

MEMBERSHIPS OF ENKA İNŞAAT AND ITS SUBSIDIARIES

| Organisations ENKA Pazarlama is enrolled in   | Organisations ENKA TC is enrolled in                    |
|---|---|
| Turkish Construction Equipment Distributors' and Manufacturers' Association (İMDER) | Russian Council of Shopping Centers (RCSC)              |
| The Material Handling, Storage & Industrial Equipment Association of Turkey (İSDER) | US Green Building Council (Gold) (USGBC)                |
| Foreign Economic Relations Board of Turkey (DEİK)                                   | Green Building Council Russia (Premium) (RUGBC)         |
| Statistical Institute of Turkey (TÜİK)  | Moscow Investors Club                                   |
| İstanbul Chamber of Commerce (İTO)  | Organisations ENKA Schools Adapazarı is enrolled in     |
| Organisations ENKA Foundation is enrolled in  | Eco-Schools   |
| Third Sector Foundation of Turkey (TUSEV)   | White Flag  |
| Turkish Marine Environment Protection Association                                   | The International Baccalaureate Organisation (IBO)      |
| Mediterranean Opera and Ballet Club Association (AKOB)                              | Organisations ENKA Schools İstanbul is enrolled in      |
| Organisations ENKA Power is enrolled in:  | Eco-Schools   |
| İstanbul Mineral and Metals Exporters' Association                                  | The International Baccalaureate Organisation (IBO)      |
| Organisations CCI is enrolled in  | Round Square  |
| CRE Russia (Commercial Real Estate)   | New England Association of Schools and Colleges (NEASC) |
| BREEAM In-Use   | Council of International Schools (CIS)                  |
| Organisations ENKA Systems is enrolled in   | Duke of Edinburgh Programme                             |
| Turkey Software Industrialists Association (YASAD)                                  | World Wildlife Fund (WWF)                               |
| İstanbul Chamber of Industry  | Organisations ENKA Schools Kocaeli is enrolled in       |
| İstanbul Mineral and Metals Exporters' Association (İMMİB)                          | Ministry of Education School Democracy Assembly         |
| Organisations MKH is enrolled in  |   |
| Association of European Businesses  |   |

SUSTAINABILITY PRIORITISATION PROCESS AND STAKEHOLDER PARTICIPATION

ENKA identified its sustainability priorities through studies which took place over a three-month period in 2017 with intensive engagement of its internal and external stakeholders. In determining these priorities, ENKA made use of the dynamics of the sectors it is engaged in, economic, social and environmental impacts of these sectors and its own, sustainability risks and opportunities for ENKA and finally feedback from stakeholders which were received directly or indirectly, as described below.

DURING THE PROCESS OF IDENTIFYING PRIORITIES, FACE-TO-FACE WORKSHOPS WERE HELD WITH GROUPS OF STAKEHOLDERS, ESPECIALLY ENKA SUSTAINABILITY COMMITTEE, AND ONLINE QUESTIONNAIRES WERE PROVIDED FOR THOSE STAKEHOLDERS WHO COULD NOT BE REACHED FACE-TO-FACE.

A total of 266 stakeholder representatives, including the Sustainability Committee, senior management, ENKA employees, suppliers, non-governmental organisations and professional organisations, subsidiaries, vendors and customers participated and contributed to identifying the sustainability priorities for ENKA. Stakeholder groups which were included in the undertaking were identified together with ENKA's subsidiaries by taking into account influence and accessibility factors.

As a direct input to the development of ENKA's Sustainability Strategy, sustainability priorities were reviewed in 2018 in ENKA Sustainability Committee meetings through a review of the current activities of ENKA and its subsidiaries, stakeholders, risks, opportunities and goals and were updated with the addition of the Biodiversity topic. ENKA promises to conduct sustainability materiality surveys and detailed stakeholder participation process every two years.

