

EMPLOYEE TRAINING AND DEVELOPMENT

ENKA believes that in order to perpetuate its existence and become even stronger, it needs to invest in each and every employee who possesses the knowledge and qualities needed in their field of work and views its employees as priority stakeholders inline with the principle of Caring for Employees.

BY CREATING A CULTURE WHICH PROMOTES THE ACHIEVEMENT BOTH OF ITS OWN ORGANISATIONAL GOALS AND OF THE INDIVIDUAL GOALS OF ITS EMPLOYEES, ENKA AIMS TO CREATE A MORE MOTIVATED AND COLLABORATIVE WORKFORCE AND AT THE SAME TIME PROVIDE BETTER WORKING ENVIRONMENTS.

With the purpose of providing its employees with opportunities to develop and learn, as well as to support the achievement of the company's goals, ENKA founded ENKA Academy in 2015 to help employees develop their professional competencies, awareness of processes, technical knowledge and their leadership and management skills.

ENKA Academy has planned and implemented both occupational and social skill development trainings within ENKA and its subsidiaries in 2018. In the reporting period, through approximately 645 hours of training a total of 11,508 person-hours of training were provided on the development of engineering and social skills. Trainings included in the ENKA Academy curriculum is developed by either experts within the company or by the leading training institutions and academic units in the sector. Since its establishment, ENKA Academy has provided over 1,300 hours of training involving more than 3,100 participants.

11,508

Person-hours

TRAINING PROVIDED ON DEVELOPMENT OF ENGINEERING AND SOCIAL SKILLS

After each training, participants are asked to complete a Training Evaluation Survey to record participant satisfaction and training feedback. In addition, a Training Needs Survey, in which all company employees participated, was conducted in 2018 in order to identify the needs and priorities regarding the training provided by ENKA Academy, to contribute to personal and professional development of employees and to support both individual and institutional performance. While determining the ENKA Academy 2019 Training Plan, results of the Training Needs Survey was taken into consideration and planning was carried out for training programmes which aim to improve employees' professional competencies, technical knowledge and skills, social skills, leadership and management skills.

Alongside ENKA Academy, Project Training Departments which are established separately at each project and are in constant communication with İstanbul Corporate Headquarters have delivered more than 8.2 million personhours of training, which have contributed to the development of the local population in countries where ENKA is active.

AMOUNT OF TRAINING GIVEN UP TO DATE

8.2 million

person-hours



EMPLOYEE TRAINING

ENKA provides equal training opportunities to all its employees to support the development of their professional and social skills. By providing training opportunities appropriate for the professional capacities of each employee and to a wide range of employees from professionals who are at the start of their career to members of the executive board, ENKA aims to achieve continuous development and sustainable growth.

Training hours for each employee provided by ENKA Academy in 2018 for employees affiliated with ENKA Headquarters and its subsidiaries, disaggregated by gender and type of employee is shown in the tables on the right. In pursuing its goals of Gender Equality and Reducing Inequalities, ENKA Academy has planned Gender Equality seminars for 2019.

Personnel Training Hours by Gender at ENKA Academy

	FEMALE	MALE
Total Training Time (hour)	3,183	8,325
Training Time per Employee (hour)	12.73	11.96

Personnel Training Hours by Blue Collar/White Collar at ENKA Academy

	BLUE COLLAR	WHITE COLLAR
Total Training Time (hour)	392	11,116
Training Time per Employee (hour)	8	12.39

TRAINING OF EMPLOYEES IN THE FIELD

In all ENKA projects, project-specific training plans are drawn up and implemented with the aim of ensuring that members of the field team at all levels are able to receive the training they need. These training plans consist of four stages; orientation, skills development, pre-job quality briefings, and health, safety and environment (HSE) trainings.

In addition to all ENKA personnel working in the field, these training activities are also provided for the benefit of the employees of subcontractor and supplier firms working at ENKA worksites. Under this framework, a total of approximately 742,000 person-hours of trainings were provided in the field throughout ENKA projects during the reporting period.

