reduces COD, TSS, and oil parameters.

SDG: 14



3.14. HUMAN / BUILDING THE FUTURE WITH A HEALTHY WORK ENVIRONMENT

3.14.1 People-Centered Corporate Culture at Borusan Port

At Borusan Port, we conduct initiatives that support Borusan Group's people-centered approach and its vision of becoming a 200-year company. Providing a happy and productive work environment for our employees is very important to us. We are committed not only to fostering employee satisfaction and productivity but also to embracing the principles of diversity and inclusion. We work to meet the needs of all our employees with a focus on collective intelligence and transparency.

To understand employee feedback, we conduct annual employee satisfaction surveys. Based on the results, we generate ideas to improve our processes and aim to be the voice of all our employees.

Employee Satisfaction Survey Results

2022

WC - 85

BC - 77

2023

WC-89

BC-73

In the employee engagement survey regularly conducted by Borusan Group, Borusan Port achieved the highest score among group companies in 2023.

Based on our employee satisfaction surveys, we implement initiatives to improve processes. To ensure all employees have easy access to health services, we offer comprehensive private health insurance to all office staff, covering both outpatient and inpatient treatments. Additionally, we provide annual health screenings and life insurance options across various plans.

To support our employees' future, we offer a company-contributed Individual Retirement Plan. For employees enrolled in this retirement plan, the company matches monthly contributions deducted from their salaries. These benefits vary depending on employees' tenure levels.

As part of Borusan Group's initiative, "We recognize the parental rights of fathers who are always there for us," paternity leave has been extended to two weeks.

We adopt a people-centered approach in our activities and business decisions. Creating a fair, safe, and healthy work environment for our colleagues, conducting projects that support community development, and establishing trust-based, transparent, and accountable dialogue with our stakeholders are among our core values. In our workplaces and activities, we are committed to inclusivity, respecting differences, and promoting diversity. With awareness of global challenges, we aim to be part of the solution by fostering a proactive, continuously evolving, and innovative corporate culture to build a better future.

At Borusan Port, this people-centered approach has integrated social capital and a culture of solidarity into our core business practices. This culture is supported by Borusan Port's sustainability and social contribution projects. Especially after February 6, Borusan Holding's efforts to enhance social capital have gained attention, with Borusan Port contributing to these projects, starting at the General Manager level.

These initiatives highlight Borusan Port's unique strategy in the sector to create social capital and strengthen community solidarity.

As emphasized by our General Manager, establishing a work environment based on social capital and a culture of solidarity is among our top priorities. Social capital represents resources rooted in community solidarity and connections, encompassing participation, communication, reciprocity, trust, norms, and collective intelligence.

Borusan Turuncu Blog -
Hamdi Erçelik



3.14.2. Occupational Health and Safety

As Borusan Group, our top priority is the occupational health and safety (OHS) of our colleagues. We are committed to being a group of companies that sets an example for stakeholders in Turkey with pioneering work in OHS, creating a healthy, happy, and safe working environment through a strong OHS culture.

We monitor all OHS activities along the value chain, aiming to provide the safest and healthiest work environment for all our employees, contractors, customers, and suppliers. Embracing the motto "This is It. This is Health and Safety," we work toward our "zero fatal work accidents" goal by conducting operational risk analyses, performance measurements, OHS-focused training, drills, and infrastructure improvement initiatives.

Our OHS approach focuses on creating a happy, safe, and healthy work environment for all colleagues, customers, suppliers, and relevant parties. We ensure safe and suitable working conditions to prevent health issues, strive for the "zero work accident" ideal through employee consultation and participation, and protect our environment by preventing pollution and promoting improvements.

For zero workplace incidents:

- We prioritize human health and safety as our most important values, taking permanent measures against potential hazards.
- We record and report any incidents that occur, taking necessary actions to prevent recurrence and sharing the lessons learned.
- We assess health risks and conduct regular health screenings to prevent occupational illnesses.
- We consider achieving our goals without compromising the health and safety of our colleagues as our ultimate success.

- We prioritize working with business partners who maintain a strong health and safety culture.
- We commit to adopting and implementing a management system based on continuous improvement principles.

Borusan Port Facility Entrance Video

Employee Perspective on Occupational Health and Safety

"Thanks to the strong culture our company has regarding Occupational Health and Safety, I feel valued and safe working at Borusan Port. Measures are taken to ensure our safety in compliance with legal requirements, and the necessary equipment is provided.

Moreover, all feedback and observations from employees and OHS teams are addressed promptly. If a task is conducted in violation of OHS rules, an initial verbal warning is given, and if the non-compliance continues, warnings are issued according to the Occupational Health and Safety Regulations.

At the port, no task begins without personal protective equipment. Attention is also paid to warning signs and indicators. Additionally, as an advanced safety measure, when approaching an active machine, Borusan Safe Card devices emit an alert sound, warning the worker of potential hazards.

All these practices and more enable us to work securely and happily at Borusan Port."



Occupational Health and Safety: Borusan Port Safe Card Project

Occupational Health and Safety: Borusan Port Safe Card Project

As part of our accident prevention policy for Occupational Health and Safety, the Safe Card Project was implemented to create secure working areas within the port. The project involves monitoring the location and status of personnel, permanent suppliers, and equipment within designated areas. It supports the Accident Warning System and Social Distance Monitoring System to prevent accidents and ensure safe workspaces. The primary goals of the project include:

Preventing machine-human interactions with potentially fatal consequences,
Keeping unauthorized individuals away from hazardous areas through restricted access,
Ensuring machines are operated only by authorized personnel, reducing accident risks.

The project aligns with Borusan Group's core OHS goals: to create a safe and healthy work environment for all employees, customers, suppliers, and relevant parties, to provide safe and healthy working conditions to prevent health deterioration, and to reach the "zero workplace accidents" ideal with employee consultation and participation.

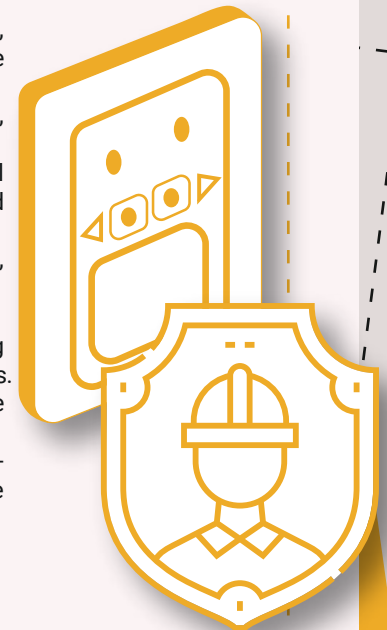
Project Outcomes:

- Employee locations are monitored within the port coverage area.
- GPS-equipped equipment locations are tracked both inside and outside the port coverage area.

- Proximity between Personnel-Personnel, Personnel-Equipment, and Equipment-Equipment is monitored; if there is a violation, warning mechanisms are triggered and incidents are reported.
- Data from equipment, including GPS locations, distance traveled based on GPS, GPS speed, engine status, engine operating hours, and operator information, are collected and reported through the system interface.
- Only authorized personnel with designated cards can operate the machines, preventing unauthorized use.
- Entry and exit times, along with the duration of presence in designated virtual sub-zones within the coverage area, can be reported for personnel and equipment.
- Restricted zones within the coverage area are defined, and if entry occurs, warning mechanisms are triggered.
- Heat maps are generated based on historical location data.
- The project also addresses scenarios where remotely or solo-working employees may have accidents, a feature considered due to pandemic impacts.
- Locations of personnel and equipment in designated areas within the port are monitored, enabling tracking of location and status through detailed reports.
- Under the Safezone and SDS systems, proximity between Equipment-Equipment, Equipment-Personnel, and Personnel-Personnel is monitored to create secure work areas.

Key Benefits:

- Innovation: The Borusan Port Safe Card was custom-designed in collaboration with the manufacturer to meet port-specific needs. It enables tracking of employees' regional locations, GPS locations of GPS-enabled equipment, and proximity between personnel and equipment (Personnel-Personnel, Personnel-Equipment, Equipment-Equipment). Authorized cards are designated to operate machines, preventing unauthorized personnel from using them.
- The Borusan Port Safe Card project has been internationally recognized with awards from Industry of Things World, RFID Journal Awards, and IoT Innovator Awards.



SDG 8





Reducing OHS Risks in Pipe Operations Through the Use of Low Trailers

In alignment with Borusan Group's people-centered OHS culture, the Port's Occupational Health and Safety Department and the Port Machinery and Maintenance Department have initiated a focus project aimed at transforming processes. For over a year, a focus group composed of managers has been working to prevent workplace accidents at Borusan Port.

As part of this effort, operations with a high-risk level have been evaluated, leading to the decision to undertake specific projects. In this context, pipe operations have been addressed.

The long-standing experience from the Six Sigma approach and ongoing projects serves as our most important resource in our strategy for continuous improvement and efficiency.

In port operations, it is known that the trailers used for pipe transportation are 1.5 meters high. During operations, there were no fixed anchorage points for workers to secure themselves. To minimize risks, the use of high trailers has been discontinued in favor of new low trailers. The design and production of the solution trailers were entirely carried out by port personnel.