WORKSHOPS AND SURVEYS CONDUCTED (2017)

| Method   | Stakeholder Group   | Number of participants |
|----------|---|------------------------|
| Workshop | Senior Management   | 42                     |
|          | Employees Group 1   | 27                     |
|          | Employees Group 2   | 25                     |
|          | Suppliers   | 10                     |
|          | Non-Governmental Organisations and Professional Organisations | 11                     |
|          | Çimtaş  | 30                     |
|          | <b>Total</b>  | <b>145</b>             |
| Survey   | Customers   | 15                     |
|          | Sales Representatives   | 6                      |
|          | Suppliers Group 1   | 3                      |
|          | Suppliers Group 2   | 39                     |
|          | Employees Group 1   | 10                     |
|          | Employees Group 2   | 48                     |
|          | <b>Total</b>  | <b>121</b>             |
|          | Overall Total   | 266                    |

The table on the next page lists ENKA's prioritised (material) sustainability topics and their scope which constitute the basis for sustainability works and were referenced and updated during the 2018 reporting period.



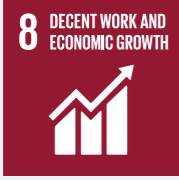



ENKA'S SUSTAINABILITY GOALS








As the result of the Sustainability Committee's work in 2018, taking the company's sustainability priorities, risk and opportunities, influence areas and stakeholder feedbacks into account, realistic and robust sustainability goals were identified for the year 2027, the year marking the 10<sup>th</sup> anniversary of ENKA's sustainability works and 70<sup>th</sup> anniversary of the company's establishment.

ENKA 70<sup>th</sup> Year Sustainability Goals are detailed on its corporate website and at the end of each chapter of this report for all stakeholders' information.

<https://www.enka.com/sustainability/home/strategy/sustainability-goals/>

## ENKA'S MOST MATERIAL SUSTAINABILITY TOPICS

| SUSTAINABLE DEVELOPMENT GOALS   | MATERIALITY STRATEGY   | MATERIAL ISSUES  | GRI INDICATORS  | UNGC   | IMPACT (INTERNAL/EXTERNAL) |
|---|--|--|---|--|----------------------------|
|    | <p>ENKA believes that the best way to social development is through quality education. ENKA Schools, which were founded in line with this purpose, provide quality education and learning opportunities to students and raise equipped individuals for society.</p> <p>As part of its principle of Care for Employees, ENKA believes in the need to invest in its employees, whom it sees as its primary stakeholders. Through ENKA Academy, it provides training opportunities prepared by industry-leading education firms and academic institutions to strengthen the professional and social abilities of its employees.</p> | <p>Employee Training and Development<br/>Socio-Economic Impact on Local Community<br/>Community Investment Programmes</p>  | 404-1/404-2   |  | * / *                      |
|   | <p>During its operations, ENKA follows an approach that includes encouragement for entrepreneurship, creativity and innovation, ensures diversity and equality of opportunity, provides full and productive employment and abides by the principle of equal pay for equal work. In its operations around the world, ENKA takes the highest standards of business ethics to ensure sustainable growth.</p>  | <p>Economic Performance<br/>Ethics and Compliance<br/>Employee Rights and Employee Satisfaction<br/>Occupational Health and Safety<br/>To be an Employer Brand</p> | <p>GRI 201-1/201-2/201-4<br/>GRI 205-1 through 205-3<br/>GRI 202-1/202-2<br/>GRI 203-1/203-2<br/>GRI 401-1 through 404-4<br/>GRI 404-1<br/>GRI CRE6<br/>GRI 405-1<br/>GRI 407-1/408-1<br/>GRI 409-1<br/>GRI 412-1 through 412-3</p> | <p>Principle 1<br/>Principle 2<br/>Principle 3<br/>Principle 4<br/>Principle 5<br/>Principle 6</p> | * / *                      |
|    | <p>With the awareness that water is the most vital resource, ENKA adopts a responsible water management approach in its projects and operations. ENKA integrates practices of sustainable and recyclable water use in its operations. In all of ENKA's operations, the uninterrupted access of employees to clean water and sanitary facilities is of the utmost importance.</p>   | <p>Employee Rights and Employee Satisfaction<br/>Water Management<br/>Socio-Economic Impact on Local Community</p>   | 303-1 through 303-5<br>413-2  | Principle 8  | * / *                      |
|    | <p>In all the fields in which it is active, ENKA is sensitive to the effective management of energy. ENKA contributes to SDG 7 by generating power as efficiently as possible in its power generation activities, which is one of ENKA's main business segments; its contributions to developing environment-friendly buildings, facilities and renewable power plants through its project and construction work and energy management which it has integrated to its operational activities.</p>  | <p>Carbon Footprint and Energy Efficiency<br/>Environment Friendly Materials, Equipment<br/>and Green Buildings</p>  | <p>GRI 302-1 through 302-4<br/>GRI 305-1 through 305-5<br/>GRI CRE3/CRE4</p>  | <p>Principle 7<br/>Principle 9</p>   | * / *                      |
|    | <p>With industrial and infrastructure projects to which it makes direct contributions for sustainable growth, ENKA always prioritises an innovative perspective. As the first Turkish construction company to be given the title of "Design Centre", ENKA has always provided services at the highest level in all design and engineering activities it was involved in and has always valued innovation works to constantly improve its capabilities in this field.</p>   | <p>Innovation and R&amp;D Work<br/>Community Investment Programmes<br/>Customer Satisfaction</p>   | ENKA Specific topic   | Principle 9  | * / *                      |