EMPLOYEE TRAINING AT ÇİMTAŞ

The core values which constitute the bases of Çimtaş activities are its personnel's health, safety, competency, development and leadership. With its occupational safety and environmental activities which are continuously monitored and promoted at the highest level, Çimtaş creates a safe working environment for its employees while keeping the satisfaction and efficiency of its employees high through training and development activities which are aimed at competency development.

Çimtaş identifies, plans and evaluates the effectiveness of the training and development activities needed to improve the existing competencies and qualities of its employees, prepare them for the future and ensure their personal, administrative and professional development. Training hours provided to employees of group companies during the reporting period is shown in the table below.

Personnel Training Hours by Category of Employee in Çimtaş Group

Location	Employee Category	Training Hours for Male Employees	Avg. Number of Male Employees	Average Hours of Training per Male Employee	Female Training Hours	Avg. Number of Female Employees	Average Hours of Training per Female Employee	Total Training Hours	Total Avg. Number of Employees	Total Hours of Training Per Person
Steel	White collar	9,758.3	177.3	55.1	1,447.1	20.2	71.8	11,205.4	197.4	56.8
	Blue collar	24,143.9	416.3	58.0	-	-	-	24,143.9	416.3	58.0
Pipe	White collar	15,095.5	276.5	54.6	3,561.1	61.7	57.7	18,656.6	338.2	55.2
	Blue collar	29,197.4	515.6	56.6	-	-	-	29,197.4	515.6	56.6
Precision Machining	White collar	8,888.4	93.2	95.4	752.0	9.7	77.5	9,640.4	102.9	93.7
	Blue collar	6,793.8	119.7	56.8	-	-	-	6,793.8	119.7	56.8
Shipyards	White collar	3,943.5	49.9	79.1	428.1	5.8	73.4	4,371.6	55.7	78.5
	Blue collar	4,660.8	51.4	90.7	30.8	1.0	30.8	4,691.6	52.4	89.5
Ningbo	White collar	1,782.0	71.0	25.0	1,497.5	54.0	28.0	3,279.5	125.0	26.0
	Blue collar	13,295.0	220.0	60.0	1,236.0	19.0	65.0	14,531.0	239.0	61.0

At Cimtas Ningbo, Finance for non-financial professionals and cross-cultural awareness trainings were provided as part of its Leadership Programme, alongside technical training programme.

During the improvements carried out in 2018, in order to popularise the use of the 6 Sigma methodology, with the purpose of further strengthening the competency of participants while leading improvements and with the goal of ensuring a sustainable quality for customers, 6 Sigma Green Belt Trainings were completed at Cimtas Pipe and Çimtaş Precision Machining plants and trainings are planned for new groups in 2019.

The Quality Communication, Living and Joy of Life conference by Prof. Dr. Üstün Dökmen on topics such as listening, understanding and reconciliation in family and business life, dealing with prejudices, gaining different perspectives, being resilient, taking responsibility, maintaining the joy of live by learning something new every day and increasing life motivation and being a team, was conducted with participation of 232 employees.

The Hogan leadership analysis and team-meter workshop, which were put into practice at Çimtaş Precise Machining in 2017, was extended to Cimtas Pipe and 54 employees were included in this programme with the purpose of analysing strong and open-for-improvement aspects of the team, identifying areas for synergy creation, ensuring that team members unite towards a common goal and strengthening the understanding of cooperation and mutual dependency. The Leadership Training Programme was designed in 2018 and is planned to be introduced in 2019.

In 2018, the certification process of employees were monitored by Çimtaş Academy as required by Law 5544

on Vocational Qualifications Authority. 293 employees at Cimtas Pipe and Çimtaş Precision Machining and 111 employees at Çimtaş Steel and Çimtaş Module and Shipyards were provided with Vocational Competency and Training Certificates.

Document Name	Cimtas Pipe	Çimtaş Precision Machining	Çimtaş Steel	Çimtaş Module and Shipyards	Total
Vocational Training Certificate	164	22	42	35	263
Vocational Competency Certificate	32	3	24	10	69
Certificate Renewal	65	7	0	0	72
Total	261	32	66	45	404

CONTRACTED EDUCATIONAL INSTITUTIONS AND MBA PROGRAMMES

The following benefits apply for all Çimtaş employees;

- A discount of 25% is granted at Bilgi University for MBA or distance education/online education programmes.
- 30% discount is granted at Bahçeşehir University for MBA programmes and when certain points on criterion such as ALES, foreign language exam or GPA are met, the grant may increase up to 50%.
- All Çimtaş employees may benefit discount opportunities at various language schools.