In 2022, four major accidents occurred. This solution allowed for collaboration within the company to enhance the overall benefit to the OHS culture. The project was implemented in 2023, ensuring its continuity.



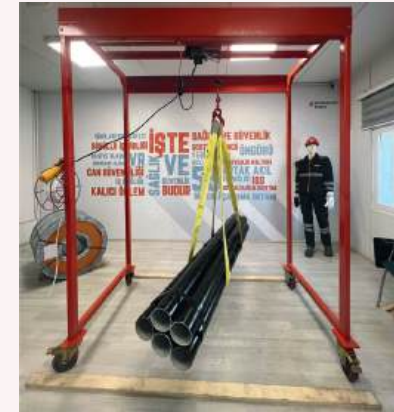
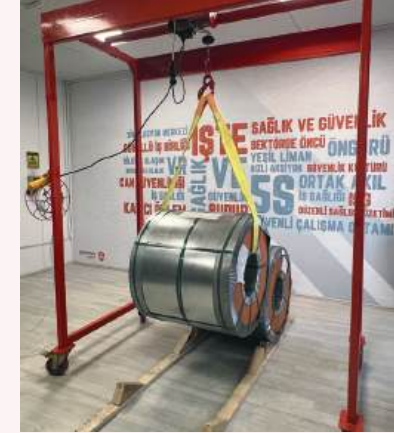
SDG 8





Simulation Center

Improvements in the application area have been completed in our OHS Simulation Center training room, and occupational safety training has commenced. In 2023, 14 new videos were added to the training program.





Focus Group Activities

Through focus group activities, we identify OHS risks associated with our operations and conduct targeted studies specific to these types of loads.



Operations Team "Tuesday" Meetings

Our Operations Director meets with the entire operations team on the first Tuesday of each month. During these meetings, we provide updates on our BorusanX corporate culture, Occupational Health and Safety, and our operations. Ample time is allocated for a question and answer session at the end of each meeting.





Monthly OHS Posters, Weekly OHS Notes, Daily OHS Messages

We aim to keep awareness at a high level through our monthly, weekly, and daily OHS informational notes.





Shift Start OHS Meetings

Our shift supervisors conduct discussions at the beginning of each shift, reminding the team of the details of the planned work and reiterating the Occupational Health and Safety measures.



OHS Supervisory Workshop Activities

To enhance management effectiveness within our OHS culture, we organized workshop sessions involving our operations managers, executives, and shift supervisors. The workshops covered the following topics:

- Health and Occupational Safety Supervisory Processes in Organizations
- Safety Culture and Behavior-Focused Communication
- Risk Assessment and Risk Control Measures
- Accident/Incident Investigation and Root Cause Analysis



3.14.3. Borusan Port - Equal Borusan

As Borusan Port, we are developing various projects under the "Equal Borusan" platform to promote the institutional and individual adoption and internalization of gender equality.

Year	Number of Employees Utilizing Paternity Leave
2022	11
2023	20





Stronger Together Project

In response to feedback regarding the discomfort experienced by female field workers in the use of rest areas, the company committee has launched the "Stronger Together!" project. Every two months, female and male employees come together in the rest areas located in the operational field to discuss gender equality in the workplace and share information. The General Manager also participates in these meetings, allowing employees at all levels to present their improvement suggestions directly to management.

Key Benefits:

- This project has created an environment where all employees can meet on common ground, aimed at providing a working environment of the same standard for all female and male employees. As a result, a sense of commitment to the company has been fostered, especially among female employees.
- The benefits of the project are reflected in our Employee Engagement (ÇBA) scores. According to our 2023 ÇBA scores, responses to the question "All employees have equal opportunities in my company under the Borusan Equals category" from our female field employees have increased compared to 2021-2022. Female office and field employees have become better acquainted with one another, contributing to strengthened communication.
- Support for cultural principles such as open communication, mutual respect, and unity has been ensured.

SDG 5



3.14.4 Borusan Port - Talent Management and Development

As Borusan Port, within the framework of our core business strategy, we continue to create added value for the Turkish economy while focusing on developing innovative services and maintaining a vision open to global markets. In creating this value, we grow and evolve together with Borusan employees who share the same vision and enthusiasm every day. We aim to transform our colleagues' potential into high performance while providing a happy, meaningful, and unique working experience.

Recruitment

During the recruitment process, we aim to bring in new Borusan employees who align with Borusan's values and leadership model, possess the knowledge, competencies, and experience required for the job, and are believed to stand out with their performance. We strive to ensure that new Borusan employees experience being part of the Borusan family from the moment they accept our offer, supported by a well-developed orientation program.

Development

With the approach of "Career = Development," we believe that the path to advancing all Borusan employees and the Borusan Group lies in development. We are convinced that our success comes from enhancing the competencies and talents of our colleagues to achieve collective success. To strengthen this vision, we established Borusan Academy in 2007 to provide impactful solutions for our employees' development and to develop flexible, digital, and pioneering applications.

Borusan Alpha Young Talent Program

Through the Borusan Alpha Young Talent Program, we aim to recruit and develop high-potential recent graduates, nurturing the leaders of the future. During the June/July period, we

evaluate students who are completing their undergraduate or graduate studies, applying assessment tools that allow us to measure the candidates' potential. Following the evaluations, newly graduated hires are included in a structured two-year development program to support them on their journey to becoming future leaders.

Borusan Alpha Internship Program

Under the Borusan Alpha Internship Program, we assess third- and fourth-year university students or graduate students as long-term interns. During this program, students intern for two or three days a week while continuing their education. Our Alpha interns learn and grow alongside experienced Borusan employees from their first day of internship, participate in projects, and contribute meaningfully. This experience gives our interns a head start in their careers.





Talent Management: Gemlik Atatepe Vocational and Technical Anatolian High School Mentorship Program Project

Borusan Port, under the protocol signed with Atatepe Vocational and Technical Anatolian High School in Gemlik, provides mentorship opportunities for 10th-grade students in the logistics department and internship opportunities for 11th-grade students, aiming to increase the number of female employees in the port sector. The mentorship program includes vocational training related to the port sector, and technical material support is also provided for the logistics laboratory as part of the relevant protocol.

Project Outcomes:

- The following trainings have been provided to students as part of the project:
 - Mentorship Program
 - Occupational Health and Safety
 - Traffic Planning Training
 - Young Teams Training
 - IMDG Code Training
 - Heavy Machinery Process
 - Auxiliary Material Process Training
 - General Cargo Process Training
 - Container Process Training
 - Ro-Ro Process Training
- Technical visits to our port were conducted for the following groups:
 - Yalova University – Foreign Trade Club
 - Beykent University – International Logistics and Trade Club
 - Gemlik Atatepe Vocational and Technical Anatolian High School
 - İzniç Eşrefzade Vocational and Technical Anatolian High School
 - Osmangazi Municipality – Public Education Center Foreign Trade Students

Key Benefits:

- The project will create value in the future by supporting qualified employment in the port sector, developing talents, increasing the proportion of female employees in the industry, and contributing to employment in the Gemlik region.

SDG 5,8



3.14.5. Social Benefit



Equal Tales

As Borusan Port, we have introduced the "Equal Tales" book series, which reinterprets gender equality, nature, and environmental awareness, to children in Samandağ, Hatay. We believe that by reading these stories, our children will expand their imaginations "with equality."





Celebrating with Children on April 23rd

The April 23rd National Sovereignty and Children's Day was celebrated with great enthusiasm at Borusan Port. During the event where we hosted students from Mehmet Akif Ersoy Primary School, we shared enjoyable moments together and fully experienced the joy of the holiday with a band performance.





Face of the Republic Exhibition

As the Borusan Port family, we participated in the "Face of the Republic Exhibition" organized by the Borusan Kocabiyyık Foundation to commemorate the 100th anniversary of our Republic. The exhibition, brought to life with the contributions of Borusan Contemporary, highlights the modernization process of the Republic, promotes cultural heritage, and brings together the reflections of transformation through the inclusivity of art and the spirit of the times.



3.14.6. Sponsorships

Ceramics Biennial

We were delighted to be the logistics sponsor of the International Ceramics Biennial, which took place in Bursa from October 20, 2022, to January 5, 2023. This event is the first and largest gathering of contemporary ceramics art in our country, celebrating a ceramic tradition that spans thousands of years.





ITUNOM UAV

We are proud to support the Istanbul Technical University ITUNOM UAV Team, which won the World Championship by placing first in the AUVSI SUAS 2023 competition held in the United States.



3.14.7. Social Responsibility

Two auctions were organized to assist those affected by the earthquake in the disaster zone. The first auction was conducted under the leadership of our General Manager, Hamdi Erçelik, with the participation of volunteer colleagues from the company, resulting in the sale of 11 items. The second auction successfully facilitated the sale of 54 products.



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Our auction continues to help the earthquake zone

Auction Date:
July 5, 2023 Saat: 10:00-12:00



The aid collected in the auction we held in March under the leadership of our General Manager Hamdi Erçelik reached those in need who were damaged in the Kahramanmaraş earthquakes.

Now, you can contribute to the auction we will hold among all office employees with one and/or two options below.

1. Donation of new/saleable items that you find appropriate to be sold in the auction
2. Donating by purchasing products from the auction

You can deliver the relevant products to the Process and Business Development Department by **July 3, 2023** at the latest.

