since 1983. We have set our target of increasing our social investment through ENKA Foundation by 20% until 2027 and almost every year we achieve this value by making an investment well above the target we set. As always, we will continue to complement this investment with social responsibility and volunteering activities that we carry out in our Headquarters and projects.

We are well aware that the source of our success is the competence, loyalty and devotion of our employees and that the key to our progress is "our people". While conducting all these activities, our foremost priority is that none of our employees should suffer from the slightest accident or health issue. Accordingly, we have successfully completed the transition to the ISO 45001:2018 standard of our occupational health and safety management system that we have established and managed with the aim of zero accident. We sustained our success in number of incident and frequency rates in 2019 as well. At ENKA Academy, which previously delivered only in-class trainings, we have activated the online training management platform LMS. By this means, we have started to provide Academy trainings to all our employees, regardless of location, in addition to the training conducted by our projects and we conducted nearly 900,000 personhours of training in 2019.

The employee loyalty survey, an effective feedback mechanism which we carry out as part of our sustainability strategy, was conducted through an independent research company once again this year. The survey that covered the entire ENKA group, revealed that the overall employee loyalty rate of ENKA and its subsidiaries sustained at 90%, while the rate of ENKA İnşaat rose by 2% and reached to 90%. I account this result as the greatest reward for all our efforts.

In all of our work, we bear responsibility for protecting information of our company, employees and business partners. Aware of this responsibility and with to the aim of making our information security management system even more robust, we completed our works for adapting our system to the ISO 27001 standard in 2019.

I could say that among all the sectors and business lines in which we are involved, the greatest responsibility and the most valuable task is surely undertaken by ENKA Schools, where we are bringing up the next generation. All our schools continue to excel with the superior quality of their education and the successful results they achieve. The more we hear and see about the sustainability efforts of our students, their high level of awareness, the works they carry out and the projects they implement in cooperation with our Corporate Sustainability Department, the prouder we are of these young individuals to whose development we contribute.

We have never considered our responsibility to future generation to be limited to only ENKA Schools! In the

belief that a quality education at a school with adequate physical facilities is the right of every child, we strive to support the physical needs of schools in need with all of our group companies. By providing university students with various internship opportunities both in our country and abroad and supporting university student clubs, we invest in the professionals of the future.

I believe that one of the qualities that has contributed greatly to ENKA's achievements and made it a leader in its sector is the fact that its employees view ENKA first as a "family" and then as a "School". We are aware that this "School" title is earned through a corporate culture that has the mission of research and solution development, which are the basis of engineering. To this end, we continue to increase our services and contributions to the engineering profession through our Design and R&D Centres, with more than TL 80 million of investment and our experienced staff.

With our more than 20,000 employees currently spread out over five continents and 18 countries, our all subsidiaries and projects, our schools and our foundation, we will continue to respect human and nature and to adopt a transparent and accountable management approach in all our activities. In doing so, we will never compromise on our goals of creating value for communities and for all our stakeholders and of growing and developing together with our stakeholders.

ENKA's sustainability journey is continuing and developing with greater enthusiasm and strength than ever before. On behalf of the entire ENKA family, I would like to thank all our stakeholders for their contributions, suggestions and support.

■ Mehmet Tara

President and Chairman of the Executive Committee

ABOUT THIS REPORT

ENKA PRESENTS ALL ITS ACTIVITIES AND PERFORMANCE CARRIED OUT IN 2019 WITHIN THE SCOPE OF ITS SUSTAINABILITY MANAGEMENT, ITS ATTITUDE AND APPROACH TOWARDS MATERIAL ISSUES THAT ARE IMPORTANT FOR ITS STAKEHOLDERS AND ITS FUTURE TARGETS TO THE ATTENTION OF ALL ITS STAKEHOLDERS WITH THE "2019 SUSTAINABILITY REPORT", WHICH IS THE THIRD SUSTAINABILITY REPORT OF ENKA.

ENKA Sustainability Report is published annually. This report covers ENKA's activities between January 1, 2019 and December 31, 2019. As in the previous year, the ENKA 2019 Sustainability Report covers data from and the activities of ENKA Headquarters, ENKA's subsidiaries and projects in Turkey and abroad, and ENKA Foundation. The chapters of the report entitled "Energy Efficiency and Climate Change" and "Water Management" cover the activities of ENKA Headquarters, three ENKA İnşaat projects, Çimtaş (Çimtaş Steel and Cimtas Pipe), ENKA Power (all plants), ENKA Pazarlama, ENKA Foundation (ENKA Schools Kocaeli, ENKA Sports Club, ENKA İstinye Campus and ENKA Arts) and ENKA Real Estate (CCI, ENKA TC, MKH). Compared to the 2018 report, this year the number of ENKA İnşaat projects included under "Energy Efficiency and Climate Change" and "Water Management" sections has been increased from two to three.

This report has been prepared in accordance with the GRI Standards: Core option. The annex at the end of the report lists ENKA's activities by their place in this report according to the GRI Content Index and the 10 global principles in the United Nations Global Compact (UNGC), of which ENKA is a signatory.

The ENKA 2019 Sustainability Report has been prepared in Turkish and English. The report has not received external assurance.

ENKA conducts materiality analysis to update its material sustainability issues every two years within the scope of its sustainability management. The materiality analysis process in 2019, its outcomes and the changes compared to the previous reporting period have been presented within the "Sustainability Materiality Process and Stakeholder Participation" section of this report. This report has been prepared in line with the updated material sustainability issues.

All enquiries, feedback and suggestions regarding the ENKA 2019 Sustainability Report may be addressed to sustainability@enka.com.



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