OCCUPATIONAL HEALTH AND SAFETY

The first and foremost priority of ENKA and its subsidiaries is that all employees should be able to get back to their homes and families without experiencing even the slightest injury at work.

FOR THIS PURPOSE, ENKA IMPLEMENTS VARIOUS PRACTICES AND DEVELOPMENT PLANS REGARDING OCCUPATIONAL HEALTH AND SAFETY, AND CONSIDERS THESE PRACTICES AS STRETCHING BEYOND PRIORITIES TO VALUES, INCLUDING THEM IN ALL ASPECTS OF CONDUCTING BUSINESS.

HEALTH AND SAFETY MANAGEMENT

ENKA İnşaat (including ENKA Headquarters and all ENKA İnşaat projects), ENKA Power, ENKA TC, Cimtas Pipe, Çimtaş Steel, Çimtaş Module and Shipyards and Çimtaş Precision Machining all holds OHSAS 18001 certificates and manage their activities in compliance with this standard. ENKA's practices and management systems are regularly audited and have been certificated by the British Standards Institution (BSI) since 2002. In addition, ENKA forms and conducts its HSE management system by complying with the legal requirements in all countries where it is active and monitors its compliance with the OHSAS 18001 standard.

The Health and Safety structure at ENKA begins with a commitment by senior management. This strong commitment, which is the foundation of ENKA's practices and management system, is shared with all of its stakeholders through the Environment, Occupational Safety, Health and Social Responsibility Policy. This commitment is implemented effectively through internal procedures and resources in line with procedures such as trainings, workshops, plans, instructions, control lists and forms. Areas that are open to improvement are identified through audits and according to the results of these audits, the system is reviewed and necessary actions are taken in line with the principle of continuous improvement.

Occupational health and safety is addressed with due attention wherever ENKA is active and everyone within the

boundaries of the worksite, including subcontractors, are considered to be ENKA employees and are subject to the same standards.

ENKA considers its employees as the driving force of its work and consequently is aware that any potential problems regarding employee's health and safety in its work may cause the company to go through losses in morale, reputation and legal damages. For this reason, ENKA holds HSE topics as values of its way of doing business. ENKA, in addition to the OHSAS 18001 standard it complies with during its HSE processes, continues its operations with a proactive approach to risk management. The main goal of this management system is maintaining the "Zero Accident" philosophy. ENKA protects the health and safety of all its employees with strong faith in this policy and its comprehensive HSE organisation.

ENKA's subsidiaries in Turkey comply with the Law on Occupational Health and Safety (6331) and all regulations within the framework of this law and its subsidiaries in Russia comply with the Russian Federation Federal Law 197 and all regulation within the framework of this law.

While managing all possible or existing risks originating from ENKA activities, the proactive approach is taken as the foremost priority and all works start with identifying, assessing and managing HSE risks. Risk assessments are conducted at all of ENKA's subsidiaries in line with approved procedures and relevant regulation. Risk assessments are taken into consideration for both regular working conditions and emergency situations. At ENKA İnşaat projects, the main steps of ENKA HSE risk management are the General Risk Assessments conducted at the start of each project, specific risk assessments created in line with the details of the work to be carried out, and Job Hazard Analyses.

Risks and necessary steps to be taken are identified through these risk assessments, evaluated by project management groups and HSE Departments and treated according to the risk management hierarchy. The risk management hierarchy foresees taking the following steps in order for any identified risks;

- 1. Elimination:** Eliminating the hazard at its source.
- 2. Substitution:** Replacing hazards, events or equipment with a less hazardous one.
- 3. Engineering Controls:** Placing physical or protective equipment between equipment which are prone to risks or liable to be damaged due to risks.
- 4. Administrative Controls:** Relaying hazards and protection measures to employees who are under risk of injury through directives and instructions.
- 5. PPE:** Personal Protective Equipment.