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2024

ENCO 2024 Sustainability Report

ENCO 2024 Sustainability Report

1 January 2024 – 31 December 2024

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How to use this interactive PDF

- The menu on the left appears on every page; click a chapter to go there.
- Entries in the contents and the GRI content index are clickable and go to the relevant page.
- Your PDF reader's bookmarks panel lists every heading.
- Text is selectable and searchable (Ctrl/Cmd + F).
- This PDF contains no live data.
- Images are representative and AI-generated; they do not show ENCO facilities, vehicles or employees.

External sources

- [GRI Standards — globalreporting.org](https://globalreporting.org)
- [GHG Protocol — ghgprotocol.org](https://ghgprotocol.org)
- [DEFRA conversion factors — gov.uk](https://gov.uk/defra/conversion-factors)
- [2023 report \(PDF, English\)](#)

About this report

REPORTING PERIOD	1 January 2024 – 31 December 2024
ORGANISATIONAL BOUNDARY	The scope of the report covers ENCO's head office and storage facility in Yenibosna, the Hadımköy warehouse, the Ankara office, the İzmir office and the Istanbul Airport office, together with its sister company Grassl & Co. GmbH in Germany.
REPORTING FRAMEWORK	with reference to the GRI Standards
EXTERNAL ASSURANCE	This report has not been subject to independent external assurance.
PRIOR-YEAR DATA	No restatement of the 2023 figures published in the previous report has been made in this report; the values are retained as originally published.
COMPARABILITY	As the scope boundaries and category classifications differ, the scope-based results for the two years are not directly comparable; changes between scopes should not be interpreted as a genuine reduction or increase.
GHG METHODOLOGY	All calculations were carried out in accordance with the GHG Protocol and ISO 14064 standards and prepared in line with internationally accepted methods.

2024 at a glance

Only values that appear verbatim in the report.

10,668.0 tCO₂e

Total GHG emissions (Scopes 1+2+3)

69.0%

Share from the value chain (Scope 3)

62.4%

Transport and distribution share of the inventory

5,501.17 MWh

Electricity consumption
Renewable energy consumption: 0

22,092 m³

Mains water
17.3% lower than 2023

26.88 tonnes

Total waste

173

Employees (31.12.2024)

0

Occupational accidents (2022–2024)

250

Suppliers · 20% assessed

ISO 45001 ·
37001 · 10002

Certificates obtained for the first time in 2024

Limitations stated in the report

The sentences below are quoted verbatim from the report itself.

This report has not been subject to independent external assurance.

As the scope boundaries and category classifications differ, the scope-based results for the two years are not directly comparable; changes between scopes should not be interpreted as a genuine reduction or increase.

As no renewable energy procurement or I-REC certificates were in place in 2024, the market-based value is equal to the location-based value.

We did not reach our Zero Waste Certificate target in 2024 and have not yet established a classification system that separates hazardous and non-hazardous waste.

Our plant project in Hadımköy is taking longer than planned owing to warehouse renovation works.

As series production of Euro 7 vehicles has not yet begun, we are continuing our fleet renewal with Euro 6.

Data collection for the survey carried out at the beginning of 2024 was completed; the analysis of the results and the resulting action plan have been carried forward to the next period.

As no developments occurred during the 2024 reporting period in ENCO's operational structure, value chain or stakeholder expectations that would alter the prioritisation results, the outcomes of the assessment carried out in the previous period remain valid for 2024.

Biodiversity · 2024 Performance: Not yet started. Vehicles are washed with water only.

Number of suppliers with identified risks: -

ABOUT THIS REPORT

This is the Sustainability Report of ENCO Lojistik ve Ticaret A.Ş. (hereinafter referred to as ENCO), an Istanbul-based logistics company founded in 1985 through a German partnership, covering the 2024 financial year. ENCO specialises in delivering comprehensive supply chain solutions by sea, air and road, supported by an extensive network of 120+ agency partners across 115+ countries. The organisation's commitment to excellence in logistics and sustainability is underpinned by its extensive fleet in Türkiye and Germany and by its technological infrastructure.

This report covers the period 1 January 2024 – 31 December 2024 and has been prepared with reference to the GRI Standards. The location of every reported disclosure is set out in the GRI Content Index in the “Appendices” section of this report. No GRI Sector Standard has been published for the logistics sector in which ENCO operates.

The reporting organisation is ENCO Lojistik ve Ticaret A.Ş., headquartered in Istanbul. The scope of the report covers ENCO's head office and storage facility in Yenibosna, the Hadımköy warehouse, the Ankara office, the İzmir office and the Istanbul Airport office, together with its sister company Grassl & Co. GmbH in Germany. This report has not been subject to independent external assurance.

This is the second sustainability report published by ENCO; the first report covered the 2023 financial year and was published in 2024. No restatement of the 2023 figures published in the previous report has been made in this report; the values are retained as originally published.

As ENCO continues to advance along the path of sustainable logistics in collaboration with its global partners, great value is placed on the feedback, suggestions and questions received from all stakeholders.

MESSAGE FROM THE CHAIRMAN OF THE BOARD

Dear Stakeholders,

At a time when global trade is being reshaped and the climate crisis is transforming the way business is done, it is a great pleasure to share with you ENCO's Sustainability Report covering the 2024 financial year. Our first report, published last year, defined the starting point of our sustainability journey. This second report documents our efforts to translate that starting point into measurable targets and tangible results.

Because it sits at the very centre of global supply chains, the logistics sector carries both significant responsibility and significant opportunity in the fight against climate change. With the experience accumulated since 1985, an agency network extending to more than 115 countries and operations in 45 countries, we must respond to our customers' transport requirements as well as to their carbon footprint reduction targets. We regard sustainability as a competitive factor that will determine the future of our business.

The most important step we took in 2024 was to calculate our carbon footprint end to end using a consistent methodology. This exercise established our total greenhouse gas emissions at 10,668 tonnes of CO₂ equivalent and revealed that 69% of our emissions originate from our value chain and 62.4% directly from transportation and distribution activities. This picture clearly indicates where the centre of gravity of our decarbonisation strategy lies: our transport mode choices and the partnerships we build with our business partners will be decisive.

A further finding from our inventory has clarified the direction of our strategy. Air freight accounts for only 4.3% of the total tonne-kilometres we carry, yet generates 45% of our transport-related emissions. Sea freight, by contrast, carries 78.5% of tonne-kilometres but accounts for only 12.9% of emissions. Increasing the share of intermodal transport will therefore be our strongest carbon reduction

lever in the period ahead. We have set 2024 as the base year for our greenhouse gas targets and will report our progress against this reference in a transparent and comparable manner from now on.

2024 was a productive year for us in strengthening our management systems. We were certified for the first time to ISO 45001 in occupational health and safety, ISO 37001 in anti-corruption and ISO 10002 in customer satisfaction management, and we renewed the accreditation of our existing ISO 9001, ISO 14001, ISO 27001 and ISO 50001 certificates. We brought environment, energy, occupational health and safety, anti-corruption and customer satisfaction together under a single Integrated Management System. On the energy side, we converted our entire lighting infrastructure to sensor-integrated LED systems, replaced the majority of our forklifts with electric models and reduced both our electricity and natural gas consumption compared with the previous year. Our water consumption fell by 17%, while our accident count was recorded as zero for the third consecutive year.

Alongside these achievements, I would also like to be open about the distance we still have to travel. Because Türkiye's electricity system operates on a pooled basis, direct procurement of renewable energy from the grid is not possible; reaching this target depends on commissioning our own solar power plant. Our plant project in Hadımköy is taking longer than planned owing to warehouse renovation works. We did not reach our Zero Waste Certificate target in 2024 and have not yet established a classification system that separates hazardous and non-hazardous waste. As series production

of Euro 7 vehicles has not yet begun, we are continuing our fleet renewal with Euro 6. Each of these areas is a priority for the period ahead.

Our employees are the most important stakeholders in this journey. We continue to invest in the development, safety and well-being of our 173-strong team, and we remain committed to building an inclusive working culture and, in particular, to increasing white-collar female employment. By bringing the logistics management software developed by our R&D team to full capacity in 2024, we saw first-hand the impact of digitalisation on operational efficiency and environmental performance.

Our commitment for the period ahead is clear: to reach net zero in our Scope 1 and Scope 2 emissions by 2040 against the 2024 base year, and to neutralise emissions from all our operations, including Scope 3, by 2050. On the path towards these targets we will continue to measure, to report and to share the results we achieve — whether positive or negative — with you.

I sincerely thank all our stakeholders for the trust and support you have placed in us. Without departing from the principles of transparency, engagement and continuous improvement, we will continue to work together to build a more sustainable future for logistics.

Sincerely,

Adnan Şahin

Chairman of the Board of Directors



About the Company

Founded in 1985 through a German partnership, ENCO is a leading Istanbul-based logistics company. We provide advanced supply chain solutions by sea, air, road and rail, supported by 120+ agency partners in 115+ countries. Our extensive fleet in Türkiye and Germany and our technologically advanced warehouses underline our commitment to logistics excellence and sustainability.

Moving innovatively towards a sustainable future, ENCO leads the way in end-to-end supply chain management and expands its capacity by broadening its global network through green infrastructure investments and strategic partnerships such as WACO. While pioneering environmentally friendly logistics practices, ENCO aims to enhance both Türkiye's and the company's reputation on a global scale. We stand alongside our customers and our planet, and we collaborate with our global partners — particularly in Europe — to advance sustainably in logistics.

Vision, Mission and Philosophy

Vision

To develop a comprehensive, end-to-end supply chain service that facilitates commercial activities worldwide for everyone.

- Advanced Technology
- Quality
- Agility

Mission

To be a lasting business partner, supporting our customers' national and international operations with solutions tailored to their needs, guided by our motto of "innovation and sustainability".

- Customer Priority
- Solution Orientation
- Continuous Innovation

ENCO's Philosophy

Quality & Reliability

Customer satisfaction is our priority. We know that everything begins with trust. Thanks to the long-term relationships we have built in the sector, we meet our customers' needs rapidly, to a high standard and at competitive cost. With decades of experience, we always aim one step further and work relentlessly to get there.

Innovation

Guided by our motto "Innovation for Quality", we continuously improve our processes and business models.

We integrate nearly 40 years of experience with our investments in technology and innovation. With the innovation-driven approach we have placed at the heart of our company, we develop solutions for the needs of a changing world. We use every possibility offered by technology to improve the quality and speed of our existing business processes and to align them with the requirements of our time. In addition, our in-house R&D team identifies sector needs and develops new projects, thereby contributing to the infrastructure of the logistics sector as a whole.

Our Values

- Innovation is more than a goal for us; it is a driving force that fuels our growth and enriches the solutions we offer our customers. We are determined to lead change through creative solutions and thereby to create lasting value for our customers.
- Digitalisation is the fundamental element driving our transformation and enhancing our customer service. We lead sectoral change with innovative, efficient and connected digital solutions in logistics, creating long-term value.
- Responsible Leadership. Our core priority is to place our customers at the centre, to respect their success and to contribute to environmental and social well-being within a framework of ethical integrity. This entire approach is shaped by sustainability principles

and guided by the objective of securing a future that benefits everyone.

- Agility is our fundamental guide, enabling us to anticipate and meet our customers' needs and making rapid adaptation and innovation possible. Aiming for continuous improvement, we embrace change and build a resilient, future-focused corporate culture in logistics.

Our Service Areas

A pioneering force in logistics and transportation, ENCO is at the forefront of sector innovation, offering an integrated service model that brings together the needs of different industries. As Türkiye's first provider of garment-on-hanger transport, ENCO leads the way in textile logistics and meets demand nationwide with specialised equipment and its own warehousing infrastructure.