We expect the help of all our colleagues.

*Note: Payments will be made to AHBAP.
Purchased products will be delivered against receipt.*

 **BORUSAN
PORT**

3.14.8. Customer Satisfaction

At Borusan Port, we maintain a solution- and satisfaction-oriented communication with our customers. We prioritize understanding our customers' expectations and needs and develop solution-focused applications.

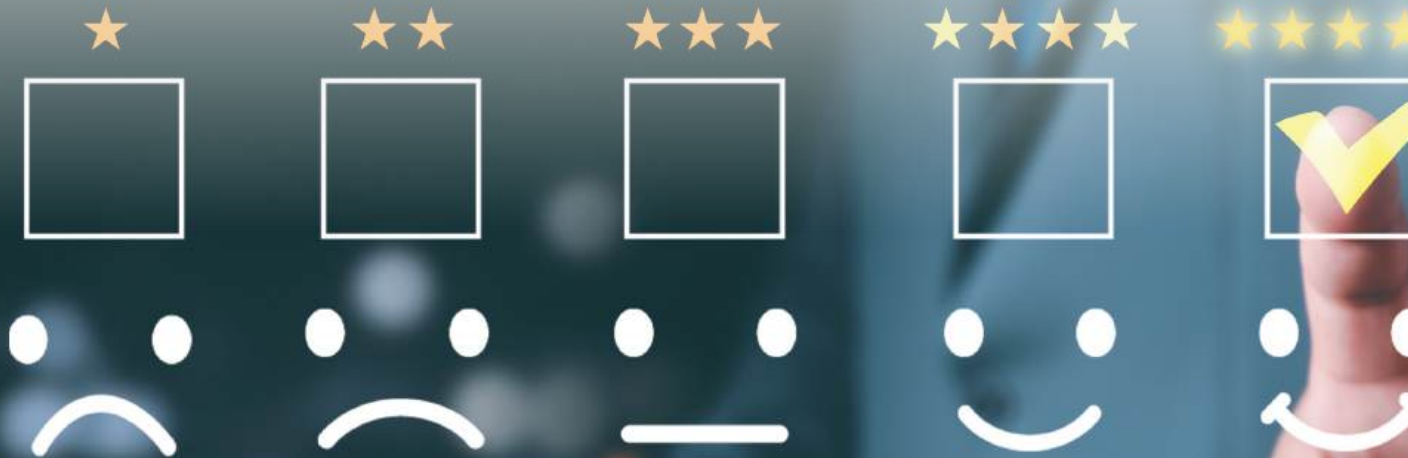
In this context, all interactions with customers, including visits, phone calls, proposal processes, and feedback collection, are managed through our CRM systems.

Customer satisfaction is monitored monthly through a single-question recommendation score (Net Promoter Score - NPS).

All feedback from our customers is tracked in the Port CRM system we developed specifically for the port in 2022.

Our Customer Satisfaction Management System meets the standards expected by ISO 10002, ensuring that every

suggestion and complaint is resolved through root cause analysis and corrective action plans. After actions are completed, a survey related to the solution is sent to the customer via the Port CRM system to measure their level of satisfaction with the resolution.



3.14.9. Communication

Our General Manager, Hamdi Erçelik, participated as a speaker in the Green Business Sustainability Summit organized by the Sustainability Academy in May.

He also moderated a webinar titled "Evaluation of the Maritime/Port Sector in Terms of Competition Law and Labor Law," which was held online on June 15.

As Borusan Port, we presented the Supplier OHS Awards for the second time this year to the deserving recipients.



3.15. INNOVATION / SMART PORTS FOR THE FUTURE

3.15.1. Innovative Business Models & Digitalization of Processes

At Borusan Port, we view digital transformation as an integral part of our sustainable value creation processes, and through the digital transformation projects we have implemented, we are taking steps to confidently move our company into the future.

The position of digital transformation among our priority sustainability topics highlights its importance in the area of innovation. We have continued to successfully implement new projects during the 2023 operational period without slowing down, adding to those we have already launched.

As a result of the digital initiatives at Borusan Port, new digitalization projects have been implemented focusing on transforming processes for increased efficiency, providing benefits to customers, enhancing employee productivity, improving workplace safety, and contributing to the company's sustainability principles. These projects include:

- Automatic Shift Planning System
- Heavy Transport ERP Systems for Projects
- Digitalization of processes through our e-signature projects launched in collaboration with Türkkep.

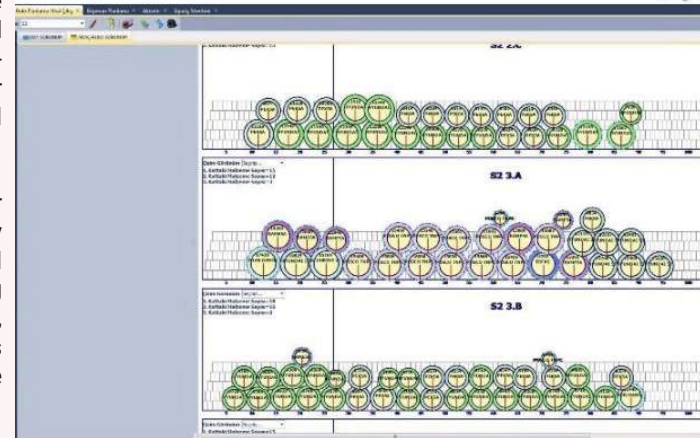




3D Coil Addressing System Project

The port has implemented a system consisting of in-house software and hardware used for handling rolled sheets in open and closed areas. This system utilizes technologies such as distance-measuring lasers, area scanners, and smart PLC modules, allowing for precise tracking of the three-dimensional location of stacked rolled sheets on-site.

The project has reduced time loss caused by manual searching for rolled sheets and transfers, increased workplace health and safety by enabling the on-site workforce to use the computer-based tracking system, and minimized errors and energy losses resulting from manual processes. By enhancing operations and digitalization, we have achieved increased customer satisfaction, and employees can efficiently and competently track operations using up-to-date technologies.



Key Benefits:

- By utilizing the 3D Coil system, the product transfer rate has decreased by approximately 15% annually, resulting in operational efficiency. While these products account for 60% of total products, efficient operations with minimal transfer movements reduce carbon emissions by 15,000 kg.



SDG 8,9



B-Signature Project

The B-Signature project eliminates paper consumption in the process while providing document management for visitors and suppliers entering the port area. Previously, visitors wishing to enter the port had to complete information security and occupational safety agreements via printed copies. With the B-imza software developed by the Borusan Port IT department, paper consumption has ceased, allowing visitors to enter the port without the need for signatures or waiting, simply by receiving notifications on their mobile phones.

Through the B-imza application, the use of 62,000 sheets of paper annually has been prevented, contributing to sustainability and speeding up processes for relevant stakeholders. Additionally, in 2023, it qualified for the finals in the "Sustainable Innovation-Product" category at the Sustainable Business Awards organized by the Sustainability Academy.

Key Benefits:

- Document management has been simplified.
- Port entry processes have been improved.
- Waiting times in business processes have been eliminated, resulting in increased efficiency.
- An annual waste of 62,000 sheets of paper has been prevented.
- Positive contributions to company reputation and competitive advantage have been achieved.

SDG 8, 9, 12





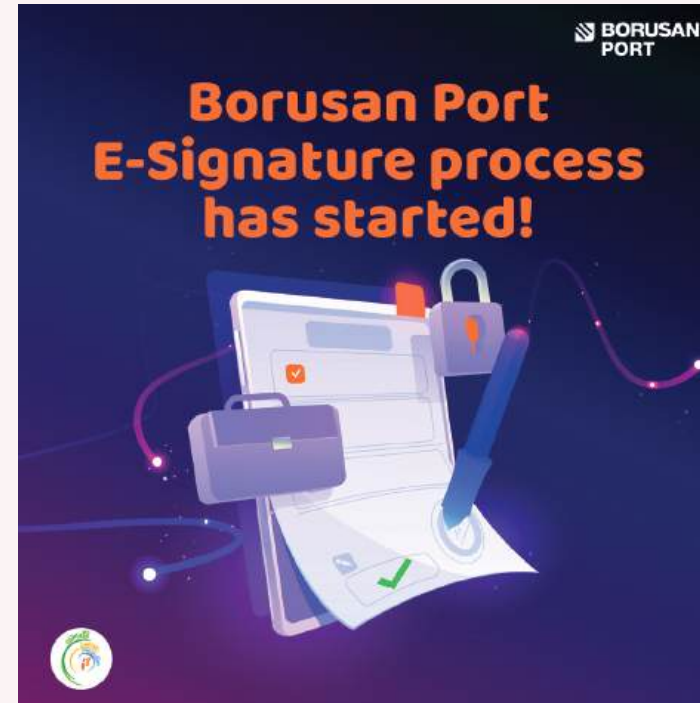
E-Signature Project

This project, implemented in collaboration with Türkkep, was initiated to address the need for numerous employee approvals required by the HR and OHS departments and the challenges associated with archiving these documents. The transition to e-signature has allowed for the instantaneous completion of OHS documents that require regular tracking, as well as improvements in the payroll processes on the HR side, with documents now being archived electronically. As part of the project, all 582 employees have been transitioned to the e-signature application, resulting in an average annual paper consumption reduction of 60,000 sheets.