| SUSTAINABLE DEVELOPMENT GOALS   | MATERIALITY STRATEGY  | MATERIAL ISSUES   | GRI INDICATORS  | UNGC         | IMPACT (INTERNAL/EXTERNAL) |
|---|---|---|---|--------------|----------------------------|
|    | With the infrastructure projects it has realised over the years, ENKA has provided dependable resources for the needs of low-income and fragile groups. Furthermore, it provides scholarship opportunities for students at ENKA Schools Adapazarı, which was founded to provide education for children affected by the 1999 Marmara Earthquake and at ENKA Schools Kocaeli. | Community Investment Programmes   | ENKA Specific topic   |              | / *                        |
|    | With the durable, sustainable and resource effective environment-friendly buildings it produces, ENKA contributes to the development of comprehensive and sustainable urbanisation.   | Environment Friendly Materials, Equipment and Green Buildings   | ENKA Specific topic   |              | * / *                      |
|   | ENKA has proven its commitment to responsible consumption and production with its work on the sustainable management and efficient use of natural resources and its projects for increasing efficiency. IENKA supports its commitment with responsible supply chain management and resource-efficient productivity increasing innovation works.                             | Responsible Supply Chain Management<br>Product and Service Quality  | GRI 308-1/308-2<br>GRI 414-1/414-2                                  | Principle 10 | * / *                      |
|    | ENKA accepts that climate change is one of the greatest problems that humankind faces and contributes to combating climate change with works on emissions reduction, energy efficiency, impact mitigation and adaptation.   | Carbon Footprint and Energy Efficiency<br>Environment Friendly Materials, Equipment and Green Buildings<br>Water Management<br>Waste Management | GRI 302-1 through 302-4<br>GRI 305-1 through 305-5<br>GRI CRE3/CRE4 | Principle 7  | * / *                      |
|    | ENKA is aware of the importance of partnerships to achieve the Sustainable Development Goals. As a signatory of the United Nations Global Compact and a member of the Business Council for Sustainable Development, ENKA supports the works carried out with NGOs to achieve the Sustainable Development Goals in national and international platforms.                     | -   | ENKA Specific topic   |              | / *                        |
|   | In all its activities, ENKA takes all necessary measures to manage its impact on the nature and keeps biodiversity protection as its basis. ENKA also develops biodiversity action plans to reduce the impact on flora and fauna at locations where it operates.  | Biodiversity  | GRI 304-1 through 304-4   |              | / *                        |