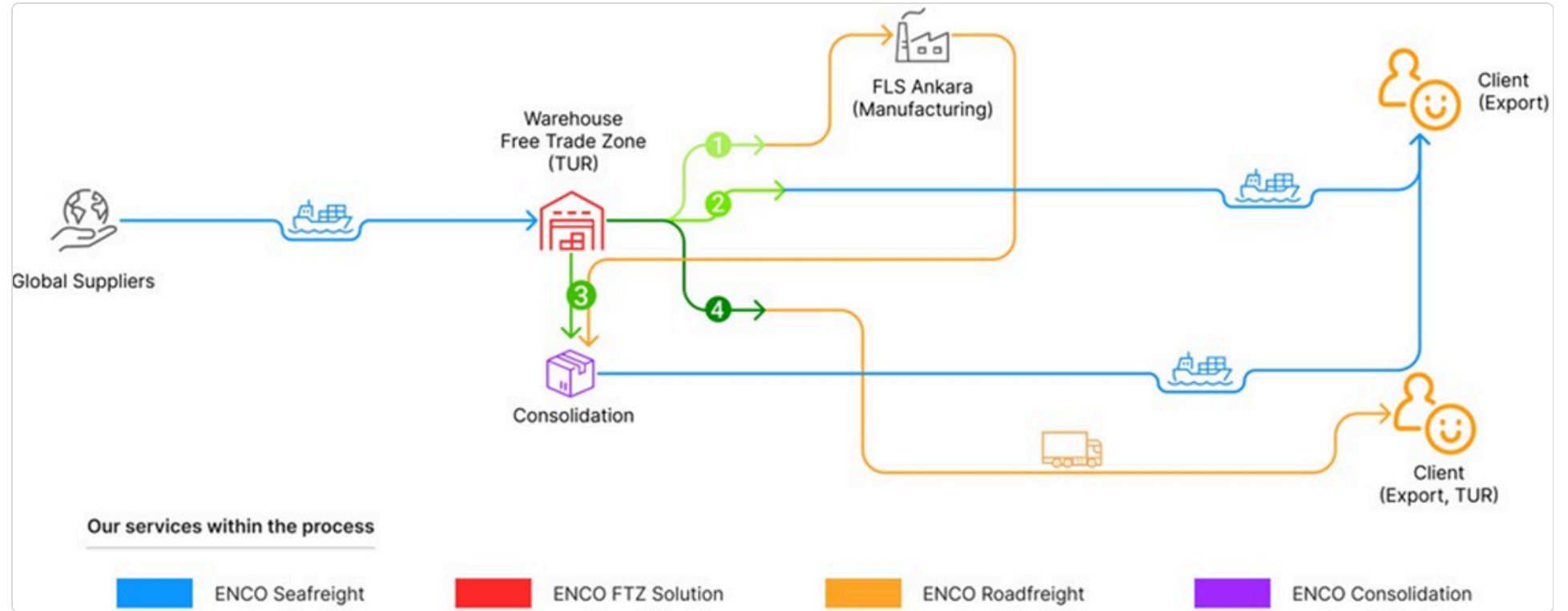
With 39 years of heritage, ENCO also specialises in domestic and international vehicle transportation. It is particularly recognised for the dedicated transport lines it has established between Germany and Türkiye and for its success in the logistics of spare parts and sub-industry products. Holding an ADR certificate, it provides safe transport and storage services to the chemical sector, delivering strong partnerships and logistics support. In the rapidly growing e-commerce sector, it offers warehouse management and supply chain

- Empathy and Entrepreneurial Spirit. Through our empathy-based approach, we understand our customers, our colleagues and our community in depth. Our team, working with sincerity and commitment, unlocks potential and opens the way to innovative solutions.
- Quality is our cornerstone, guaranteeing excellence at every stage of our logistics services. Our commitment to high standards fosters continuous improvement and enables us to deliver unique value to our customers.

solutions thanks to the strong network and expertise it has built between Türkiye and Europe, supporting companies in successfully carrying out their e-commerce and e-export activities.

With its proactive approach to the fast-moving consumer goods sector, ENCO also provides flexible, high-performance solutions for the safe and rapid delivery of white goods and electronic products. This agile service approach extends to the healthcare sector, where it delivers services to high standards in the cold-chain transport and storage of critical products such as pharmaceuticals and vaccines.

Across all these sectors, ENCO develops innovative and reliable solutions by understanding its customers' specific needs and challenges in depth, positioning itself as an indispensable solution partner in the global supply chain.



INCLUSIVE SERVICE DELIVERY ACROSS THE VALUE CHAIN

2024 performance

45

Number of countries with operations in 2024

this is the number of countries in which ENCO carries out operations directly; the number of countries reached through the agency network exceeds 115.

653

Total number of customers in 2024

173

Total number of team members (employees) in 2024

Our Operational Network

Agency Network

6

Continents

115+

Countries

120+

Agencies

300+

Locations

ENCO Operations

200

Vehicles

5

Locations

45,000 m²

Warehouse

4

Airport operation centres

Our Logistics Services

Road Transport	Sea Transportation	Airfreight Transportation	Warehouse Management
Intermodal/Multimodal	National Distribution	Custom Clearance	Global Forwarding

ENCO's logistics structure: global and integrated 2024

2,806 Number of trips road	45,790,199.554 k Shipment volume	4,977 Number of shipments	EUR 18.33 million Annual Turnover
1,712 TEU			

Our Locations

Grassl & Co. GmbH Internationale Spedition Fabrikstr. 16, 73230 Kirchheim unter Teck (Stuttgart) – Germany	Istanbul Airport Cargo Terminal Tayakadın Mahallesi Nuri Demirağ Caddesi Bina No:33 İç Kapı No:186 Arnavutköy / İSTANBUL
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ENCO Headquarters

Basın Ekspres yolu, Cemal Ulusoy Caddesi, ENCO Tesisleri
No:57 A Plaza 34197 Bahçelievler / ISTANBUL

ENCO İzmir

Kıbrıs Şehitleri Cad. 1478 Sk. No:78 Maliki İş Hanı K:6 35220
Alsancak / İZMİR

ENCO Ankara

Esenboğa Havalimanı DHMİ Ana Tamir Atölye İç Kargo
Acenteler Bölümü Esenboğa / ANKARA

ENCO's Journey Through Time

- **1985** ENCO began operations under the name İstanbul Travel.
- **1987** ENCO began providing air freight services.
- **1989** ENCO opened its first branch in İzmir.
- **1990** ENCO became the first Turkish company to carry garment-on-hanger textiles by road.
- **1995** ENCO opened its second branch in Ankara.
- **1996** ENCO became a member of IATA.
- **2000** ENCO began providing sea freight services and became WACO's sole authorised agent in Türkiye.
- **2002** ENCO certified its quality by obtaining the ISO 9001 Quality Management System certificate.

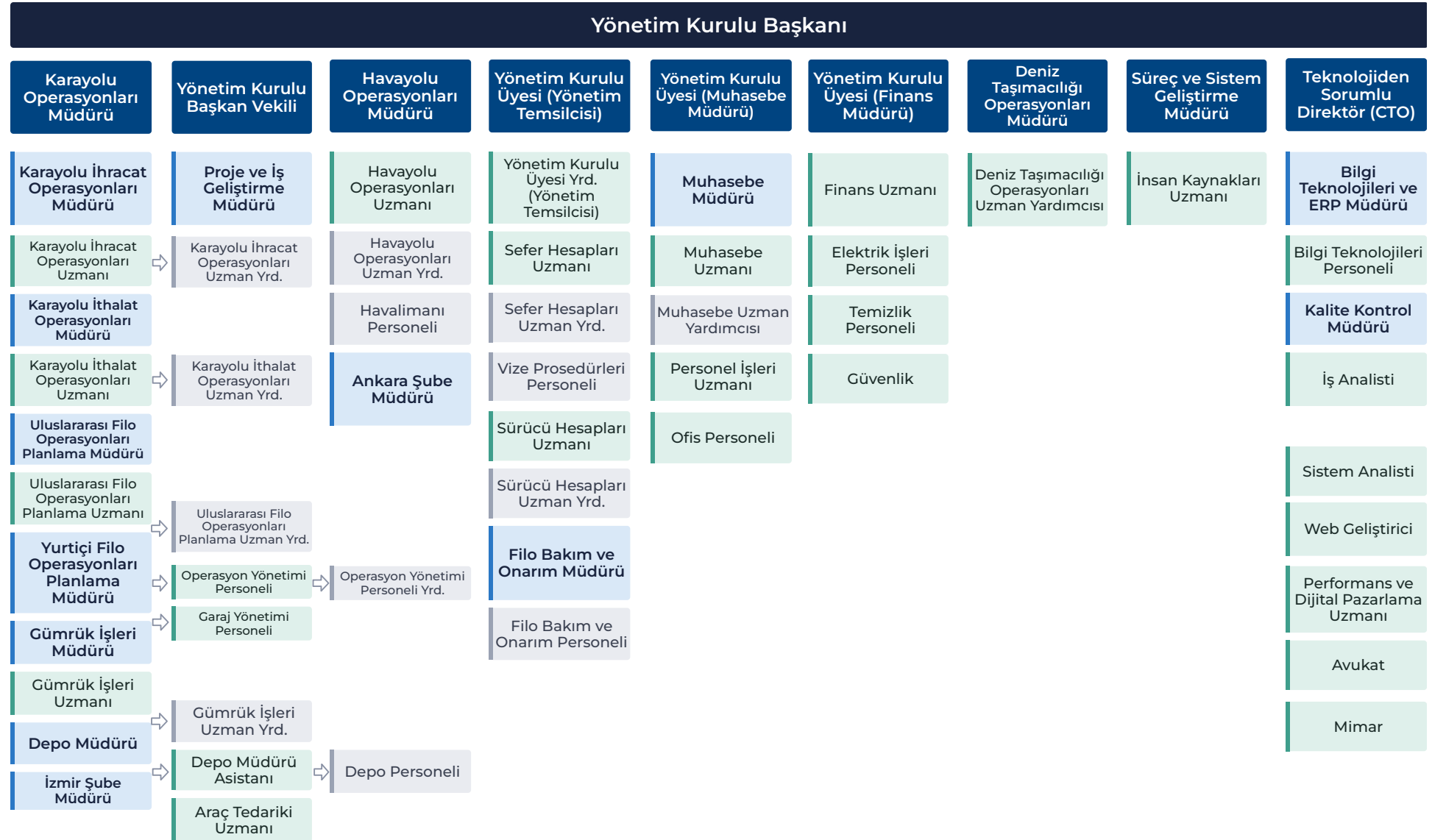
- **2007** ENCO became a member of FIATA.
- **2017** ENCO added the ISO 27001 Information Security certificate to its management system standards.
- **2019** ENCO invested in 100 additional owned vehicles for its fleet and established a distribution department to expand its “Distribution” service.
- **2021** The AEO (Authorised Economic Operator) certificate was obtained.
The ETGB (Electronic Commerce Customs Declaration) certificate was obtained.
ENCO qualified for the ISO 14001 Environmental Management System and ISO 50001 Energy Management System certificates.
- **2024** ENCO published its first Sustainability Report, covering the 2023 financial year.

Corporate Memberships

Through its memberships of sectoral and professional organisations, ENCO follows developments in the logistics sector and contributes to the dissemination of good practice:

- IATA (International Air Transport Association) – member since 1996
- FIATA (International Federation of Freight Forwarders Associations) – member since 2007
- WACO System – sole authorised agent in Türkiye since 2000

Organisation Chart



OUR SUSTAINABILITY APPROACH

Sustainability Governance

- Members of the Board of Directors
- Sustainability Committee
- Sustainability Directors (Process and System Development Manager, Vice Chairman of the Board, Head of Technology Department)

Members of the Sustainability Committee

Finance Manager	Administrative Affairs Manager	Accounting Manager
Human Resources Specialist	Management Systems Specialist	Communications Specialist
Road Operations Manager	Air Operations Manager	Sea Operations Manager

Statements of the ENCO Sustainability Committee

Environmental Responsibility

We are determined in our efforts to minimise our environmental footprint. ENCO has invested in a modern Euro 6 truck fleet that meets the latest emission standards and significantly reduces greenhouse gas emissions. By applying route optimisation methods and multimodal transport, we ensure that our logistics operations are as efficient as possible, reducing fuel consumption and eliminating unnecessary kilometres.

Social Responsibility

At ENCO, social responsibility is not merely a programme but a value that guides every action we take. We believe in creating lasting, positive impacts in the communities in which we operate. Our initiatives focus on promoting education, health and well-being.

By partnering with local organisations and universities, we sponsor community development projects and thereby strengthen the socio-economic fabric of communities.

Our commitment extends beyond immediate relief efforts. Following the devastating earthquakes in South-eastern Anatolia in February 2023, ENCO mobilised its fleet to deliver critical supplies to the affected regions. These efforts underline our belief that corporate success is intrinsically linked to the well-being of the communities we serve.

Employee Well-being

ENCO places a high priority on the well-being and development of our employees. We take pride in our diverse workforce and strive continuously to create an inclusive environment in which all employees can succeed. Our ongoing initiatives to strengthen employee engagement, to provide training and development opportunities and to ensure a healthy work-life balance are core components of our sustainability strategy.

Governance and Compliance

At ENCO, governance and compliance are the cornerstones of our sustainable business practices. We are committed to maintaining the highest standards of transparency and accountability. This encompasses our unwavering commitment to strict compliance with customer requirements and industry standards, to robust measures ensuring data privacy and protection, and to strong cybersecurity protocols. Our governance framework is designed to foster innovation and to guide responsible investment decisions, keeping our operations resilient and forward-looking.

Sustainable Growth

We believe that sustainable growth is achieved through innovation and collaboration. ENCO works actively with stakeholders, including customers and partners, to develop and implement best practice in sustainability. Our goal is to be a leader in the logistics sector by demonstrating that economic success can go hand in hand with environmental and social responsibility.

Future Commitment

Looking ahead, we at ENCO are determined to advance our sustainability initiatives further. We will continue to explore new technologies and practices that improve our environmental

performance, support our employees and contribute to the well-being of the communities we serve. Our sustainability journey continues, and we are dedicated to creating a positive impact for future generations.

Our Certifications and Management Systems

ENCO secures the fulfilment of its commitments by developing a range of management system policies aligned with its values, corporate culture and global trends. This determination is reflected concretely in our efforts to continuously improve every stage of our logistics chain and in the sustainability leadership we integrate into our business strategy. This section of the report sets out the certifications and documents held by ENCO, demonstrating our compliance with current standards in the logistics sector and our forward-looking vision.

- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO/IEC 27001:2017 Information Security Management System
- ISO 50001:2018 Energy Management System

- AEO (Authorised Economic Operator Certificate)
- Group B Authorised Agent Certificate
- SAQ 5.0 CSR for Automotive Sector Suppliers

In 2024, the ISO 45001:2018 Occupational Health and Safety Management System, ISO 37001:2016 Anti-Bribery Management System and ISO 10002:2018 Customer Satisfaction Management System certificates were obtained for the first time, and the accreditation of the ISO 9001, ISO 14001, ISO 27001 and ISO 50001 certificates was renewed. The Authorised Economic Operator (AEO) certificate is valid for five years, with an on-site audit to be conducted by the Ministry of Trade in 2026. The Group B Authorised Agent Certificate is valid until 27 February 2027.