Key Benefits:

- Improvement of HR and OHS processes
- Annual savings of approximately 60,000 sheets of paper
- Advantage of electronic archiving

SDG 8, 9, 12



ANNEXES

AWARDS AND COLLABORATIONS

BORUSAN LOGISTIC AWARDS AND COLLABORATIONS

Awards

Title of the Award	Award Year	Awarded By	Company	Awarded Project Name
DO! Gold Level Certificate	2023	SKD Türkiye	Borusan Lojistik	do! Be Aware!
Internal Communication Category Project Award	2023	Sustainability Academy	Borusan Lojistik	Notice" Sustainability Movement"
Bronze Medal	2023	Ecovadis	Borusan Lojistik	Bronze Medal
Valued Projects Implementation Category	2023	ZER-Our Dreams Are Similar	Borusan Lojistik	The Green Player in the Grey Sector
Sustainable Future Awards - Achievement Award	2023	KALDER	Borusan Lojistik	The application was submitted with a comprehensive report covering all activities, rather than a specific project name
The 6th Platin Global 100 Awards	2023	Monthly Business and Economy Magazine Platin	Borusan Lojistik	Sustainability Category
The ONE Awards Integrated Marketing Awards	2023	Marketing Türkiye and Akademetre"	Borusan Lojistik	Reputable of the Year Award
Outstanding Employee Experience	2023	Happy Place to Work	Borusan Lojistik	Outstanding Employee Experience
Happy Place to Work	2022	Happy Place to Work	Borusan Lojistik	Happiest Workplace in the Logistics Sector
Fortune 500	2023	Fortune 500	Borusan Lojistik	Ranked as the fourth-largest company in the 'Storage, Transportation, Logistics, and Courier Services' category
Capital 500	2023	Capital 500	Borusan Lojistik	Ranked 146th among Turkey's largest 500 companies and 3rd in the logistics category.
Business Plastics Initiative	2021	SKD Global Compact	Borusan Lojistik	The first logistics company to become a signatory



MEMBERSHIPS

Company Name

KALDER

International Transportation and
Logistics Service Providers Associ-
ation (UTİKAD)

UND (International Transporters'
Association)

SKD – Business Plastics Initiative

TÜRKLİM (Port Operators Associati-
on of Turkey)

Borusan Logistic

Borusan Port

STAKEHOLDER ENGAGEMENT

BORUSAN LOGISTIC STAKEHOLDER ENGAGEMENT

Stakeholder Engagement				
Stakeholder Group	Importance for the Borusan Group	Subcategory	Communication Frequency	Material Topics by Stakeholder Group
EMPLOYEES	At Borusan Lojistik, we believe that the secret to our sustainable success lies in developing the competencies of each employee and striving for shared achievements. We ensure that all solutions we provide to our colleagues support this approach. By fostering the satisfaction and motivation of our employees, we make their skill and talent development accessible and inclusive. Our goal is to keep our employee engagement and satisfaction at the highest level.	General Manager Memorandums (Celebrations for Special Occasions, Important Announcements)	Periodic	<ul style="list-style-type: none"> Combating and Adapting to Climate Change Corporate Governance Occupational Health and Safety Technology and Digital Transformation R&D and Innovation Operational Excellence
		Special Day Events (Digital)	Continuous	
		Internal and External Reports	Periodic	
		Social Responsibility Platforms and Clubs	Continuous	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	
		Training, Employee Engagement (Happy Place to Work), and Customer Research*	Continuous	
		Internal and External Meetings, Evaluations, and Announcements / Communication Meetings	Continuous	
		Code of Ethics and Ethics Hotline	Continuous	
		Be Aware Teams (Borusan Logistics Employee Volunteer Sustainability Teams) and Ocean Volunteers (Members of the Borusan Group Volunteering Platform)	Periodic	
		Focus Group Activities (Training Programs for Field Employees, Female Employees, Parents, etc.)	Periodic	

GROUP COMPANIES

We believe it is our mission to lead in sustainability and environmental awareness across every sector in which we operate as a Group. To foster a collective awareness of sustainability, we focus on climate, people, and innovation, advancing towards complementary goals as the Holding and Group Companies. Growing and thriving in Turkey, our Group Companies—integral parts of this strong chain—play active roles in various areas aligned with our goals, from education and cultural-art activities to societal equality. Operating within a defined governance structure, we work together through Sustainability Committees, subcommittees, and working groups.

SUPPLIERS

We believe it is our mission to lead in sustainability and environmental awareness across every sector in which we operate as a Group. To foster a collective awareness of sustainability, we focus on climate, people, and innovation, advancing towards complementary goals as the Holding and Group Companies. Growing and thriving in Turkey, our Group Companies—integral parts of this strong chain—play active roles in various areas aligned with our goals, from education and cultural-art activities to societal equality. Operating within a defined governance structure, we work together through Sustainability Committees, subcommittees, and working groups.

Internal and External Reports	Annually
Internal and External Meetings, Evaluations, and Announcements	Continuous
Code of Ethics	Continuous
Internal Communication Platforms	Continuous
Social Media, Corporate Websites, and Borusan Applications	Continuous
Sustainability Committees (Sustainability Leaders, Decarbonization and SBTi Committee, Circular Economy Committee, Sustainable Finance Committee, Borusan Equality Committee, Talent Committee, Occupational Health and Safety Committee, Innovation Committee)	Periodic / Monthly Management: Semi-Annually

Internal and External Reports	Annually
Internal and External Meetings, Evaluations, and Announcements	Continuous
Social Media, Corporate Websites, and Borusan Applications	Continuous
eTA Application (Communication with Truck Captains & Operations Management Platform)	Continuous
b-yol Agency Applications	Continuous
Transportation Associations (UTİKAD, UND vb.)	Periodic
VOS: Voice of Supplier Program (Managed within MS CRM)	Continuous

**BORUSAN
LOJİSTİK**

**BORUSAN
PORT**

- Human-Centered Corporate Culture
- Corporate Governance
- Creating Social Benefit
- Stakeholder Relationship Management
- Sustainable Economic Performance

- Occupational Health and Safety
- Water Management
- Human-Centered Corporate Culture
- Sustainable Supply Chain Management
- Customer Satisfaction Management and Service Quality
- R&D and Innovation



MEDIA	We aim to inform all our stakeholders in a correct and transparent manner through various media actors and platforms. We ensure a flow of information to our stakeholders about current developments and manage our communications related to brand reputation with great care.	Internal and External Reports	Continuous	<ul style="list-style-type: none"> Occupational Health and Safety Combating and Adapting to Climate Change Corporate Governance Developing Sustainable Business Models Circular Economy and Waste Management Creating Social Benefit
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
CUSTOMERS	Creating value for our customers is reflected as a culture in the way we do business at Borusan Logistics. At every stage of the customer experience process, we prioritize our customers' feedback. While connecting our products and services with our customers, we aim to make them feel privileged for working with us.	Social Media, Corporate Websites, and Borusan Applications	Continuous	<ul style="list-style-type: none"> Occupational Health and Safety Human-Centered Corporate Culture Inclusion, Diversity, and Equal Opportunity Developing Sustainable Business Models Talent Management and Development Information Security and Protection of Customer Privacy
		Internal and External Reports	Annually	
		Training, Employee Engagement, and Customer Research, NPS	Continuous	
		Internal and External Meetings, Evaluations and Announcements, Customer Events and Sponsorships	Continuous	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	
		Code of Ethics	Continuous	
		VOC – Voice of Customer (Managed within MS CRM), Customer Complaints through the Call Center	Continuous	
		eTA Application – Customer Portal (eta, Atlas) for Managing Customer Business Development and Operations	Continuous	
		Internal and External Reports	Periodic	
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
BUSINESS PARTNERS	In line with our business and sustainability strategy, we continue our activities in collaboration with our business partners. Our effective partnerships strengthen all the steps we take for long-term value creation and competitive advantage.	Code of Ethics	Continuous	<ul style="list-style-type: none"> Occupational Health and Safety Sustainable Economic Performance Circularity and Waste Management Water Management Human-Centered Corporate Culture
		Social Media, Corporate Websites, and Borusan Applications	Continuous	

LOCAL COMMUNITY	As a result of our activities, we shape our positive impact on local communities within our sphere of influence through a multidimensional approach to sustainability. In line with our integrated thinking approach, we create value in solving social issues and contributing to the development of society, based on our ethical business principles	Projects	Projects	<ul style="list-style-type: none"> Developing Sustainable Business Models Corporate Governance R&D and Innovation Creating Social Benefit Technology and Digital Transformation
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
STUDENTS AND ACADEMICS	On the path to achieving our goals, we prioritize promoting scientific and technological advancement, collaborations for R&D projects, and activities such as internships and recruitment for graduates. Additionally, we carry out joint projects in R&D and Sustainability through university collaborations.	Career Days	Continuous	<ul style="list-style-type: none"> Combating Climate Change and Adaptation Developing Sustainable Business Models Circular Economy and Waste Management Technology and Digital Transformation Creating Social Benefit
		Training, Employee Engagement, and Customer Research	Continuous	
		Coaching and Internship Programs with Students, Sustainable Supply Chain Certification Program (Istanbul University)	Continuous	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	
FINANCIAL INSTITUTIONS	We seek the consultancy of financial institutions as part of our business continuity efforts, primarily to minimize the potential risks and impacts arising from events through access to financing and insurance products.	University R&D Project Studies, Sustainability - University Collaboration Projects	Continuous	<ul style="list-style-type: none"> Occupational Health and Safety Human-Centered Corporate Culture Creating Social Benefit Sustainable Economic Performance Technology and Digital Transformation Developing Sustainable Business Models Information Security and Protection of Customer Privacy
		Internal and External Reports	Annually	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	