Our ESG Strategy

At ENCO, we recognise the critical importance of integrating Environmental, Social and Governance (ESG) principles into our core business strategies as we build a sustainable future. Our ESG strategy is built on our commitment to sustainability, legal compliance,

accountability to stakeholders and ethical governance principles. In this way, we aim to make a positive contribution to a more sustainable future.

Environmental Responsibility

ENCO is committed to developing innovative solutions to minimise its environmental impacts. At the heart of our strategy lie the reduction of carbon emissions, the improvement of energy efficiency and the promotion of environmentally friendly practices across all our operations. We aim to reach net zero in our Scope 1 and Scope 2 emissions by 2040 and to neutralise emissions from all our operations, including Scope 3, by 2050. Our principal levers for achieving these targets are fleet electrification, the transition to alternative fuels, renewable energy procurement and increasing the share of intermodal transport.

Social Responsibility

ENCO's approach to social responsibility is founded on creating inclusive growth opportunities and improving the well-being of the communities in which we operate. By investing in programmes that support education, health and social equity, we aim to make tangible and lasting differences in the lives of the people we serve. Creating working environments that promote diversity, equity and inclusion, and offering a supportive working culture for all our employees, are also among our priorities.

Governance and Ethics

ENCO adopts the highest standards of corporate governance and ethics, applying the principles of transparency, accountability and integrity across all business processes. By establishing a strong ESG

committee, we oversee the implementation of our ESG targets, review our strategies regularly and ensure full compliance with global standards and regulations.

Alignment with Global Goals

Our ESG initiatives are carried out in alignment with the United Nations Sustainable Development Goals (SDGs). We aim to create the greatest impact in areas such as responsible consumption and production, affordable and clean energy, and decent work and economic growth.

Stakeholder Engagement

We believe in the power of collaboration and attach great importance to open communication with our customers, employees, investors and community stakeholders. Through continuous dialogue and partnerships, we aim to develop our ESG strategies and to encourage collective action towards shared sustainability goals.

Looking Ahead

ENCO is committed to continuously improving its ESG performance. By monitoring our progress through data-driven analysis, we take informed decisions and, by integrating ESG criteria into every area of our business, we aim not only to meet but to exceed stakeholder expectations and to lead the way towards a more sustainable future.

Our Sustainability Targets

In line with its 2050 ESG Roadmap, ENCO has set a range of medium- and long-term milestones on a global scale. The targets defined within this framework are presented below.

PLANET

Topic	Medium-Term Target (2035)	Long-Term Target (2050)	2024 Performance
Carbon Emissions	Scopes 1 and 3: 40% absolute reduction through the shift to intermodal transport. Scope 2: 40% of electricity supply sourced from renewables and 60% covered by I-REC certificates.	Neutralisation of carbon emissions from all operations.	Total emissions 10,668.0 tCO ₂ e (Scope 1: 912.6 / Scope 2: 2,398.5 / Scope 3: 7,356.9). 2024 has been set as the base year. Scope 1: Three of four forklifts converted to electric models; the lighting infrastructure fully converted to LED. Scope 2: Renewable procurement was not achieved. As direct supply from the grid is not possible, the target depends on a solar power plant; the Hadımköy project is ongoing. Market research for I-REC certificates is planned. Scope 3: Emissions analysis by transport mode was carried out for the first time; air freight carries 4.3% of tonne-kilometres yet generates 45% of transport emissions.
Water	A feasibility study will be carried out in the 2025 financial year, with a rainwater harvesting system planned for installation at ENCO facilities by 2035.	No change to the target.	Structuring is ongoing.

Topic	Medium-Term Target (2035)	Long-Term Target (2050)	2024 Performance
Waste Management	Obtaining the Zero Waste Certificate in 2025. Replacing 40% of packaging materials with recycled alternatives. Reducing the quantity of waste sent to landfill by 80%.	Replacing 80% of packaging materials with recycled alternatives.	Zero-waste bins have been placed on the office floors of Plaza A and Plaza B and at the ENCO Office and ENCO'S. In addition, waste sent from the offices to the warehouse is collected regularly, and scrap waste is also collected in the area where yard vehicles are located.
Energy Management	Replacement of forklifts with electric models by 2027. Transition to LED lighting in all areas, including warehouse spaces. LEED certification for the existing head office.	Transition to hybrid and electric vehicles (trucks and other transport vehicles) will be completed.	In 2024, three of our four forklifts were replaced with electric models and the entire lighting infrastructure was converted to sensor-integrated LED systems. Hybrid and electric vehicle purchases were made in 2025.
Biodiversity	Transition to biodegradable sponges for vehicle washing.	No change to the target.	Not yet started. Vehicles are washed with water only.

PEOPLE

Topic	Medium-Term Target (2035)	Long-Term Target (2050)	2024 Performance
Quality Education	The previously inactive Driving Academy will be reactivated and developed for in-house personnel and local communities.	No change to the target.	The process is actively ongoing and applications are being evaluated.
Performance Evaluation and Mentoring	Implementing a performance evaluation system covering all employees in order to strengthen employee engagement.	No change to the target.	Structuring is ongoing.

Topic	Medium-Term Target (2035)	Long-Term Target (2050)	2024 Performance
Feedback, Suggestion and Complaint Mechanism	Obtaining the ISO 10002 Customer Satisfaction Management System certificate in 2024 to improve customer satisfaction and stakeholder communication. Raising the employee engagement rate above 85% by 2030. Adding a chat box and an ethics hotline to the website to improve communication.	Raising the employee engagement rate above 95% by 2050. Obtaining annual feedback from personnel and external stakeholders.	The ISO 10002 Customer Satisfaction Management System certificate was obtained in 2024. The target has been achieved.
Equality and Diversity	More than 25% female representation in management and leadership positions.	More than 40% share of women and minority groups in management and leadership positions.	Structuring is ongoing.
Information Security	We plan to train our teams through simulations and drills in order to raise awareness of cybersecurity risks and protect ENCO and its customers.	No change to the target.	Structuring is ongoing.

GOVERNANCE

Topic	Medium-Term Target (2035)	Long-Term Target (2050)	2024 Performance
Ethics and Code of Conduct	100% of employees to receive training on the ENCO Code of Conduct and Ethics.	No change to the target.	Structuring is ongoing.
Supply Chain Management	50% of suppliers to commit to compliance with the Supplier Code of Conduct.	100% of suppliers to commit to compliance with the Supplier Code of Conduct.	Structuring is ongoing.

Materiality Assessment

As part of our materiality assessment, we identified the key impacts arising across our operations and the wider value chain. These impacts represent a selected reflection of the significant effects resulting from our role as a global supply chain integrator. While not exhaustive, they illustrate the range of challenges associated with our activities. Details of how we address these impacts, and of the strategies we follow to mitigate harm and manage risks effectively, are provided in the relevant sections of the report.

INTERNAL STAKEHOLDERS

Employees Managers

- The ENCO Head Office campus comprises two office buildings, a storage facility and a truck park; certain office areas are also leased to various companies.
- ENCO personnel based at the IGA Airport office and business partners involved in air freight services.
- Personnel of the Grassl subsidiary in Germany, together with employees at the İzmir and Ankara offices.
- Both blue-collar and white-collar personnel are employed at the ENCO Head Office, which also encompasses the storage and truck parking areas.
- Business partners involved in sea freight services.
- Customers served.

Key Stakeholder Groups

Our materiality assessment incorporates the perspectives of five key stakeholder groups. We engaged with these groups through dedicated surveys to ensure that their expectations were accurately reflected in our analysis.

EXTERNAL STAKEHOLDERS

Suppliers & Business Partners Customers Communities

- Public authorities contacted during customs clearance processes. This stakeholder group has been excluded from the scope at the current stage of this report.

Materiality Assessment

ENCO's sustainability initiatives are shaped by a comprehensive strategy initiated through a GRI-aligned materiality assessment that identifies the most critical sustainability topics facing our company. This assessment identified 23 sustainability topics of vital importance to our operations and our stakeholders, which are presented in the detailed Materiality Matrix.

Our approach is based on a comprehensive research process aligned with international standards such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). This process helped us identify the environmental, social and governance topics that matter to ENCO's internal and external stakeholders alike.

Surveys were conducted covering senior management, internal experts, other employees, suppliers and key stakeholders including customers, investors and employees. This collective effort enabled us to focus on topics such as emissions management, energy efficiency, humanitarian aid practices, and workforce training and development.

88%

Internal Stakeholders

12%

External Stakeholders

Materiality Matrix

Our sustainability framework has been built on the deep integration of risk and opportunity assessments across all our operations. In line with one of our core values, we aim to develop a robust workforce strengthened by institutional knowledge that optimises all processes. This approach not only improves our day-to-day activities but also enables us to prepare effectively for the challenges we may face in the future.

Guided by the insights gained from the materiality analyses conducted with internal and external stakeholders, we continuously align our practices with local and global sustainability standards. This

The output of all this work is summarised in the ENCO Materiality Matrix, which sets out visually the importance and impact of the sustainability topics identified. This matrix not only guides our strategic sustainability work but also serves as a tool supporting transparent communication with all stakeholders. It reflects our commitment to long-term value creation and our determination to adapt to developments in sector standards and stakeholder expectations.

strategic alignment supports the advancement of a sustainability agenda that balances economic sustainability with environmental responsibility and social equity.

Background data for the sustainability initiative was collected through online surveys and interviews with stakeholders. Of the 68 participants, 12% were not ENCO employees. In the feedback received, employee rights, regulatory compliance, and ethical and transparent management stood out as priority areas for ENCO's sustainability work. Areas identified for improvement included waste management, employee rights and customer satisfaction.

Results of the Materiality Assessment

ENCO's materiality assessment was conducted through a research process aligned with the GRI and SASB frameworks and a survey covering five key stakeholder groups. The assessment identified 23 sustainability topics across the environmental, social and governance dimensions, which were prioritised along the axes of importance to

stakeholders and impact on ENCO's activities. As no developments occurred during the 2024 reporting period in ENCO's operational structure, value chain or stakeholder expectations that would alter the prioritisation results, the outcomes of the assessment carried out in the previous period remain valid for 2024.

Material Topics

Priority Rank · Sustainability Topic · Dimension

1	Employee Rights	Social	2	Regulatory Compliance	Environmental	3	Ethical and Transparent Management	Governance
4	Information Security	Governance	5	Management of Environmental, Social and Economic Risks	Governance	6	Customer Satisfaction	Governance
7	Brand Value	Governance	8	Anti-Corruption	Governance	9	Waste Management	Environmental
10	Water Management	Environmental	11	R&D and Innovation	Governance	12	Inclusion and Equality	Social
13	Quality Education	Social	14	Contribution to the Local Economy	Social	15	Investment in Corporate Social Responsibility Projects	Social
16	Digitalisation	Environmental	17	Energy Management	Environmental	18	Occupational Health and Safety	Social
19	Talent and Career Management	Social	20	Facility and Warehouse Management	Social	21	Resource Management	Environmental
22	Emissions Management	Environmental	23	Route Optimisation	Environmental			

CORPORATE GOVERNANCE

REPRESENTATIVE IMAGE · AI-GENERATED

Governance

ENCO's sustainability activities are conducted in line with the principles of transparency and openness, with the aim of benefiting the environment and all stakeholders. The Board of Directors, equipped with the necessary competencies, monitors all processes periodically, identifies potential risks and determines the actions to be taken in response to allegations of breaches of corporate responsibility or misconduct. Acting with a strong corporate governance approach, ENCO embraces the vision of creating a sustainable future and safeguards its resilience against risks arising from global crises. The policies that serve as guiding principles of the company's strategy support responsible growth, development, transformation and sustainable value creation.

ENCO is committed to conducting its sustainability management through policies structured on a clear, comprehensible and transparent basis. These policies are published on the company's website so that they are accessible to all stakeholders.

The Board of Directors monitors developments in sustainability performance through regular reporting by the Sustainability Committee. Critical matters raised by employees and other stakeholders are collected through the Occupational Health and Safety Committee, site-based safety committees, employee surveys and exit interviews, and are conveyed to the Board of Directors via the Sustainability Committee.

Corporate Governance Structure

Aware of the role that corporate governance plays in the effective control of organisational processes, ENCO attaches great importance to the principles of accountability, fairness and transparency in its relationships with stakeholders and applies a management framework structured accordingly. The Board of Directors, composed of three senior executives, meets regularly to ensure that all processes are managed effectively from end to end. Sustainability activities are coordinated by the Sustainability Committee, which is led by the Process and System Development Director and the Vice Chairman of the Board and comprises representatives from different departments.

The Board of Directors ensures that all business processes are aligned with the sustainability strategy and is responsible for the oversight of all relevant structures, including the Sustainability Committee. Corporate governance is recognised as one of the cornerstones of

good business conduct through the practices, processes and policies that support strong and effective decision-making. In this context, ENCO has developed policies that clearly define its processes in order to ensure uninterrupted business operations. This approach enables climate change, human rights, working conditions, strong governance and ethical matters to be integrated into the company's vision and operations with a sustainability focus.