PUBLIC AND LOCAL GOVERNMENTS	As a result of all our activities, we operate in compliance with legal requirements and relevant regulations. Accordingly, we engage with various public institutions to monitor and audit our activities and ensure compliance.	Internal and External Reports	Annually	<ul style="list-style-type: none"> Corporate Governance R&D and Innovation Occupational Health and Safety Human-Centered Corporate Culture Customer Satisfaction Management and Service Quality Sustainable Economic Performance Creating Social Benefit
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	
NON-GOVERNMENTAL ORGANIZATIONS (NGOS) AND PROFESSIONAL ASSOCIATIONS	Our collaborations with non-governmental organizations (NGOs) provide strength and guidance to create shared value in societal, social, and environmental matters. Through various partnerships, we not only offer a meaningful purpose to our colleagues and stakeholders but also play a significant role in addressing critical needs in society. Through professional associations, we gain the opportunity to stay ahead of developments in the diverse sectors where we operate.	Projects	Project-Based	<ul style="list-style-type: none"> Combating Climate Change and Adaptation Developing Sustainable Business Models Circular Economy and Waste Management Technology and Digital Transformation Creating Social Benefit
		Audits	Real-time/Periodic	
		Internal and External Reports	Annually	
OTHER STAKEHOLDERS	We continue our efforts with the aim of providing high value-added products and services to the Turkish economy and all our stakeholders around the world, leveraging our ability to directly and indirectly influence our value chain.	Internal and External Meetings, Evaluations, and Announcements	Continuous	<ul style="list-style-type: none"> Technology and Digital Transformation Sustainable Supply Chain Management Developing Sustainable Business Models Occupational Health and Safety Information Security and Protection of Customer Privacy Customer Satisfaction Management and Service Quality
		Projects	Proje Bazlı	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	
		Memberships	Continuous	
		With Donations and Sponsorship	Project-Based	
		Internal and External Reports	Annually	
		Internal and External Meetings, Evaluations, and Announcements	Continuous	
		Social Media, Corporate Websites, and Borusan Applications	Continuous	



PERFORMANCE INDICATORS

Financial Performance Indicators

Financial Performance

Borusan Logistic

Financial Indicators	Unit	2022	2023
2023 Total Sales - Exports	Dollar	105,2 M	68,7 M
2023 Total Sales - Domestic	Dollar	366,6 M	398,7 M
Consolidated Sales Revenues	Dollar	471,8 M	467,4 M

Borusan Port

Borusan Port	Dollar	55,3 M	54,3 M
Ship Leasing & Projects	Dollar	146 M	68,6 M
Project and Heavy Transport	Dollar	20,8 M	24,6 M
Consolidated Revenue	Dollar	222 M	147,4 M

Innovation New Products – R&D and Collaborations

What percentage of the company's revenue came from low-carbon products/services?	0,3%
Number of New Products Manufactured	3

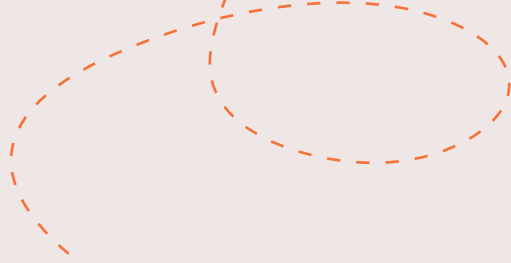
FTE Gains from Projects	25
Number of University Collaborations	4
Number of Patent Applications	8

New Products Manufactured

Product Name
Development of an Innovative Platform for Digital FTL Operations
Total Real-Time Fleet Vehicle Tracking Setup for FTL and Automatic Efficiency Optimization with Integrations
FTL Spot Customer Order Management

Patent Topics

Domestic Partial Distribution Network Modeling
Damage Measurement Prediction
Dynamic Target Costing
A Customer Operation System for Warehouses
Consolidated Labeling in Supply Chain Logistics Operations
A System and Method for Managing Resource and Equipment Usage in Multi-Customer Warehouses
Service Charging and Billing System in Logistics Processes
A System and Method for Tracking Order Deliveries



University Collaborations		
Borusan Logistic	Yaşar University	Logistics Department Chairmanship (Belmont Forum, British Council)
	İYTE	Electrical and Electronics Engineering (Computer Vision Imaging Project)
	Okan University	Logistics Department (Modales Project)
Borusan Port	Bandırma 17 Eylül University	Faculty of Maritime (Pina Project)
	9 Eylül University	Faculty of Maritime (Cold Ironing Project)

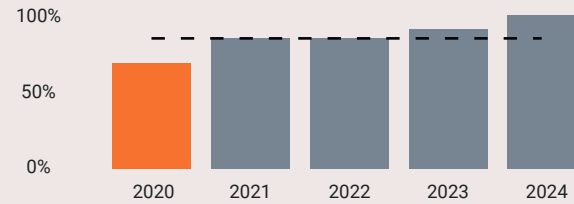
Borusan Logistic

R&D Budget and Revenue	2022	2023
Borusan Logistics Total Budget Allocated to R&D	246.673.840 TL	215.172.362 TL
Borusan Logistics Company Revenue	9.233.932.097 TL	12.005.040.244 TL
Percentage of Borusan Logistics' Total Revenue Allocated to R&D	2,7%	1,8 %
Number of Full-Time Employees in Borusan Logistics R&D	80	98

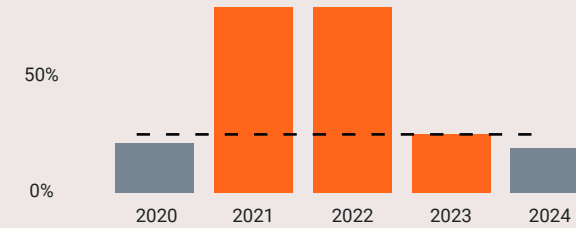
Borusan Logistic

	2022	2023
Borusan Logistics R&D Employee Count	30	35
	50	63

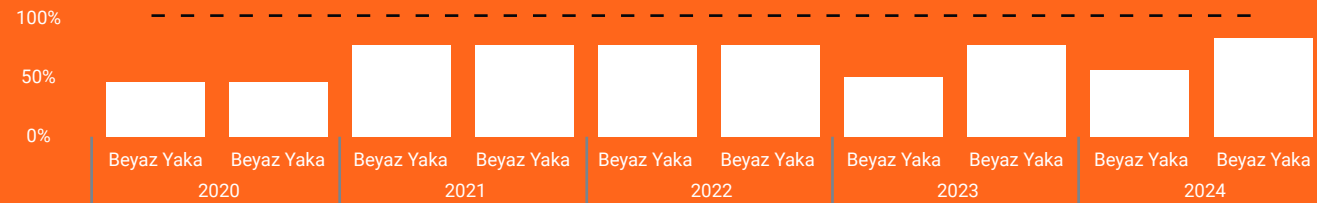
Information Security and ISMS (Information Security Management System) Violation Resolution Rate



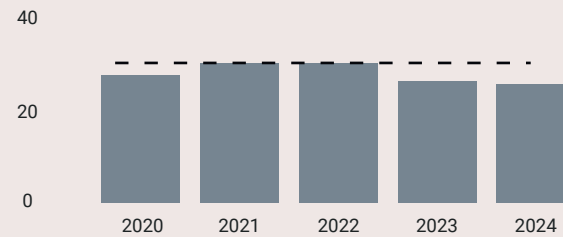
Information Security-Related Delayed DF & Action Rate



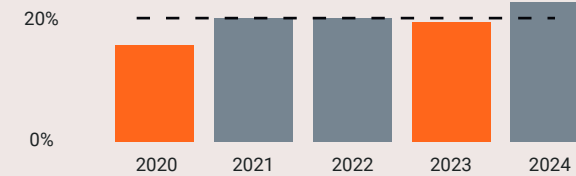
Information Security and ISMS (Information Security Management System) Violation Resolution Rate



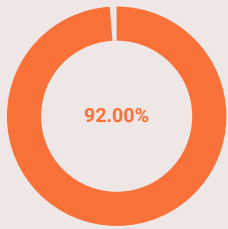
IT Risk Average



Risk Mitigation Rate



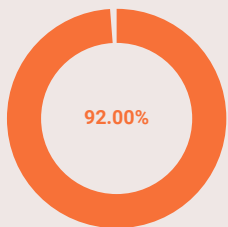
Patch Management



Access Rights Controls



Sealing Tests Detection Rate



Compliance with Legal and Other Requirements



SOCIAL PERFORMANCE INDICATORS

Workforce by Employment Type and Gender

Borusan Logistic		2023
White Collar - Female Employee Count		371
White Collar - Female Employee Count		848
Blue Collar - Female Employee		249
Blue Collar - Male Employee		2.495
Total		3.963
Borusan Port		2023
White Collar - Female Employee Count		39
White Collar - Female Employee Count		81
Blue Collar - Female Employee		34
Blue Collar - Male Employee		441
Total		595