The Sustainability Committee comprises representatives from Finance, Administrative Affairs, Accounting, Human Resources, Management Systems, Communications, and Road, Air and Sea Operations, and works under the leadership of the Process and System Development Manager and the Vice Chairman of the Board. This structure ensures that sustainability topics are disseminated across all operational functions.

The Way We Do Business

At ENCO, we serve a strong purpose that has formed the basis of our activities since our foundation. In an era in which global supply chains are becoming increasingly complex, our mission is to be a lasting business partner that supports national and international operations with customer-focused solutions, strengthened by the principles of sustainability and innovation. Our aim is to enhance quality of life through a system that connects our planet more efficiently, delivering sustainable, responsible and superior results for our customers.

ENCO stands out as a solution partner that enables its customers to manage all their operational processes with confidence by providing end-to-end logistics services on a global scale. Through the comprehensive services we offer — from warehousing to transport organisation, from distribution to complex supply chain solutions — we remove all of our customers' concerns regarding their transport processes and allow them to focus on their core business.

Our business model is operated through a flexible and agile structure with outsourced carriers in sea, air and road transport. Thanks to this asset-light strategy, we can adapt rapidly to market dynamics and customer needs and deliver our services in a more cost-effective, timely and environmentally friendly manner.

An emergency action plan is in place at ENCO to address operational continuity risks. The Air, Road, Import and Export departments and the relevant management level are responsible for implementing the

Our Business Ethics Approach

ENCO's business ethics policies require strict measures against practices such as corruption, bribery and extortion; all employees and business partners are expected to comply fully with the relevant legal regulations. The company ensures that legal records are kept accurately and securely, fulfils its financial responsibilities and strictly avoids tax evasion.

The protection of confidential information, the promotion of fair competition and the prevention of conflicts of interest are among our core principles. Employees are prohibited from engaging in external

plan. The identification, assessment and monitoring of risks are carried out through the Risk Management Procedure issued under the Integrated Management System and the associated dashboard.

At ENCO we are committed to investing in markets and service areas that facilitate our customers' operations and to growing our third-party logistics value chain. We will continue to shape the sector with logistics solutions that meet not only today's market needs but also target a sustainable future.

commercial activities without company approval. All products and software used must be original and licensed, and intellectual property rights must be respected.

Full compliance with export controls and economic sanctions is maintained. In addition, measures are implemented to protect employees and company assets in crisis situations such as natural disasters or terrorism.

Business Ethics Policy

Corruption, Extortion and Bribery Policy

Security

Financial Responsibility

Protection of Information

Export Controls and Economic Sanctions

Fair Competition

Conflicts of Interest

Fake Parts

Intellectual Property Rights

Information Privacy and Protection Against Retaliation

Our Code of Conduct

The ENCO Code of Conduct is a comprehensive framework established to ensure that all our operations are conducted with ethical, legal and social responsibility. A summary of our core principles is set out below:

The Business Ethics Policy, the Code of Conduct, the Human Rights Policy and the Supplier Code of Conduct constitute ENCO's policy commitments. These commitments are approved by the Board of

Directors, published on the company's website, and suppliers are likewise expected to declare their compliance with the same principles. Employees and external stakeholders can seek advice and raise concerns through the Occupational Health and Safety Committee, employee surveys, customer feedback processes and supplier evaluation meetings. As part of the expansion of our communication channels, a feedback box and an ethics hotline are planned for addition to the corporate website.

Money Laundering

Fair Competition

Protection of Sensitive Information

Personal Use of Company Assets

Digital Data Security

Policy Breaches and Penalties

Disclosing Compliance Issues

Giving and Receiving Gifts

Compliance with Laws

Individual Responsibilities for Protecting Corporate Values

Working Conditions and Human Rights

Health, Safety, and Environment

Avoiding Conflicts of Interest

Corporate Citizenship and Donations

Relationships with Business Partners, Customers, Suppliers,
and Other Representatives

Anti-Corruption

In line with the principles of transparency and integrity, ENCO adopts a responsible approach to all tax matters. Paying the correct amount of tax to the relevant authorities within statutory deadlines is one of our company's fundamental principles. ENCO has zero tolerance for tax evasion, the facilitation of such activities or any form of corruption. It maintains open and transparent relationships with all tax authorities.

Within the scope of our business activities worldwide, tax payments of various types and significant amounts are made; corporate tax, customs duties, special consumption taxes, stamp duties, employment taxes and many other commercial taxes are paid in accordance with the applicable legal regulations. In addition, employee taxes and indirect taxes such as value added tax (VAT), fuel and fleet taxes are collected and transferred to the relevant authorities.

ENCO aims to achieve full compliance with all tax rules and regulations applicable globally. Our tax practices are conducted in a manner consistent with and proportionate to our commercial activities and transactions (for example, purchases and sales). Where uncertainty arises in the interpretation of tax legislation, opinions are obtained from independent and reputable external advisers and we act in accordance with generally accepted practice. No confirmed incidents of corruption occurred in 2024.

ENCO obtained the ISO 37001 Anti-Bribery Management System certificate in 2024. The policies and procedures required by the standard are applied rigorously, and all legal responsibilities — particularly tax obligations and social security payments — are fulfilled in full. By making these ethical standards an integral part of the way it does business, ENCO once again demonstrates its commitment to combating corruption and reinforces its vision of being a sustainable and responsible company that adds value to society and the economy.

Information Security and Protection of Confidentiality

ENCO regards data privacy and information security as one of its priority business objectives and adopts this approach as an integral part of its commitment to sustainability and ethical operations. One of our ESG objectives is to operate a robust information security programme that guarantees the protection of our customers', our employees' and our confidential information.

In order to protect our trade secrets, operations, strategies, business plans and financial information, ENCO has developed comprehensive processes to ensure the security of confidential and proprietary data. Our customer and supplier data processing agreements have been revised to comply with current legislation on international data transfers and with standard contractual clauses. In addition, arrangements concerning internal data sharing have been structured to incorporate the latest legal updates on the processing of personal data.

ENCO's Personal Data Protection Policy is in full compliance with applicable data protection laws. Accordingly, our business partners, suppliers and contractors are also expected to comply with the same confidentiality obligations and are audited regularly.

Our information security management system holds ISO 27001 certification, which demonstrates the importance we attach to information security. As part of the certification process, third-party audits are conducted regularly, ensuring systematic compliance and continuous improvement. Information security responsibilities are prioritised at all organisational levels. By integrating best practice into daily operations in line with current technology and regulations, we continuously develop and strengthen our information security system.

ENCO has established a strong physical, administrative and technological infrastructure against service interruptions and cyber threats. The effectiveness of our information security system is monitored regularly with the aim of minimising potential risks.

Our Information Security Policy is updated annually, with the importance and risk levels of information assets reassessed. This cycle of continuous improvement enables rapid responses to new security threats and minimises risk. By adhering to these high standards, ENCO provides the highest level of assurance in data protection and information security, thereby contributing to a sustainable and responsible approach to business.

06

PLANET

Make positive contributions to climate change, resource recycling, and biodiversity as a logistics company

SDG 3

SDG 7

SDG 9

SDG 12

SDG 13

SDG 14

Our Environmental Management

As a logistics company operating an active vehicle fleet in road transport, ENCO is aware that its carbon emissions arise largely from road transport and from indirect operations in the supply chain such as sea and air freight. Accordingly, our decarbonisation strategy focuses on reducing the environmental impact of both our direct and indirect activities. Within this scope, we are taking concrete steps in the following areas:

Promoting Low-Carbon Logistics Solutions

We offer a broad range of low-carbon logistics options to help our customers reduce their transport-related emissions.

Establishing Strategic Partnerships

We develop collaborations with our suppliers to increase the availability of low-carbon services. These collaborations aim to accelerate the decarbonisation of global supply chains and to support

smaller businesses in particular through this transition.

Reducing Scope 1 and Scope 2 Emissions

At ENCO, our core focus is to eliminate Scope 2 emissions and to minimise Scope 1 emissions. In addition, we are working with our value chain to reduce our Scope 3 emissions, which account for 69% of our total inventory.

Environmental and Energy Management System

Through the implementation of the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System, ENCO aims to integrate sustainability into all its processes rather than limiting itself to operational environmental protection practices. These systems form core components of our overall management structure and are verified and certified regularly by independent third-party auditors.

ENCO Lojistik ve Ticaret A.Ş. is committed to sustainability and environmental responsibility. The company's environmental management system aims to minimise its environmental footprint and to protect natural resources. This policy encompasses the proactive reduction of greenhouse gas emissions, the improvement of water quality, the protection of air quality, the promotion of sustainable resource use, the transition to sustainable business models and the prioritisation of environmental protection activities. ENCO aims to make sustainability an integral part of all its operations.

Water Management

Access to water is increasingly under threat, and the effective management of water resources is of great importance. ENCO is committed to reducing water consumption and using existing

Commitment to Sustainability

We act with an approach that goes beyond legal compliance; we are committed to reducing our environmental impact significantly and to supporting the transition to a low-carbon economy. By providing sustainable logistics solutions to our customers and developing collaborations with sector leaders, we lead the way towards a greener and more resilient supply chain.

Future Perspective

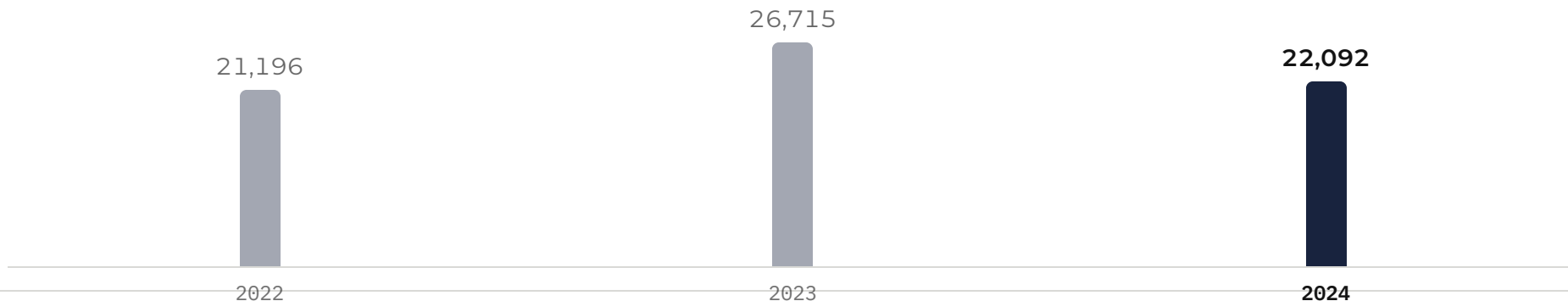
Looking ahead, we will continue to renew and expand our environmental initiatives. While maintaining our leadership in sustainability, we will remain committed to the principle of transparency, share our progress openly and shape our strategies in line with current environmental standards and best practice.

Environmental Management System

resources efficiently. In 2022, an important step towards water efficiency was taken with the installation of sensor taps in the lavatories of the renovated office buildings. In 2024, ENCO used 22,092 cubic metres of municipal water and approximately 550 cubic metres of water for vehicle washing. Only domestic wastewater arises from ENCO's activities. No chemicals are used in vehicle washing; cleaning is carried out using pressurised water only and within the shortest possible time. This practice limits both water consumption and the pollutant load of wastewater.

Total water withdrawal in 2024 was 22,642 m³ (22,092 m³ mains water + 550 m³ vehicle washing water). Mains water consumption decreased by 17.3% compared with 2023.

Drinking (mains) water (m³)



Biodiversity

In collaboration with the TEMA Foundation, ENCO has planted 500 saplings to create memorial forests and support reforestation. In addition, a programme was launched in 2021 under which a sapling is donated in the name of each employee on their birthday, with the aim of strengthening employee engagement and ecological awareness. This initiative deepens employees' commitment to sustainability and biodiversity.

Energy Management

At ENCO Lojistik ve Ticaret A.Ş., our energy efficiency policy and management system are core elements of our commitment to sustainability. We prioritise minimising energy consumption, investing in renewable energy sources and using efficient technologies across all our operations. Placing employee engagement at the centre of this process, we encourage energy-saving habits through training and awareness campaigns. Through continuous monitoring and evaluation processes, we set targets to improve our energy

performance and work to achieve them. Through these initiatives, we aim to reduce our carbon footprint and contribute to a cleaner, greener future. ENCO's compliance with the ISO 50001 standard reflects its strong commitment to sustainability and energy efficiency. Having made significant progress in this area in 2022, the company has improved its energy management performance through a range of strategic initiatives:

- **Development of an Energy Policy:** ENCO has established a formal energy policy that clearly sets out its determination to improve energy performance.
- **Projects to Reduce Energy Consumption:** The company has implemented a range of projects to reduce energy consumption. These include improvements to thermal insulation, the transition to energy-efficient LED lighting systems and the modernisation of heating, ventilation and air-conditioning (HVAC) systems.
- **Energy Monitoring and Control Systems:** Advanced monitoring and control systems have been installed to track energy consumption in real time.
- **Investment in Technology and Innovation:** ENCO invests in new technologies and innovative solutions to improve energy efficiency.