Number of Employees by Gender and Management Category

Borusan Logistic	2023	Borusan Port	2023
Top Management Female	3	Top Management Female	1
Top Management Female %	33,3	Top Management Female %	9,1
Top Management Female	6	Top Management Female	10
Top Management Female %	66,7	Top Management Female %	90,9
Middle Management Female	8	Middle Management Female	39
Middle Management Female %	13,1	Middle Management Female %	32,5
Middle Management Male	53	Middle Management Male	81
Middle Management Male %	86,9	Middle Management Male %	67,5
Other Female	659	Other Female	34
Other Female %	15,8	Other Female %	7,2
Other Male	3.515	Other Male	441
Other Male %	84,2	Other Male %	92,8

Borusan Logistic

	Women	Men
Number of Employees Eligible for Maternity Leave	10	26
Number of Employees Returning to Work After Maternity Leave	10	26
Number of Employees Taking Maternity Leave	10	26

Borusan Port

Number of Employees Eligible for Maternity Leave	4	16
Number of Employees Returning to Work After Maternity Leave	3	16
Number of Employees Taking Maternity Leave	4	16

Trainings

	Training Hours by Gender	
	Women	Men
Borusan Logistic		
Total Training Hours by Gender	23.747	79.001
Annual Average Training Hours per Employee by Gender	10,5	8,7
Borusan Port		
Total Training Hours by Gender	980	8,5
Annual Average Training Hours per Employee by Gender	16	26

Borusan Logistic

Training Hours by Age	Women	Men
Total Training Hours for Ages 18 - 30	8.312	29.613
Total Training Hours for Ages 31 - 40	9.483	24.804
Total Training Hours for Ages 41 - 50	4.815	19.744
Total Training Hours for Ages 51 - 60 and Above	1.133	4.337
Total Training Hours for Ages 61 and Above	0	295

Borusan Port

Training Hours by Age	Women	Men
Total Training Hours for Ages 18 - 30	402	1.477
Total Training Hours for Ages 31 - 40	479	3.019
Total Training Hours for Ages 41 - 50	100	3.315
Total Training Hours for Ages 51 - 60 and Above	0	699
Total Training Hours for Ages 61 and Above	0	0

Borusan Logistic
Training Hours by Management Level

	Women	Men
Total Training Hours for First Level (N-1) Managers	395	847
Total Training Hours for Middle Level (N-2) Managers	145	1.132
Total Training Hours for Top Level (N-3) Managers	9	127

Borusan Port

Total Training Hours for First Level (N-1) Managers	1	7
Total Training Hours for Middle Level (N-2) Managers	0	35
Total Training Hours for Top Level (N-3) Managers	0	0

Borusan Logistic
Training and Development Costs

	Women	Men
Total Investment Amount Spent on Training (TRY)	530.116	2.381.000
Annual Total Training Cost per Employee (TRY)	2.103	2.103

Borusan Port

Total Investment Amount Spent on Training (TRY)	736.282	1.645.065
Annual Total Training Cost per Employee (TRY)	3.249	3.249

Borusan Logistic
Training by Topic

	Unit	Women	Men
Ethics Principles Training	person-hours	344	545
Number of Employees Who Took Ethics Principles Training	number	49	81
Work Standards Training	person-hours	430	912
Number of Employees Who Took Work Standards Training	number	92	246
Anti-Corruption and Bribery Training	person-hours	185	294
Number of Employees Who Took Anti-Corruption and Bribery Training	number	123	196
Sustainability and Environmental Training	person-hours	433	1.731
Number of Employees Who Took Sustainability and Environmental Training	number	433	1.731

Borusan Logistic

Subcontractor/Outsourcing Trainings	Unit	Women	Men
Subcontractor/Subcontractor Training Hours	person-hours	268	1.399
Number of Subcontractors/Outsourcing Employees Who Received Training	number	268	1.399
Average Training Hours per Subcontractor/Outsourcing Employee	hour	268	1.399

Borusan Port

	Unit	2023
Subcontractor/Subcontractor Training Hours	person-hours	1.932
Number of Subcontractors/Outsourcing Employees Who Received Training	number	161
Average Training Hours per Subcontractor/Outsourcing Employee	hour	12

Borusan Logistic

Occupational Health and Safety Trainings Employees	Unit	
Total Training Hours Given to Employees on Occupational Health and Safety (OHS)	person-hours	8.310
Number of Employees Trained on OHS	number	1.210
Average Training Hours per Employee on OHS	hour	6,86

Borusan Port

Total Training Hours Given to Employees on Occupational Health and Safety (OHS)	person-hours	17.558
Number of Employees Trained on OHS	number	644
Average Training Hours per Employee on OHS	hour	27

Occupational Health and Safety (OHS)

	Working Hours	Unit	2023
Borusan Logistic	Total Accepted Working Hours (Daily)	hour	8
	Total Accepted Working Days (Annual)	gün	299
	Total Working Hours	saat	9.653.441
Borusan Port	Total Accepted Working Hours (Daily)	hour	7,5
	Total Accepted Working Days (Annual)	number	302
	Total Working Hours	hour	1.208.107

Occupational Health and Safety Data - Borusan Logistics Employees

Unit	
number	6
number	2
rate	0,724
%	1,98%
number	0
rate	0,019
%	44%
number	0
rate	0
number	53
day	288
%	0,09%

Occupational Health and Safety Data - Contractor/Subcontractor Employees

Unit	
number	19
number	7
rate	13,09
%	-18%
number	0
rate	0,59
%	-146%
number	0
rate	0
number	39
day	1.027
%	0,07%

(OHS) Contractor/Subcontractor Employees

Unit

Number of Accidents (All recorded accidents, regardless of whether they resulted in lost days)

number 150

Number of Accidents (Work accidents resulting in more than 3 days of lost time)

number 71

Accident Frequency Rate

rate 10,3

Decrease in Accident Frequency Rate

% 2,28%

Number of Fatal Work Accidents

number 0

Accident Severity Rate

rate 0,215

Decrease in Accident Severity Rate

% 22,10%

Number of Occupational Diseases

number 0

Occupational Disease Rate

rate 0

Absenteeism Due to Accidents

number 1.484

(OHS) Contractor/Subcontractor Employees

Unit

Number of Accidents (All recorded accidents, regardless of whether they resulted in lost days)

number 47

Number of Accidents (Work accidents resulting in more than 3 days of lost time)

number 28

Accident Frequency Rate

rate 42,92

Decrease in Accident Frequency Rate

% 3%

Number of Fatal Work Accidents

number 0

Accident Severity Rate

rate 1,08

Decrease in Accident Severity Rate

% 16%

Number of Occupational Diseases

number 0

Occupational Disease Rate

rate 0

Absenteeism Due to Accidents

number 732

Borusan Logistic

Borusan Port

Occupational Health and Safety Performance Indicators

	Unit	2023
Near Miss Number	number	1.781
Number of Hazardous Conditions	number	7.124
Number of Health, Safety, and Environmental Site Inspections	number	27.062
Closure Rate of HSE Observations	%	88,18%
Rate of Observations Made by Employees	%	40%
Rate of Employees Receiving Awards	%	15%
Number of Drills Conducted	number	107
Near Miss Number	number	8
Number of Hazardous Conditions	number	184
Number of Health, Safety, and Environmental Site Inspections	number	347
Closure Rate of HSE Observations	%	72%
Rate of Observations Made by Employees	%	61%
Rate of Employees Receiving Awards	%	54%
Number of Drills Conducted	number	16

Occupational Health and Safety Committees

	2023
Number of Established OHS Committees	101
Total Number of Members in Established OHS Committees	263
Number of Employee Representatives in Established OHS Committees	105
Number of Established OHS Committees	6
Total Number of Members in Established OHS Committees	15
Number of Employee Representatives in Established OHS Committees	2

Suppliers	Unit	2023
Total Number of Suppliers	number	2.104
Number of Local Suppliers	number	2.045
Number of Foreign Suppliers	number	59
Number of New Suppliers	number	566
Local Supplier Ratio	%	97,20%
Foreign Supplier Ratio	%	2,80%
Number of Suppliers Signing the Code of Conduct	number	60
Number of Suppliers Committed to the Sustainable Procurement Policy	number	60
Number of Suppliers Subject to ESG & Sustainability Audits/Assessments	number	16
Number of New Suppliers Subject to ESG & Sustainability Audits/Assessments	number	3
Number of Suppliers Identified as Having Significant Existing or Potential Adverse Environmental and Social Impacts	number	7

Suppliers	Unit	2023
Total Number of Suppliers	number	828
Number of Local Suppliers	number	804
Number of Foreign Suppliers	number	24
Number of New Suppliers	number	163
Local Supplier Ratio	%	97,1%
Foreign Supplier Ratio	%	2,9%
Number of Suppliers Signing the Code of Conduct	number	NA
Number of Suppliers Committed to the Sustainable Procurement Policy	number	NA
Number of Suppliers Subject to ESG & Sustainability Audits/Assessments	number	NA
Number of New Suppliers Subject to ESG & Sustainability Audits/Assessments	number	NA
Number of Suppliers Identified as Having Significant Existing or Potential Adverse Environmental and Social Impacts	number	NA