Lighting and Energy Efficiency Practices in 2024

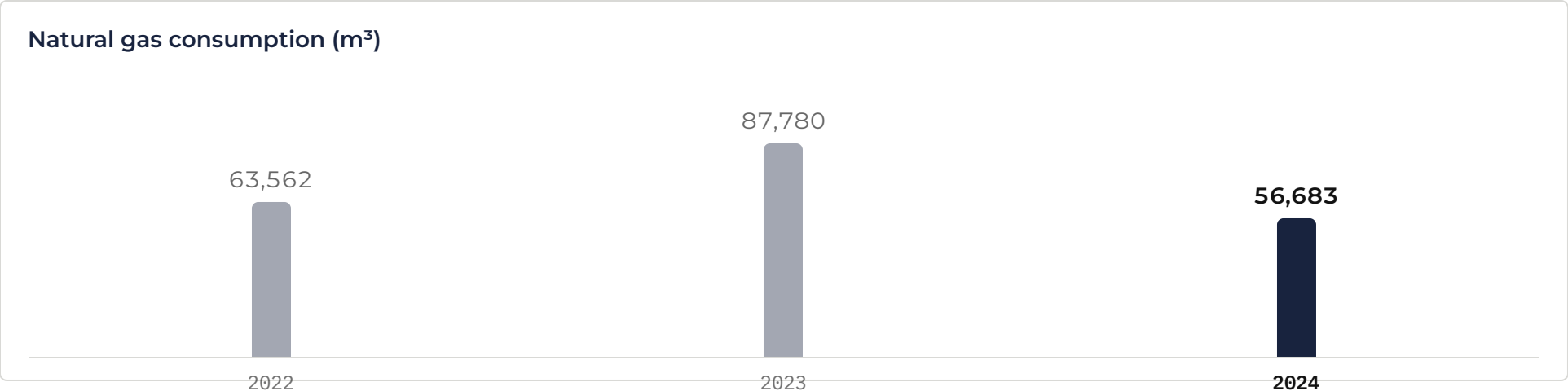
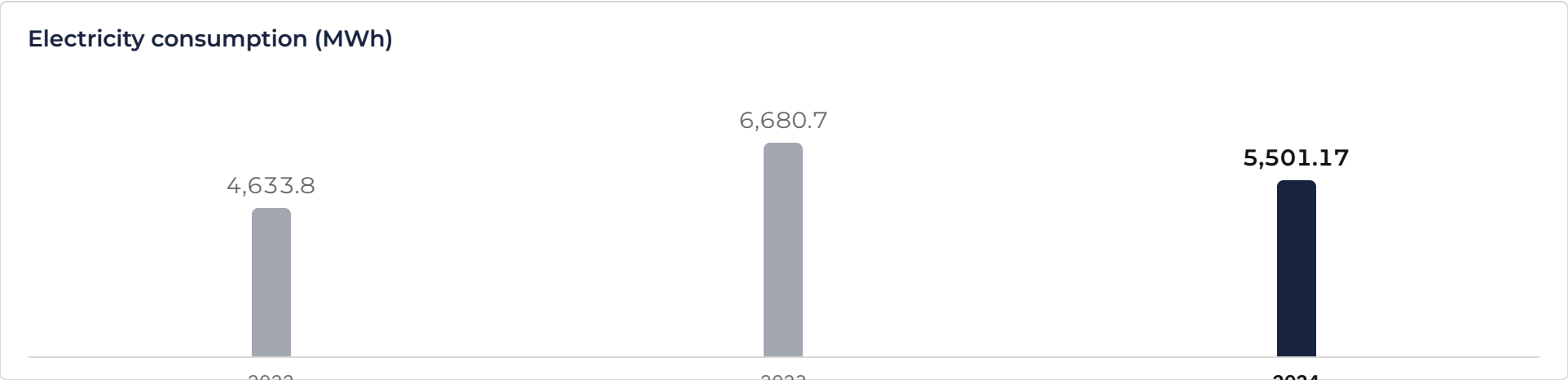
The entire lighting infrastructure at ENCO's facilities has been converted to LED fittings, with the systems integrated with daylight-sensitive sensors. Motion-detection lighting is used in car parks and wet areas, while façade and signage lighting switches on and off automatically according to daylight levels. Lighting design is based on making maximum use of natural light; these practices have delivered savings in lighting-related electricity consumption.

As an ISO 50001 certified logistics company, ENCO complies rigorously with all applicable legal requirements in the field of energy management and ensures this compliance by applying ISO 50001 methodologies systematically. This framework supports energy efficiency and sustainability in our operations through technical and managerial strategies aimed at improving energy performance. By aligning our practices with these stringent standards, we aim to reduce our environmental impacts through energy efficiency projects and the integration of renewable energy solutions.

Our procurement processes are carefully designed to give priority to highly energy-efficient products, particularly in the selection of machinery and equipment. This strategic approach not only contributes to our sustainability targets but also reduces our operational costs by lowering energy consumption. Through comprehensive monitoring practices that allow us to track energy use in detail, we set ambitious targets for our energy consumption and review them regularly to align them with our long-term environmental objectives. These practices form part of our commitment to building a sustainable future and protecting natural resources for future generations.

ENERGY INDICATORS	2022	2023	2024
Buildings – Fuel (m³)	63,562	87,780	56,683
Natural Gas	63,562	87,780	56,683
Electricity Consumption (MWh)	4,633.8	6,680.7	5,501.17

ENERGY INDICATORS	2022	2023	2024
Renewable Energy Consumption	0	0	0
Non-Renewable Energy Consumption	4,633.8	6,680.7	5,501.17



The comprehensive renovation of our Istanbul headquarters in 2021 marked an important milestone in improving our energy efficiency. As part of this renovation, conventional lighting was replaced with energy-efficient LED systems, delivering a reduction in our total energy consumption and in the associated carbon emissions. In addition, the installation of central ventilation and central heating and cooling systems played a critical role in minimising human-induced energy waste.

As at year-end 2024, a decision was taken to renovate the 13,500 m² warehouse area in which the solar power plant project is located, and the design process is ongoing. The installation schedule will be

updated in line with the completion of the renovation project. This project will significantly increase our use of renewable energy and make a major contribution to our sustainability targets. In addition, as part of our electrification work, we converted three of our four forklifts to electric models, thereby reducing our carbon footprint and improving our operational efficiency. These initiatives are core components of ENCO's strategy not only to comply with current energy standards but also to lead the way in sustainable logistics solutions.

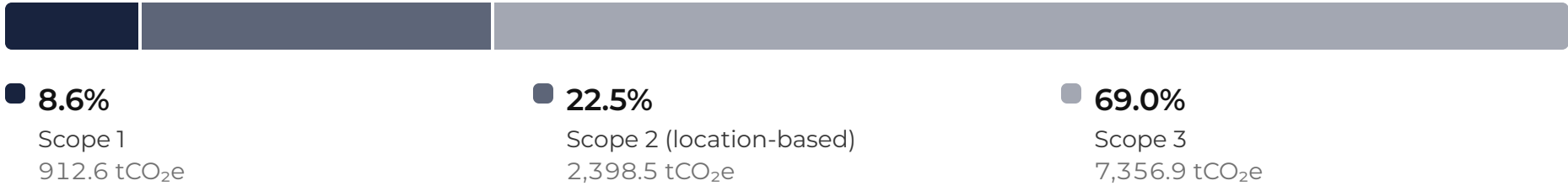
Emissions Management

At ENCO, our services span the entire logistics sector, and it is of great importance to us to take every aspect of our operations into account. We adopt a comprehensive approach, carefully assessing every detail from intercontinental logistics processes to the daily actions of our employees. In this way we implement genuinely sustainable policies from end to end and reinforce our environmental responsibility and our commitment to operational excellence.

2024 Greenhouse Gas Inventory

ENCO's corporate carbon footprint for 2024 has been calculated as 10,668.0 tonnes CO₂e. Of these emissions, 8.6% are direct (Scope 1), 22.5% are indirect emissions from purchased electricity (Scope 2) and 69.0% are other indirect emissions arising from the value chain (Scope 3). This distribution is a natural consequence of our asset-light business model: the greater part of our environmental impact arises in the transport services we organise.

2024 GHG emissions by scope



Transportation and distribution activities alone account for 62.4% of the total inventory (6,656.3 tCO₂e). The centre of gravity of our decarbonisation strategy therefore lies — alongside efficiency work at our own facilities — in transport mode choices and in the partnerships we operate with subcontracted carriers.

Greenhouse Gas Emissions (tonnes CO ₂ e)	2023	2024
Scope 1	4,365.4	912.6
Scope 2 (location-based)	3,093	2,398.5
Scope 3	2,798	7,356.9
Total Emissions (Scope 1+2+3)	10,256.4	10,668.0

Not comparable: 2023 ↔ 2024

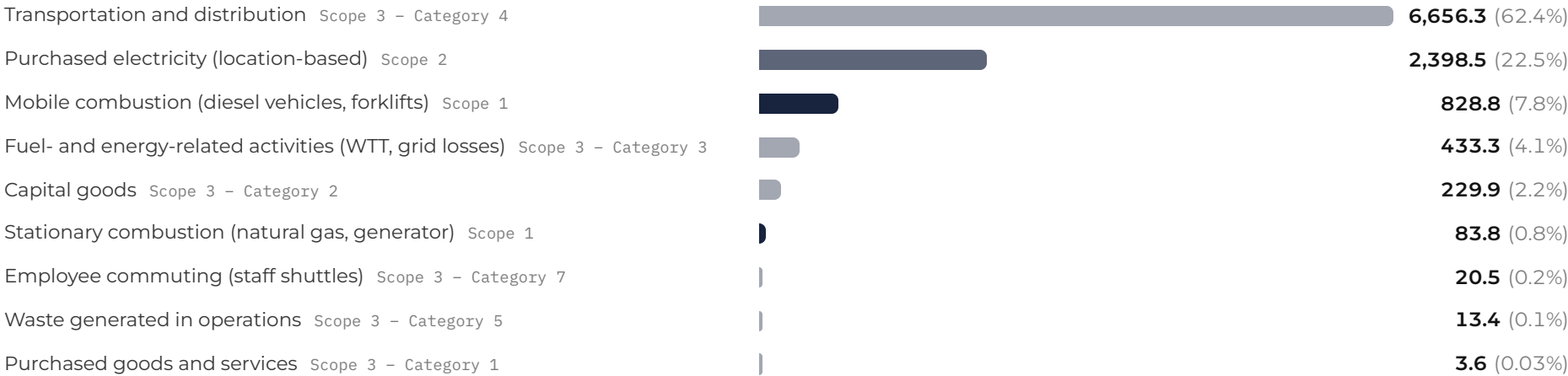
2024 inventory was prepared on the basis of an updated calculation boundary and the GHG Protocol category structure. As the scope boundaries and category classifications differ, the scope-based results for the two years are not directly comparable; changes between scopes should not be interpreted as a genuine reduction or increase. For this reason, 2024 has been set as the base year for greenhouse gas targets.

Emission Source	Scope / Category	2024 (tonnes CO ₂ e)	Share
Stationary combustion (natural gas, generator)	Scope 1	83.8	0.8%
Mobile combustion (diesel vehicles, forklifts)	Scope 1	828.8	7.8%
Scope 1 Total		912.6	8.6%
Purchased electricity (location-based)	Scope 2	2,398.5	22.5%
Scope 2 Total		2,398.5	22.5%
Purchased goods and services	Scope 3 – Category 1	3.6	0.03%
Capital goods	Scope 3 – Category 2	229.9	2.2%
Fuel- and energy-related activities (WTT, grid losses)	Scope 3 – Category 3	433.3	4.1%
Transportation and distribution	Scope 3 – Category 4	6,656.3	62.4%
Waste generated in operations	Scope 3 – Category 5	13.4	0.1%
Employee commuting (staff shuttles)	Scope 3 – Category 7	20.5	0.2%
Scope 3 Total		7,356.9	69.0%
TOTAL		10,668.0	100.0%

Table: Breakdown of 2024 greenhouse gas emissions by source and category.

2024 emissions by source and category

Scope 1 Scope 2 Scope 3



tCO_{2e}

Items add up to 10,668.1; the table total is 10,668.0 (rounding difference; values as shown in the table).

The logistics sector, and ENCO within it, plays a critical role in enabling exporting and importing brands to meet their emission targets. One of the most significant issues shaping the future of the sector is carbon pricing. In line with its short-, medium- and long-term carbon reduction plans, ENCO is taking a proactive approach to future carbon constraints through investment in the transition to Euro 7 engines, the increased use of electric vehicles on transport routes, and the monitoring and adoption of environmentally friendly fuels.

ENCO's commitment to sustainability is clearly demonstrated through concrete reduction targets and the preventive measures it has put in place with an awareness of environmental responsibility. This

approach reflects both the company's environmental leadership and its responsible way of doing business.

Emissions Intensity by Transport Mode

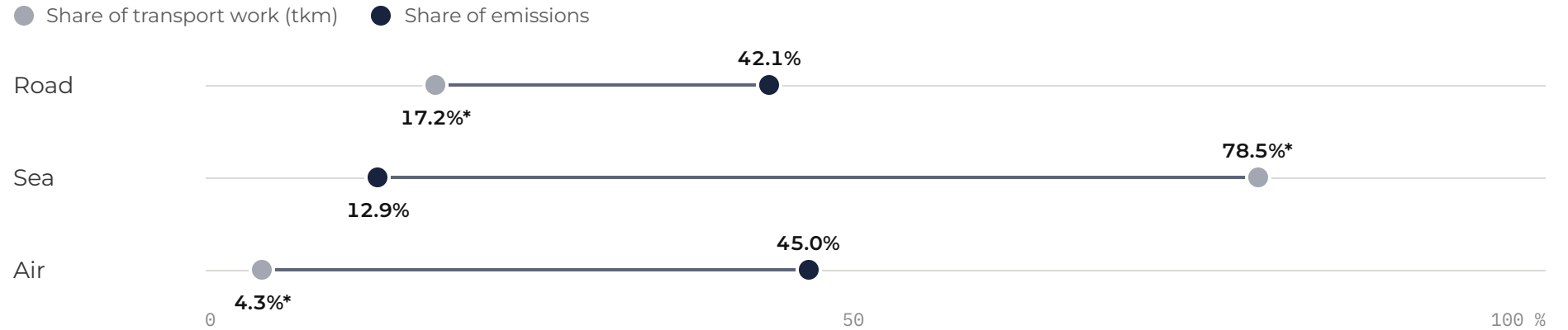
The difference in emissions intensity between transport modes reveals the most important lever of our decarbonisation strategy. Air freight accounts for only 4.3% of total tonne-kilometres yet generates 45.0% of transport-related emissions. Sea freight, by contrast, carries 78.5% of tonne-kilometres but accounts for only 12.9% of emissions. Per tonne-kilometre, sea freight generates approximately 64 times lower emissions than air freight.

Transport Mode	Transport Activity (tkm)	Emissions (tCO ₂ e)	Intensity (g CO ₂ e/tkm)	Share of Emissions
Road	11,632,958	2,801.2	240.8	42.1%
Sea	52,935,024	858.1	16.2	12.9%
Air	2,896,885	2,997.0	1,034.5	45.0%
Total	67,464,867	6,656.3	98.7	100.0%

Table: 2024 emissions intensity by transport mode (Scope 3 – Category 4).



Share of transport work vs share of emissions (2024)



* Transport-work shares are calculated from the tkm values in the table divided by the total (67,464,867 tkm); the air (4.3%) and sea (78.5%) shares also appear in the text.

Calculation Methodology

The factors used in the emissions calculations are based on data from competent institutions such as the IPCC, DEFRA and the US EPA. The emission factors for Scope 2 energy consumption were determined on the basis of 2024 data from the Republic of Türkiye Ministry of Energy and Natural Resources. All calculations were carried out in accordance with the GHG Protocol and ISO 14064 standards and prepared in line with internationally accepted methods. Gases included in the inventory: CO₂, CH₄ and N₂O. All results are presented in tonnes of CO₂ equivalent (tCO₂e). The consolidation approach applied is operational control.

Emission factor sources: IPCC for Scope 1; the electricity grid emission factor of the Republic of Türkiye Ministry of Energy and Natural Resources for Scope 2 (0.436 kg CO₂e/kWh); US EPA spend-based factors for purchased goods and services under Scope 3, and DEFRA factors for transportation and waste items. Spend-based calculations were made using the 2024 average exchange rate (USD 1 = TRY 32.70).

Scope 2 emissions were calculated using the location-based method. As no renewable energy procurement or I-REC certificates were in place in 2024, the market-based value is equal to the location-based value.

Biogenic CO₂ emissions: as no biomass-based fuel was used in ENCO's 2024 activities, biogenic CO₂ emissions are not reported.

Fleet Management

ENCO is an international logistics company recognised for its expertise in road transport with its extensive truck fleet. One of the core components of our sustainability strategy is the implementation of route optimisation to improve operational efficiency and reduce our environmental impacts.

By using advanced route optimisation technologies, we minimise the distance travelled by our fleet and our fuel consumption. This approach not only reduces operational costs but also significantly lowers carbon emissions, strengthening our commitment to environmental responsibility.

Our route optimisation system takes into account a range of factors such as traffic conditions, road quality and delivery schedules to ensure that the most efficient routes are selected. This enables on-time deliveries and increased customer satisfaction while reducing our carbon footprint. Through this work, ENCO demonstrates its commitment to sustainability and to continuous improvement in logistics operations. Our proactive approach in adopting innovative solutions reinforces our sector leadership while reflecting our determination to create a sustainable future.

Green Fleet

In 2019, ENCO took an important step for environmental sustainability by converting its fleet to Euro 6 diesel vehicles. This conversion demonstrates our commitment to reducing emissions and improving fuel efficiency in our logistics operations. The Euro 6 standard is one of the strictest emission regulations in the world, designed to substantially reduce nitrogen oxide (NOx) and particulate matter (PM) emissions from diesel engines.

Our fleet conversion has already delivered notable results. Through the adoption of Euro 6 technology we have significantly reduced our fleet's nitrogen oxide and particulate matter emissions and contributed to improved air quality in the communities we serve. As part of ENCO's green fleet initiative, this change reflects our goal of continuously modernising our vehicles with environmentally friendly technologies.

We are committed to continuously improving our fleet in order to support sustainable logistics and contribute to a cleaner, healthier environment. These efforts clearly demonstrate ENCO's determination to lead the way in greener practices in the logistics sector and to set a high standard in environmental responsibility.

Item	Before investment	After investment
Number of Euro 5 diesel trucks	75	0
Number of Euro 6 diesel trucks	0	75

Compliance with the Euro 7 Regulation

As a responsible logistics service provider operating within the European Union, ENCO and its Germany-based sister company Grassl maintain their commitment to full compliance with environmental standards and legal regulations. The Euro 7 regulation adopted by the Council of the European Union is an important step towards reducing vehicle emissions and improving air quality. In addition to exhaust emissions, this regulation introduces stricter standards for elements such as brake particulates, tyre wear and battery durability.

ENCO recognises the critical role of this regulation in steering the automotive sector towards more sustainable practices. The Euro 7 standards set new limits for a range of pollutants, including nitrous oxide (N₂O) and particulate matter (PM10), and introduce comprehensive obligations designed to keep vehicles compliant with these standards throughout their service life. These provisions aim to contribute positively to air quality by keeping vehicles environmentally sound for longer.

ENCO's Actions for the Euro 7 Compliance Process

As at 2024, series production of Euro 7 compliant vehicles by European manufacturers has not yet reached full capacity, and ENCO is therefore continuing its fleet renewal activities with Euro 6 standard vehicles. As Euro 7 compliant vehicles become widely available in the market, the fleet renewal plan will be updated accordingly.

ENCO is taking a proactive approach to preparing for the Euro 7 regulation, which will affect various vehicle categories and equipment in the coming years. The key areas on which we are focusing are as follows:

Fleet Renewal and Maintenance Processes

- **Exhaust Emissions:** The conversions and improvements required for our fleet to meet the new limit values introduced for pollutants such as NOx and PM10 are being planned. As Euro 7 compliant vehicles become widely available in the market, our fleet will be renewed progressively.
- **Brake and Tyre Emissions:** In order to reduce brake- and tyre-related emissions, low-emission brake systems and tyre technologies that minimise particulate formation are being evaluated.

Collaborations and Preparations for the Future

ENCO works in close collaboration with its suppliers, business partners and all stakeholders in order to achieve full compliance with environmental legislation and to support continuous improvement. In this process, regular training is provided, new legal developments are closely monitored and investments in green technologies are increased.

Compliance with the Euro 7 regulation is one of the core elements of ENCO's sustainability strategy. Conformity with these standards aims not only to fulfil legal obligations but also to promote cleaner and more responsible logistics operations.

ENCO closely monitors the implementation timetable of the regulation, updates its strategies accordingly and takes all necessary measures to achieve full compliance. These efforts demonstrate our company's commitment to environmental responsibility and to its vision of sustainable logistics.

Waste Management

ENCO bases its activities on environmental responsibility by achieving full compliance with all applicable legal regulations on waste management. The “ISO 14001 Environmental Management System” is implemented at the company's facilities; this system has been established taking into account the requirements of the ISO 14001 standard, and all relevant legal and other obligations are fulfilled in full. The system has been structured and certified in accordance with the scope and scale of the organisation's activities, ensuring that environmental management is carried out holistically.

ENCO manages its waste in line with a circular economy approach. Vehicle parts arising from fleet maintenance and repair activities are treated as scrap and directed to recovery. As at 2024, no classification system is in place for recording hazardous and non-hazardous waste separately; the establishment of such a system is planned within the scope of the Zero Waste Certificate work. The company regularly reviews and improves its Environmental Management System in order to maintain its environmental performance to high standards.

Circular Economy Approach

At ENCO, we believe we play a key role in accelerating the global transition to a circular economy. With this understanding, we aim to minimise waste and to extend the use cycle of products and raw materials as far as possible. Working closely with our customers, we develop sustainable solutions that strengthen their environmental objectives and customer satisfaction while also delivering cost advantages.

Within the scope of its 2024 commitments, ENCO's target is to obtain the “Zero Waste Certificate”. By implementing the principles of “Reduce–Reuse–Recycle” at all its facilities, the company gives concrete form to its sustainability commitment and aims to minimise its environmental impacts. This proactive approach clearly demonstrates ENCO's commitment to sustainable practices and to long-term ecological responsibility. As part of the certification process, the design of waste collection and segregation infrastructure has been planned, with the aim of implementing a workable system once the necessary physical renovations have been completed.

In 2024, the total quantity of waste arising from ENCO's activities was recorded as 26.88 tonnes. Greenhouse gas emissions from the disposal of this waste amounted to 13.4 tCO₂e and are reported under Scope 3 – Category 5.

The work we carry out not only reduces our direct environmental impacts but also produces positive outcomes across a wide sphere of influence. Enabling our logistics operations — through route optimisation and load planning, for example — reduces fuel consumption and greenhouse gas emissions and thereby contributes

to a smaller carbon footprint. By promoting resource efficiency at every stage of the supply chain, ENCO makes a tangible contribution to the circular economy.

As a trusted logistics solution partner serving a range of sectors, ENCO is able to make valuable contributions to companies' strategies for reducing the environmental impacts of their products and services,

R&D and Innovation

ENCO aims to make its development in this field sustainable by increasing the share it allocates to R&D each year and to develop its skilled human resources more effectively. By participating in work carried out with universities and research centres and in national and international research and development collaborations, the company develops new plans to enrich its existing R&D knowledge and

thanks to its extensive experience in logistics and its sustainability approach. In some cases, we assume our customers' operational responsibilities and manage supply chain processes directly in areas such as waste reduction, energy efficiency and emissions control. Our ultimate objective is to minimise environmental impacts both in our own operations and in our customers' processes.

experience and shapes its strategies accordingly. It also aims to embed the R&D culture across the organisation and secure its institutional adoption.

As at year-end 2024, the number of employees working in ENCO's R&D activities was 6.

In line with its corporate vision, ENCO aims to implement continuous process innovation in order to improve efficiency, develop new services and raise the quality of existing services.

Process Development

Optimization

Simulation

Software Development

Automation and Mechanical Systems

Project Management

Warehouse Design and Modeling

Our Principal Projects

1. Integrated Barcode System in Textile Logistics

Developed by ENCO as Türkiye's first provider of garment-on-hanger textile transport, this project aims to ensure full traceability of fabric rolls from the moment they enter the warehouse to their dispatch to the customer, and to automate vehicle type allocation.

The system operates as follows: fabric rolls received from the manufacturer are taken in together with their lot codes and dimensional data, each roll is labelled with a unique barcode using handheld terminals and placed in storage areas segregated by class. When a customer order is entered through the ENCO Portal, the system evaluates the dimensional and weight data of the products, determines the appropriate vehicle type and generates the loading plan automatically.

The operational benefits of the project are more efficient use of warehouse space, prevention of product losses, shorter loading times and reduced labour costs. From an environmental perspective, accurate vehicle type allocation increases the load factor per trip, which in turn reduces fuel consumption and greenhouse gas emissions per tonne transported.

2. Development of the Logistics and Transport Management Software

This project was completed in 2024.

When the project was initiated, the actual utilisation rate of the in-house developed Logistics and Transport Management Software stood at 5–10%; only a small proportion of the functions offered by the software could be used in daily operations. The aim of the project was

to restructure the software so that it would meet all of ENCO's business processes and to adapt it to the company's specific requirements.

During the development process, software development lifecycle methodologies such as Agile, waterfall and spiral were used in combination, and the following capabilities were added to the software:

- Definition of new job types aligned with corporate requirements and end-to-end control of processes
- Optimisation of inventory management and of operations in terms of cost and time
- Employee performance reporting, statistical analysis and visualisation
- Creation of a data environment suitable for machine learning and artificial intelligence applications
- Development of a user-friendly interface

As at year-end 2024 the project was completed and the utilisation rate of the software reached 100%, with the system now actively used across all of ENCO's operational units. This transformation has reduced our external dependency in software, shortened our adaptation time to changing working conditions and enabled our operational data to be consolidated on a single platform. The resulting data infrastructure is also decisive for our sustainability performance: conducting route and load planning on a data-driven basis contributes directly to reducing empty running and fuel consumption, and enables the activity data required for our greenhouse gas inventory to be collected more reliably.

Supply Chain Management

ENCO is committed to fostering a healthy sector ecosystem by making fairness the basis of all its transactions and interactions with suppliers. Regarding its suppliers as strategic business partners, ENCO aims to share its values and policies in these partnerships, to support suppliers in managing their ESG risks and to achieve mutual growth in the process.