Customers	Unit	2023
Total Number of Customers	number	4.303
Number of Local Customers	number	3.271
Number of Foreign Customers	number	1.032
Customer Satisfaction Rate	%	82%
Customer Reliability Rate	%	66%
Training Hours Given to Employees on Customer Relations	number	17
Total Number of Customers	number	2.172
Number of Local Customers	number	NA
Number of Foreign Customers	number	NA
Customer Satisfaction Rate	%	85%
Customer Reliability Rate	%	NA
Training Hours Given to Employees on Customer Relations	number	NA

Social Responsibility

Borusan Logistic

Number of People Reached through the Inclusion Program

	Unit	2023
Youth	number	15
Children	number	163
Women	number	24
Total	number	202

Volunteering

	Unit	2023
Number of Employees Participating in Volunteering Activities	number	31
Total Hours Spent by Employees on Volunteering Activities	hour	120
Budget Allocated for Volunteering Activities	TL	39.000

Borusan Port

Volunteering

	Unit	2023
Number of Employees Participating in Volunteering Activities	number	62
Total Hours Spent by Employees on Volunteering Activities	hour	128
Budget Allocated for Volunteering Activities	TL	131.938

ENVIRONMENTAL PERFORMANCE INDICATORS

Borusan Logistic

	Unit	2022	2023
Total Operating Expenses for Environmental Activities (TL)	TL	198.764	477.143
Total Environmental Protection Investments (TL)	TL	132.380	405.750
Total Operational Environmental Costs (TL)	TL	331.144	980.000
Benefit Gained in Business Model (in case of proposed emission reduction projects requiring investment)	t CO2 eq	12.365	19.463

Borusan Port

Total Operating Expenses for Environmental Activities (TL)	TL	246.074	NA
Total Environmental Protection Investments (TL)	TL / USD	₺1.785.118	77.000 USD
Total Operational Environmental Costs (TL)	TL / USD	₺2.031.192	77.000 USD

Greenhouse Gas Emissions

	2022	2023
Scope 1 Emissions	13.285	11.384
Scope 2 Emissions (Location-Based)	3.872	3.708
Scope 2 Emissions (Market-Based)	3.730	2.152
Scope 3	146.780	220.715
Total Carbon Emission Reduction % (Scope 1 + 2)	-	*9,57%
Scope 1 Emissions	4.970	4.578
Scope 2 Emissions (Location-Based)	1.797	1.884
Scope 3 Emissions	16	13,2

In 2023, international transportation by air, sea, rail, and subcontracted road transport was included.

*The Scope 1+2 (2-market-based) emission reduction rate was calculated. Scope 3 was expanded in the 2023 report, so no comparison was made with the previous year.

Non-Renewable Direct Energy Consumption Data

	Unit	2023
Natural Gas	M3	128.495
Diesel	LT	3.600.622
Gasoline	LT	276.869
Fuel Oil	GJ	0
Coal	GJ	0
LPG	GJ	0
CNG	GJ	0
Alternative Fuel	GJ	0
Refrigerant Gas Leakages	kg	49,90
Fire Extinguisher Leakage Amount	kg	5.012
Purchased Heat/Steam/Cooling	GJ	0

Borusan Port

Non-Renewable Direct Energy Consumption Data

	Unit	2023
Natural Gas	M3	31.819
Diesel	LT	1.580.126
Gasoline	LT	40.616
Fuel Oil	GJ	0
Diesel	GJ	55.304
Oil	LT	1.299
Coal	GJ	0
LPG	GJ	0
CNG	GJ	0
Alternative Fuel	GJ	0
Refrigerant Gas Leakages	kg	2,5
Fire Extinguisher Leakage Amount	kg	0
Purchased Heat/Steam/Cooling	GJ	0

Borusan Logistic		Unit	2023
	Renewable Energy Generation	Kwh	1.407.526
	Renewable Energy Consumption	Kwh	1.407.526
	Purchased Renewable Energy	Kwh	3.215.063
Borusan Port	Renewable Energy Generation	Kwh	40.610
	Renewable Energy Consumption	Kwh	40.610
	Purchased Renewable Energy	Kwh	NA

Borusan Logistic	Facility Name	Location (Province)	Installed Capacity (MW, MWe)
	Tuzla Operations Center	İstanbul	1.188.984 Kwh
	Antalya Transfer Center	Antalya	146.457 Kwh
	Adana Transfer Center	Adana	72.085 Kwh

Borusan Logistic	Facility Name	2023
	Energy Intensity (GJ)	13.667
	Total Energy Savings (GJ)	898
	Total Hazardous Waste Amount (tons)	2,9
	Total Non-Hazardous Waste Amount	647
	Total Waste	650

	Non-Renewable Indirect Energy	2023
Borusan Logistic	Electricity Consumption (Kwh)	7.848.522
Borusan Port	Electricity Consumption (Kwh)	4.292.102

Borusan Logistic

Total Water Consumption	Megalitre	21,47
-------------------------	-----------	-------

Water Withdrawal	Unit	
Use of Third-Party Water Sources	Megalitre	0
Surface Water Used (rivers, lakes, seas, etc.)	Megalitre	0
Groundwater (well water) Usage	Megalitre	0
Rainwater Usage	Megalitre	0,008

Total Water Consumption	Megalitre	9,66
-------------------------	-----------	------

Water Withdrawal	Unit	
Use of Third-Party Water Sources	Megalitre	0
Surface Water Used (rivers, lakes, seas, etc.)	Megalitre	0
Groundwater (well water) Usage	Megalitre	9,66
Rainwater Usage	Megalitre	0

Borusan Port

Facility Name	2023
Borusan Port	
Total Hazardous Waste Amount (tons)	19
Total Hazardous Waste Amount (tons)	1.232
Total Waste	1.252

Waste Management by Disposal Method	Unit	
Borusan Logistic		
Waste Recovery	ton	650
Amount of Other Recycled Plastic	ton	260
Total Paper Consumption	ton	38,94
Total Plastic Consumption	ton	146
Borusan Port		
Waste Recovery	ton	2,9

Borusan Logistic

Wastewater Discharge	Unit	
Seawater	%	0%
Third-Party Water (e.g., Mains Water)	%	100%
Groundwater	%	0%
Total Water Consumption	Megalitre	21,47

Borusan Port

Seawater	%	0%
Third-Party Water (e.g., Mains Water)	%	100%
Groundwater	%	0%
Total Water Consumption	Megalitre	9,66

Borusan Logistic

Amount of Recycled Water

Amount of Recycled / Reused Water

Unit

ton

8

Circular Business Model

Borusan Logistic

Number of Circular Business Model Projects

Unit

4

Amount (if investment required) (TL, EUR, USD)

TL

43.000

Benefit Gained from Circular Business Model (TL, EUR, USD)

TL

107.000

Revenue and Cost Reduction from Circular Economy

TL

107.000

Borusan Port

Number of Circular Business Model Projects

Adet

4

Amount (if investment required) (TL, EUR, USD)

USD

77.000

BORUSAN LOGISTICS TARGETS

Decarbonization	2021 Baseline Performance	2023 Target	2023 Actual	2024 Target	2030 Target
To Reduce Carbon Emissions	16.690 tons e-CO ₂	16.605 tons e-CO ₂	15.093 tons e-CO ₂	16.485 tons e-CO ₂	12.633 tons e-CO ₂
Total Carbon Emission Reduction % (Scope 1 + 2)	0%	0,54%	9,57%	1,23%	24,3%
Human Targets	2021 Baseline Performance	2023 Target	2023 Actual	2024 Target	2030 Target
Equality - Inclusion Targets	-	-	-	-	-
White-Collar Female Employee Ratio %	44%	44%	45%	44%	44%
Field Female Employee Ratio %	5%	8%	9%	10%	19%
Female Employee Ratio in Senior Management %	25%	30%	38%	TBD	TBD
Female Employee Ratio in Middle Management %	20%	25%	25%	27%	39%
Female Leader Ratio %	20%	25%	25%	27%	39%
Future Leader Annual Turnover Rate %	31,3%	31,0%	5,9%	20,0%	6,0%
Alpha Two-Year Turnover Rate %	0,0%	29,0%	11,1%	29,0%	0,0%

BORUSAN PORT TARGETS

Decarbonization	2021 Baseline Performance	2023 Target	2023 Actual	2024 Target	2030 Target
To Reduce Carbon Emissions	6.762 tons e-CO ₂	6.102 tons e-CO ₂	6.188 tons e-CO ₂	5.574 tons e-CO ₂	0 tons e-CO ₂
Total Carbon Emission Reduction % (Scope 1 + 2)	6.762	5%	-6%	5%	100%
Human Targets	2021 Baseline Performance	2023 Target	2023 Actual	2024 Target	2030 Target
Equality - Inclusion Targets	-	-	-	-	-
White-Collar Female Employee Ratio %	29%	30%	31%	31%	47%
Field Female Employee Ratio %	2%	6%	7%	8%	21%
Female Employee Ratio in Senior Management %	9%	14%	5%	14%	33%
Female Employee Ratio in Middle Management %	-	-	-	-	-
Female Leader Ratio %	9%	14%	5%	14%	33%
Future Leader Annual Turnover Rate %	NA	17%	100%	33%	0%
Alpha Two-Year Turnover Rate %	0,0%	33%	9%	18%	7%

GRI CONTENT INDEX

Statement of Use	Borusan Logistics and Borusan Liman have reported the information specified in the GRI content index for the period 01/2023–12/2023, referencing the GRI Standards
1 GRI Standard	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	PAGE NUMBER
GRI 2: General Disclosures 2021	2-1 Organizational details	14-17, 50-51, 113
	2-2 Entities included in the organization's	14-17, 50-51, 113
	2-3 Reporting period, frequency and contact point	4
	2-4 Restatements of information	FIRST REPORT
	2-5 External assurance	4
	2-6 Activities, value chain and other business relationship	34, 100
	2-7 Employee	165
	2-8 Workers who are not employees	165
	2-9 Governance structure and composition	14
	2-10 Nomination and selection of the highest governance body	14-15-16-17

2-11 Chair of the highest governance body

14-15-16-17

2-12 Role of the highest governance body in overseeing the management of impacts

14-15-16-17

2-13 Delegation of responsibility for managing impacts

14-15-16-17

2-14 Role of the highest governance body in sustainability reporting

17, 51, 52, 114

2-15 Conflicts of interest

21

2-16 Communication of critical concerns

21

2-17 Collective knowl edge of the highest governance body

51, 52, 114

2-18 Evaluation of the performance of the highest governance body

51, 52, 114

2-19 Remuneration policies

27

2-20 Process to determine remuneration

27

2-21 Annual total compensation ratio

Not disclosed due to confidentiality

2-22 Sustainable development

11, 41, 105

2-23 Policy commitments

30

	2-24 Embedding policy commitment	30
	2-25 Process to remediate negative impacts	26
	2-26 Mechanisms for seeking advice and raising concerns	21
	2-27 Compliance with laws and regulations	23
	2-28 Membership associations	Annexes
	2-29 Approach to stakeholder engagement	Annexes
	2-30 Collective bargaining agreements	not available
MATERIAL ISSUES		
GRI 3: Material Issues 2021	3-1 Process to determine material topics	53, 115, Annexes
	3-2 List of material topics	53, 115, Annexes
	3-3 Management of material topics	53, 115, Annexes

OCCUPATIONAL HEALTH AND SAFETY

GRI 3: Material Issues 2021

3-3 Management of material topics

53, 115, Annexes

GRI 403: Occupational Health And Safety 2018

3-3 Management of material topics

53, 115, Annexes

403-1 Occupational health and safety management system

83-89, 130-136

403-2 Types and rates of injuries, occupational diseases, lost days, absenteeism and work-related fatalities

23,83-89, 130-136

403-3 Occupational health services

83-89, 130-136

403-4 Worker participation, consultation, and communication on occupational health and safety

83-89, 130-136

403-5 Worker training on occupational health and safety

83-89, 130-136

403-6 Promotion of worker health

83-89, 130-136

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

83-89, 130-136

403-8 Occupational health and safety management system (GRI 403-1) and its degree of coverage

83-89, 130-136

	403-9 Work-related injuries	Annexes
	403-10 Work-related ill-health	Annexes
COMBATING CLIMATE CHANGE AND ADAPTATION		
GRI 3: Material Issues 2021	3-3 Management of material topics	53, 115, Annexes
GRI 305: Emissions 2016 GRI 302: Energy 2016	Disclosure 305-1 Direct (Scope 1) GHG emissions	Annexes
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Annexes
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Annexes
	Disclosure 305-5 Reduction of GHG emissions	56-60, 117-119, Annexes
	302-1 Energy consumption within the organization	56-60, 117-119, Annexes
	302-4 Reduction of energy consumption	56-60, 117-119, Annexes
	302-5 Reductions in energy requirements of products and services	56-60, 117-119, Annexes

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53,115, Annexes

**GRI 204:
Procurement
Practices
2016**

204-1 Proportion of spending on local suppliers

29

**GRI 308:
Supplier
Environmental
Assessment
2016**

204-1 Proportion of spending on local suppliers

29

204-1 Proportion of spending on local suppliers

29

**GRI 414:
Supplier Social
Assessment
2016**

414-1 New suppliers that were screened using social criteria

29

414-2 Negative social impacts in the supply chain and actions taken

29

GRI 409: Forced or Compulsory Labor 2016	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not Available
TECHNOLOGY AND DIGITAL TRANSFORMATION		
GRI 3: Customer Privacy 2021	3-3 Management of material topics	53, 115, Annexes
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	78, 147
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	37, 102
	201-2 Financial implications and other risks and opportunities due to climate change	44-45, 108
	201-4 Financial assistance received from government	Not Available
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Not Available
	203-2 Significant indirect economic impact	37, 102

CORPORATE GOVERNANCE

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 201:
Economic
Performance
2016**

201-1 Direct economic value generated and distributed

37, 102

201-2 Financial implications and other risks and opportunities due to climate change

44-45, 108

**GRI 205:
Anti-corruption
2016**

205-1 Operations assessed for risks related to corruption

21, 26

205-2 Communication and training about anti-corruption policies and procedures

21, 26

205-3 Confirmed incidents of corruption and actions taken

21, 26

**GRI 206:
Anti-competitive
Behavior 2016**

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

21, 26

INCLUSIVITY, DIVERSITY, AND EQUAL OPPORTUNITY

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 405:
Diversity and
Equal
Opportunity
2016**

Disclosure 405-1 Diversity of governance bodies and employees

14, Annexes

405-2 Ratio of basic salary and remuneration of women to men

Not Available

**GRI 406:
Non-dis-
crimination
2016**

406-1 Incidents of discrimination and corrective actions taken

22

CUSTOMER SATISFACTION MANAGEMENT AND SERVICE QUALITY

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 418:
Customer
Privacy
2016**

Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

78, 148

ROUTE OPTIMIZATION & SUSTAINABLE MOBILITY

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 305:
Emissions 2016**

305-1 Direct (Scope 1) GHG emissions

Annexes

305-2 Energy indirect (Scope 2) GHG emissions

Annexes

305-3 Other indirect (Scope 3) GHG emissions

Annexes

305-5 Reduction of GHG emissions

55-60, 117-119, Annexes

DEVELOPING SUSTAINABLE BUSINESS MODELS & SUSTAINABLE MOBILITY

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 201:
Economic
Performance
2016**

201-1 Direct economic value generated and distributed

37, 102

201-2 Financial implications and other risks and opportunities due to climate change

44-45, 108

R&D AND INNOVATION

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 418:
Customer
Privacy
2016**

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

78, 148

**GRI 203:
Indirect
Economic
Impacts
2016**

203-1 Infrastructure investments and services supported

Not Available

203-2 Significant indirect economic impacts

37, 102

HUMAN FOCUSED CORPORATE CULTURE

**GRI 3:
Material
Issues
2021**

3-3 Management of material topics

53, 115, Annexes

**GRI 401:
Employment
2016**

401-1 New employee hires and employee turnover

Annexes

401-3 Parental leave

66, 128

PROTECTION OF INFORMATION SECURITY AND CUSTOMER PRIVACY

GRI 3: Materia Issues 2021

3-3 Management of material topics

53, 115, Annexes

OTHER TOPICS

GRI 303: Water and Effluents 2018

303-1 Interactions with water as a shared resource

63-64, 126-127

303-2 Management of water discharge related impacts

63-64, 126-127

303-3 Water withdrawal

63-64, 126-127

303-4 Water discharge

63-64, 126-127

303-5 Water consumption

63-64, 126-127

GRI 304: Biodiversity 2016

304-2 Significant impacts of activities, products and services on biodiversity

Studies have commenced as of 2024

GRI 306: Waste 2020

306-1 Waste generation and significant waste-related impacts

61-62, 120-121, Annexes

306-2 Management of significant waste related impacts

61-62, 120-121, Annexes

306-3 Waste generated

61-62, 120-121, Annexes

306-4 Waste diverted from disposal

61-62, 120-121, Annexes

306-5 Waste directed to disposal

61-62, 120-121, Annexes

**GRI 404:
Training and
Education
2016**

404-1 Average hours of training per year per employee

70, 71, 72, 73, 139, 140, Annexes

404-2 Programs for upgrading employee skills and transition assistance programs

70, 71, 72, 73, 139, 140, Annexes

404-3 Percentage of employees receiving regular performance and career development reviews

70, 71, 72, 73, 139, 140, Annexes

**GRI 413:
Yerel
Topluluklar
2016**

413-1 Operations with local community engagement, impact assessments, and development programs

74, 75, 76, 77

413-2 Operations with significant actual and potential negative impacts on local communities

74, 75, 76, 77, 141, 142, 143

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For more information, please contact bl_surdurulebilirlik@borusan.com and bpsurdurulebilirlik@borusan.com.

Report Content



bl_surdurulebilirlik@borusan.com
bpsurdurulebilirlik@borusan.com

Report Consultancy



info@sachiconsultancy.com
www.sachiconsultancy.com

Desing



grafik1@bigworks.com.tr
www.bigworks.com.tr