Item	2023	2024
Number of suppliers	237	250
Number of suppliers assessed	47	50
Percentage of suppliers assessed	20%	%20
Number of suppliers with identified risks	-	-

ENCO Supplier Code of Conduct

ENCO applies a Supplier Code of Ethical Conduct in order to establish a fair and transparent environment of cooperation with its suppliers. This Code defines suppliers' responsibilities in relation to ethical management, human rights, workplace safety and environmental protection. ENCO supports the United Nations Sustainable Development Goals (SDGs) and expects its suppliers to act in line with these principles.

Suppliers are required to comply with all relevant laws and regulations and to ensure fair treatment, the prevention of discrimination and the protection of human rights. They are also expected to provide a safe working environment, to comply with environmental legislation and to make active efforts to reduce their environmental impacts. Within the framework of ethical conduct, corruption and unfair trading practices must be avoided.

ENCO expects all its suppliers to declare their commitment to the Supplier Code of Conduct.

Ethical management

Compliance with Global and Domestic Laws and Regulations

Integrity and Anti-Corruption

Privacy and Confidentiality

Protection of Intellectual Property Rights

Fair Transactions

Information Transparency

Protection of Personal Information

Workplace safety

Workplace Safety

Industrial Safety

Safety and Health Training

Safety Maintenance of Machinery

Preparations for Emergencies and Accidents

Occupational and Industrial Hazards

Safety and Health Evaluations of Suppliers

Human rights

Humane Treatment

Non-Discrimination

Fair Compensation (Wages and Benefits)

Humane Working Hours

Protection of Children and Minors from Labor

Voluntary Work

Environmental protection

Environmental Law Compliance

Resource Use Reduction

Hazardous Substance Control

Waste and Wastewater Management

Air Pollution Control

Product Ingredient Regulation

Energy and Emissions



Our social goals impact the following United Nations Sustainable Development Goals

- SDG 4
- SDG 5
- SDG 8
- SDG 11

Our Human Resources Approach

At ENCO, our employees form the foundation of our success and are at the centre of our ESG objectives on our journey to becoming a global player in integrated logistics. We are committed to creating a working environment that values learning, teamwork and innovation, and to ensuring that every member of our workforce makes a meaningful contribution, develops professionally and is inspired by effective leadership.

Our employment processes are designed in line with the principles of diversity, equity and support for local communities, and are conducted within the framework of our Human Rights Policy and our Code of Conduct. In challenging periods and changing market conditions, we maintain our commitment to safety, diversity, employee well-being and community engagement.

Our Employee Profile

As at 31 December 2024, ENCO's total headcount was 173. Of our employees, 165 work in Türkiye and 8 at our sister company Grassl & Co. GmbH in Germany.

Employee distribution by location

Location	Women	Men	Total
ENCO Head Office (Istanbul)	19	132	151
ENCO İzmir	2	7	9
Istanbul Airport Cargo Terminal	–	4	4
ENCO Ankara	–	1	1
Grassl & Co. GmbH (Germany)	-	8	8
Total	21	152	173

Employee and management composition (Head Office)

Indicator	2024
Total number of employees	151
Number of female employees	19
Number of male employees	132
Total number of managers	10
Number of female managers	2

Indicator	2024
Number of male managers	8
Proportion of women in management	20%

Workforce composition

Employee group	Share
Drivers	43%
Office employees (operations planning, customer relations, support functions)	42%
Warehouse, vehicle maintenance and technical personnel	14%



*Our Head Office workforce includes 73 drivers, 9 yard staff and 6 traffic supervisors. Owing to rounding, the percentages total 99%.

Employee Well-being and Performance Management

We regard the well-being, social needs and safety of our employees as fundamental elements of our corporate responsibility. We carry out improvement projects in areas such as the organisation of working hours and take care to ensure that parental leave is used in accordance with legal requirements.

A sports complex has been built within our facilities to support our employees' social lives. Comprising a gym, tennis courts and a swimming pool, as well as table tennis, billiards and green-roofed rest areas, the complex is available to our employees and facility users both during and outside working hours.

Given the nature of our sector and our operations, we are aware of the challenges in creating employment for blue-collar female employees. We therefore regard increasing white-collar female employment as one of our priorities.

In order to strengthen employee engagement and reduce workforce turnover, we have been conducting employee opinion surveys since 2023. Data collection for the survey carried out at the beginning of 2024 was completed; the analysis of the results and the resulting

action plan have been carried forward to the next period. Detailed exit interviews are conducted with departing employees and improvement actions are taken in line with the findings. Work on developing a performance evaluation and bonus system for our driver workforce, one of the cornerstones of our operations, is ongoing.

Remuneration Policy

At ENCO we are committed to fair remuneration and to strengthening employee engagement. We determine our pay scales on the basis of job descriptions and job analyses, and we apply the principle of “equal pay for equal work” without distinction as to religion, language, race or gender. Our personnel policy also makes it possible to give special recognition to employees who make a significant contribution to the company's success.

In order to reduce employee turnover, we conduct detailed exit interviews with departing personnel and take improvement actions in line with the findings. In addition, we are developing a dedicated bonus system for our driver workforce, one of the cornerstones of our operations.

Occupational Health and Safety Management

As a company operating in the logistics sector, we are aware of the importance of occupational safety in our operations and of the health of our employees, who are our most valuable asset. In our business

model, in which road transport, warehousing and loading activities predominate, ensuring safe working conditions is foremost among our management priorities.

In 2024 we placed our approach in this area on a formal institutional footing. We qualified for the ISO 45001 Occupational Health and Safety Management System certificate. In the same year we brought environment, energy, occupational health and safety, anti-corruption and customer satisfaction together under a single Integrated Management System (IMS), enabling these areas to be managed through a shared cycle of risk assessment, audit and continuous improvement.

The framework of our occupational health and safety approach is defined by two documents. The Risk Management Policy sets out our principles, the allocation of responsibilities and the basis for decision-

making. The Risk Management Procedure, issued in 2024 under the Integrated Management System, governs the steps for identifying, assessing, prioritising and monitoring risks. Both documents cover all our locations and employees.

We aim to build a safety culture in which our employees can readily report the risks they identify and put forward suggestions for improvement. We continue our measurement, monitoring and improvement activities in order to maintain the zero-accident performance sustained since 2022.

Our Occupational Health and Safety Performance

Indicator	2022	2023	2024
Employees receiving OHS training (persons)	172	163	167
Total OHS training hours	2,500	2,430	2,555
Average training hours per employee	14.5	14.9	15.3
Number of occupational accidents	0	0	0
Number of lost days	0	0	0

No occupational accidents or lost days were recorded in ENCO's operations in 2022, 2023 or 2024.

Risk Management and Hazard Identification

A comprehensive Risk and Opportunity Assessment document has been prepared for the identification, assessment and management of potential risks and opportunities. The risks identified and the

measures taken against them are monitored through a dynamic dashboard and reviewed regularly.

An emergency action plan is in place to address operational continuity risks. The Air, Road, Import and Export departments and the relevant management level are responsible for implementing the plan.

In 2024, a training programme was launched to improve risk and incident reporting. The programme focuses on improving the quality of reported data and disseminating a proactive risk management approach across the organisation.

Occupational Health Services and Worker Participation

Our occupational health and safety processes are managed in cooperation with a Joint Health and Safety Unit (OSGB). An occupational safety specialist and a workplace physician visit our facilities regularly; periodic health examinations and workplace surveillance are conducted within this framework.

An Occupational Health and Safety Committee meets periodically within ENCO. At committee meetings, non-conformities raised by the occupational safety specialist, the workplace physician and employee representatives are evaluated, and the necessary corrective and preventive actions are implemented promptly. Our site-based safety committees enable employees to contribute directly to safety improvements.

Our new service building has been designed to safeguard employee health in terms of air conditioning and air ducts, fresh-air systems, hygiene practices and daily office cleaning, and is supported by staff shuttle services. Sports and recreation facilities that support our employees' physical health are addressed in detail in the "Employee Well-being and Performance Management" section.

Occupational Health and Safety Training

In 2024, occupational health and safety training was provided to all newly recruited personnel. All our forklift operators hold valid operator licences, and the use of personal protective equipment is mandatory when operating work equipment. Our employees' participation in

certified vocational training programmes is supported, and vehicle and driver monitoring is carried out continuously through the journey management system.

N2 Mobile Fleet Management System

As our international operations have expanded, we encounter differing safety cultures and practices, particularly in road transport. In order to mitigate these risks, we have used the N2 Mobile vehicle and driver monitoring system since 2022. Beyond location tracking, the system functions as a holistic occupational health and safety tool:

- **Driver behaviour monitoring:** Critical safety factors such as headlight use, seatbelt use and harsh acceleration are monitored continuously; automatic alerts on speed and driving behaviour support safe driving habits.
- **OHS analytics:** Daily distance travelled, idling time, fuel consumption and working hours are analysed to manage driver fatigue, while planned maintenance prevents mechanical failures.
- **Cargo and vehicle security:** RFID driver identification and theft detection systems enhance the security of both the fleet and the cargo.
- **Environmental control:** Temperature and humidity sensors ensure that sensitive cargo such as pharmaceuticals and food is transported under appropriate conditions.
- **Proactive incident management:** Emergency service connections and instant alert systems enable rapid response in urgent situations.

Data obtained from the system is used in statistical analyses of violations, unsafe behaviours and near-miss events. Idling time and fuel consumption data also contribute to the quality of the activity data underlying our greenhouse gas inventory.

Employee Training and Development

The professional and personal development of our employees forms the foundation of ENCO's long-term capability strategy. Recognising the importance of continuous learning in rapidly changing sector conditions, we plan and conduct our training activities through a structured corporate framework.

Training needs are determined annually by the Human Resources unit in consultation with department managers; the implementation of the planned programmes and the evaluation of their results are carried out within the same process.

Following the investment made in vocational qualification training and development programmes in 2022, we aim to diversify and broaden the scope of our training activities. In 2024, our employees' participation in certified vocational training programmes was supported, and occupational health and safety training was provided to all newly recruited personnel.

Driving Academy

Launched in 2013, the ENCO Driving Academy is a training programme designed to meet the need for qualified drivers in the road transport sector. The Academy offers a free three-week

Our fleet safety programmes and accident-prevention workshops, such as those on pedestrian/machine segregation, are practices aimed at creating safe working conditions both for our own employees and for the carriers we work with.

programme combining theoretical knowledge with practical training, covering advanced driving techniques, safety protocols, vehicle maintenance and logistics management.

Participants' insurance is arranged by ENCO from the first day of the programme, providing cover for all participants throughout the training. Participants who successfully complete the programme are employed within the ENCO fleet.

Academy activities were suspended for a period, and work is under way to relaunch the programme. As at 2024 the process is being actively pursued and applications are being evaluated. The relaunch of the programme is planned in line with our objective of bringing qualified labour into the sector and increasing the attractiveness of the driving profession.

The inclusion of economical and safe driving techniques in the training programme enables the Academy to contribute not only to road safety but also to our emissions performance through improved fuel efficiency.

Corporate Social Responsibility

ENCO regards contributing to social development in the regions where it operates as part of its corporate responsibility. Our corporate social responsibility and sponsorship activities are concentrated in the areas of the environment, education, culture and the arts, and sustainable innovation.

Sapling Donation

In collaboration with the TEMA Foundation, 500 saplings were donated to contribute to the creation of the Şile Memorial Forest, and a programme was launched in 2021 under which a sapling is donated in the name of each employee on their birthday. The initiative is linked to the United Nations Sustainable Development Goals for Climate Action (SDG 13) and Life on Land (SDG 15).

Support for the ITU Solar Car Team

Since 2021 we have provided logistics sponsorship to the ITU ZESGAE Solar Car Team, transporting the team's vehicle moulds and equipment to events in Türkiye and abroad. Representing our country in international competitions for 17 years, the team has won 23 awards to date and received the "Most Determined Team" award at the European Solar Challenge held in Belgium in 2020.

Support for the Fire of Anatolia Dance Company

By providing transport and storage sponsorship for the company's performances in Türkiye, we support the logistics processes of cultural and artistic activities.

School Renovations

Contributions have been made to projects renovating various sections of state schools, supporting students' access to higher-quality and safer educational facilities.

Driving Academy

Our free training programme, which aims to bring qualified drivers into the sector, has both an employee development and a community contribution dimension. (For details, see People > Employee Training and Development.)



Abbreviations

ADR	European Agreement concerning the International Carriage of Dangerous Goods by Road
CO ₂ e	Carbon dioxide equivalent
DEFRA	UK Department for Environment, Food and Rural Affairs
EPA	United States Environmental Protection Agency
ESG	Environmental, Social and Governance
ETGB	Electronic Commerce Customs Declaration
IMS	Integrated Management System
FIATA	International Federation of Freight Forwarders Associations
GHG	Greenhouse Gas
GRI	Global Reporting Initiative



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ENCO 2024 Sustainability Report

GWP

Global Warming Potential

HVAC

Heating, Ventilation and Air Conditioning

IATA

International Air Transport Association

IPCC

Intergovernmental Panel on Climate Change

I-REC

International Renewable Energy Certificate

OHS

Occupational Health and Safety

ISO

International Organization for Standardization

Scope 1/2/3

Direct, energy indirect and other indirect greenhouse gas emissions as defined by the GHG Protocol

VAT

Value Added Tax

LEED

Leadership in Energy and Environmental Design certification

NOx

Nitrogen oxides

OSGB

Joint Health and Safety Unit

PM

Particulate matter

SASB

Sustainability Accounting Standards Board

SDG

Sustainable Development Goals

TEU

Twenty-foot Equivalent Unit (container measurement unit)

tkm

Tonne-kilometre

WTT

Well-to-Tank – upstream fuel emissions

AEO

Authorised Economic Operator Certificate

Performance Indicators

ENCO ENVIRONMENTAL PERFORMANCE INDICATORS

Environmental Indicators	2022	2023	2024
TOTAL ENERGY CONSUMPTION			
Buildings – Fuel (m³)	63,562	87,780	56,683
Natural Gas	63,562	87,780	56,683
Other	0	0	0
Generator (Diesel) (thousand litres)	0	6.42	0.51
Vehicle – Fuel (thousand litres)	5.25	6.42	310.61
Diesel Fuel (thousand litres)	963.4	1,312.5	310.61
Gasoline	0	0	0
Electricity Consumption (MWh)	4,633.8	6,680.7	5,501.17
Renewable Energy Consumption	0	0	0
Non-Renewable Energy Consumption	4,633.8	6,680.7	5,501.17
GHG EMISSION INDICATORS			
Scope 1 Total (tonnes CO ₂ e)	—	4,365.4	912.6
Scope 2 Total (tonnes CO ₂ e)	—	3,093.0	2,398.5
Scope 3 Total (tonnes CO ₂ e)	—	2,798.0	7,356.9
WATER INDICATORS			

Environmental Indicators	2022	2023	2024
Drinking Water (m ³)	21,196	26,715	22,092
Groundwater (m ³)	300	300	300
Total Emissions (Scope 1+2+3, tonnes CO ₂ e)	—	10,256.4	10,668.0
Total Waste (tonnes)	—	—	26.88

ENCO SOCIAL PERFORMANCE INDICATORS

Employee Indicators	2022	2023	2024
Total Number of Employees	172	163	173
Female Employees	28	26	21
Male Employees	144	137	152
Blue Collar Total	102	95	94
Blue Collar (Female)	0	0	1
Blue Collar (Male)	102	95	93
White Collar Total	69	68	73
White Collar (Female)	28	26	20
White Collar (Male)	41	42	53
Employees with Disabilities – Total	5	4	4
Employees with Disabilities (Female)	3	2	1
Employees with Disabilities (Male)	2	2	3

Employee Indicators	2022	2023	2024
Bachelor's Degree Rate	F 5.2% / M 7%	F 5.5% / M 8%	K %5,8 / E %9
Board of Directors – Total Members	4	4	4
Board of Directors – Female Members	1	1	1
Board of Directors – Male Members	3	3	3
Employee Turnover Rate (%)	6%	6%	%6
OHS INDICATORS			
Lost-time injury frequency rate	0	0	0
Number of lost-time accidents	0	0	0
Number of lost days	0	0	0
Average training hours per employee	14.5	14.9	15.3

GRI Content Index

Statement of use	ENCO Lojistik ve Ticaret A.Ş. has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No GRI Sector Standard has been published for the freight forwarding and logistics sector in which ENCO operates.

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Organizational details	About This Report (p. 6) ; About ENCO (p. 9)	
	2-2 Entities included in the organization's sustainability reporting	About This Report (p. 6)	
	2-3 Reporting period, frequency and contact point	About This Report (p. 6)	
	2-4 Restatements of information	About This Report (p. 6) ; Emissions Management (p. 39)	
	2-5 External assurance	About This Report (p. 6)	This report has not been subject to independent external assurance.
	2-6 Activities, value chain and other business relationships	About ENCO (p. 9) ; The Way We Do Business (p. 29) ; Supply Chain Management (p. 50)	
	2-7 Employees	Our Employee Profile (p. 53) ; Performance Indicators (p. 62)	
	2-8 Workers who are not employees	Our Employee Profile (p. 53)	
	2-9 Governance structure and composition	Corporate Governance Structure (p. 29) ; Sustainability Governance (p. 18)	
	2-10 Nomination and selection of the highest governance body	Corporate Governance Structure (p. 29)	
	2-11 Chair of the highest governance body	Corporate Governance Structure (p. 29)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance (p. 28) ; Sustainability Governance (p. 18)	
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance (p. 18)	
	2-14 Role of the highest governance body in sustainability reporting	About This Report (p. 6)	
	2-15 Conflicts of interest	Our Business Ethics Approach (p. 30)	
	2-16 Communication of critical concerns	Governance (p. 28)	
	2-17 Collective knowledge of the highest governance body	Governance (p. 28)	
	2-18 Evaluation of the performance of the highest governance body	Governance (p. 28)	
	2-19 Remuneration policies	Employee Well-being and Performance Management (p. 55)	Confidential information.
	2-20 Process to determine remuneration	Employee Well-being and Performance Management (p. 55)	Confidential information.
	2-21 Annual total compensation ratio		Confidential information.
	2-22 Statement on sustainable development strategy	Message from the Chairman of the Board (p. 7)	
	2-23 Policy commitments	Our Business Ethics Approach (p. 30) ; Our Certifications and Management Systems (p. 20) ; Our Human Resources Approach (p. 52)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
	2-24 Embedding policy commitments	Our Business Ethics Approach (p. 30); Supply Chain Management (p. 50)	
	2-25 Processes to remediate negative impacts	Our Business Ethics Approach (p. 30)	
	2-26 Mechanisms for seeking advice and raising concerns	Our Business Ethics Approach (p. 30); Employee Well-being and Performance Management (p. 55)	
	2-27 Compliance with laws and regulations	Anti-Corruption (p. 32)	
	2-28 Membership associations	Corporate Memberships (p. 16)	
	2-29 Approach to stakeholder engagement	Materiality Assessment (p. 25)	
	2-30 Collective bargaining agreements	Employee Well-being and Performance Management (p. 55)	
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment (p. 25)	
	3-2 List of material topics	Materiality Assessment (p. 25)	
1. EMPLOYEE RIGHTS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Human Resources Approach (p. 52); Employee Well-being and Performance Management (p. 55)	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employee Profile (p. 53)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Well-being and Performance Management (p. 55)	
	401-3 Parental leave	Employee Well-being and Performance Management (p. 55)	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employee Well-being and Performance Management (p. 55) ; Our Business Ethics Approach (p. 30)	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply Chain Management (p. 50)	
2. REGULATORY COMPLIANCE			
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance (p. 28) ; Our Certifications and Management Systems (p. 20)	
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Anti-Corruption (p. 32)	
3. ETHICAL AND TRANSPARENT MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Business Ethics Approach (p. 30) ; Our Code of Conduct (p. 31)	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Our Business Ethics Approach (p. 30)	
4. INFORMATION SECURITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Information Security and Protection of Confidentiality (p. 33)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security and Protection of Confidentiality (p. 33)	
5. MANAGEMENT OF ENVIRONMENTAL, SOCIAL AND ECONOMIC RISKS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance (p. 28); The Way We Do Business (p. 29); Occupational Health and Safety Management (p. 55)	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Emissions Management (p. 39)	
6. CUSTOMER SATISFACTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Certifications and Management Systems (p. 20); Our Sustainability Targets (p. 22)	
ENCO material topic disclosure	Customer feedback and complaint processes are managed within the scope of the ISO 10002 Customer Satisfaction Management System, certified in 2024; feedback is recorded, root cause analysis is carried out and corrective actions are monitored through the Integrated Management System.	Our Certifications and Management Systems (p. 20); Our Sustainability Targets (p. 22)	
7. BRAND VALUE			
GRI 3: Material Topics 2021	3-3 Management of material topics	About ENCO (p. 9); The Way We Do Business (p. 29)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
ENCO material topic disclosure	ENCO's operations, sustained since 1985, together with its IATA and FIATA memberships, its position as the sole authorised agent of the WACO network in Türkiye, and its AEO and ISO certifications, are the elements that underpin the company's credibility and brand value in the sector.	About ENCO (p. 9) ; Corporate Memberships (p. 16) ; Our Certifications and Management Systems (p. 20)	
8. ANTI-CORRUPTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Anti-Corruption (p. 32)	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption (p. 32)	
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption (p. 32)	
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption (p. 32)	
9. WASTE MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management (p. 47)	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management (p. 47)	
	306-2 Management of significant waste-related impacts	Waste Management (p. 47)	
	306-3 Waste generated	Waste Management (p. 47)	
	306-4 Waste diverted from disposal	Waste Management (p. 47)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
	306-5 Waste directed to disposal	Waste Management (p. 47)	
10. WATER MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Environmental Management > Water Management (p. 35)	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Our Environmental Management > Water Management (p. 35)	
	303-2 Management of water discharge-related impacts	Our Environmental Management > Water Management (p. 35)	
	303-3 Water withdrawal	Our Environmental Management > Water Management (p. 35) ; Performance Indicators (p. 62)	
	303-5 Water consumption	Our Environmental Management > Water Management (p. 35)	
11. R&D AND INNOVATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D and Innovation (p. 48)	
ENCO material topic disclosure	R&D activities are carried out by a team of six. In 2024 the integrated barcode system project in textile logistics was continued, and the Logistics and Transport Management Software project was completed, with the utilisation rate of the software reaching 100%.	R&D and Innovation (p. 48)	
12. INCLUSION AND EQUALITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Human Resources Approach (p. 52) ; Our Employee Profile (p. 53)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Employee Profile (p. 53) ; Performance Indicators (p. 62)	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employee Well-being and Performance Management (p. 55)	
13. QUALITY EDUCATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety Management (p. 55) ; Employee Training and Development (p. 58) ; Occupational Health and Safety Management (p. 55)	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Occupational Health and Safety Management (p. 55) ; Employee Training and Development (p. 58) ; Performance Indicators (p. 62)	
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Development (p. 58) ; Occupational Health and Safety Management (p. 55)	
14. CONTRIBUTION TO THE LOCAL ECONOMY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Social Responsibility (p. 59) ; Occupational Health and Safety Management (p. 55)	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Corporate Social Responsibility (p. 59)	
	203-2 Significant indirect economic impacts	Occupational Health and Safety Management (p. 55)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility (p. 59)	
15. INVESTMENT IN CORPORATE SOCIAL RESPONSIBILITY PROJECTS			
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Social Responsibility (p. 59)	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility (p. 59)	
16. DIGITALISATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D and Innovation (p. 48) ; Occupational Health and Safety Management (p. 55)	
ENCO material topic disclosure	The digitalisation of operations is carried out through order management via the ENCO Portal, barcode and traceability applications using handheld terminals, and the N2 Mobile fleet management system. The data obtained is used to improve operational efficiency and the quality of the activity data underlying the greenhouse gas inventory.	R&D and Innovation (p. 48) ; Occupational Health and Safety Management (p. 55)	
17. ENERGY MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management (p. 36)	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management (p. 36) ; Performance Indicators (p. 62)	
	302-3 Energy intensity	Energy Management (p. 36)	
	302-4 Reduction of energy consumption	Energy Management (p. 36)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
18. OCCUPATIONAL HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety Management (p. 55)	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety Management (p. 55)	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Management (p. 55)	
	403-3 Occupational health services	Occupational Health and Safety Management (p. 55)	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Management (p. 55)	
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Management (p. 55)	
	403-6 Promotion of worker health	Occupational Health and Safety Management (p. 55); Employee Well-being and Performance Management (p. 55)	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Management (p. 55)	
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety Management (p. 55)	
	403-9 Work-related injuries	Occupational Health and Safety Management (p. 55)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
	403-10 Work-related ill health	Occupational Health and Safety Management (p. 55)	
19. TALENT AND CAREER MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Well-being and Performance Management (p. 55)	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employee Profile (p. 53)	
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Development (p. 58)	
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Well-being and Performance Management (p. 55)	
20. FACILITY AND WAREHOUSE MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Operational Network (p. 13); Energy Management (p. 36); Occupational Health and Safety Management (p. 55)	
ENCO material topic disclosure	ENCO operates a total of 45,000 m ² of storage space across five locations. Facility management is conducted in an integrated manner through the environmental and energy practices covered by ISO 14001 and ISO 50001, the occupational safety measures covered by ISO 45001, and zero-waste practices.	Our Operational Network (p. 13); Energy Management (p. 36)	
21. RESOURCE MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Circular Economy Approach (p. 47); Waste Management (p. 47)	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION / EXPLANATION
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Circular Economy Approach (p. 47)	
	301-2 Recycled input materials used	Circular Economy Approach (p. 47)	
22. EMISSIONS MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Environmental Management (p. 34); Emissions Management (p. 39)	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions Management (p. 39)	
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions Management (p. 39)	
	305-3 Other indirect (Scope 3) GHG emissions	Emissions Management (p. 39)	
	305-4 GHG emissions intensity	Emissions Management (p. 39)	
	305-5 Reduction of GHG emissions	Emissions Management (p. 39)	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Fleet Management (p. 45)	
23. ROUTE OPTIMISATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	Fleet Management (p. 45)	
ENCO material topic disclosure	Route optimisation is applied with the aim of reducing distance travelled and fuel consumption, taking into account traffic conditions, road quality and delivery schedules, and is supported by the mileage, idling time and fuel data monitored through the N2 Mobile system.	Fleet Management (p. 45); Occupational Health and Safety Management (p. 55)	



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