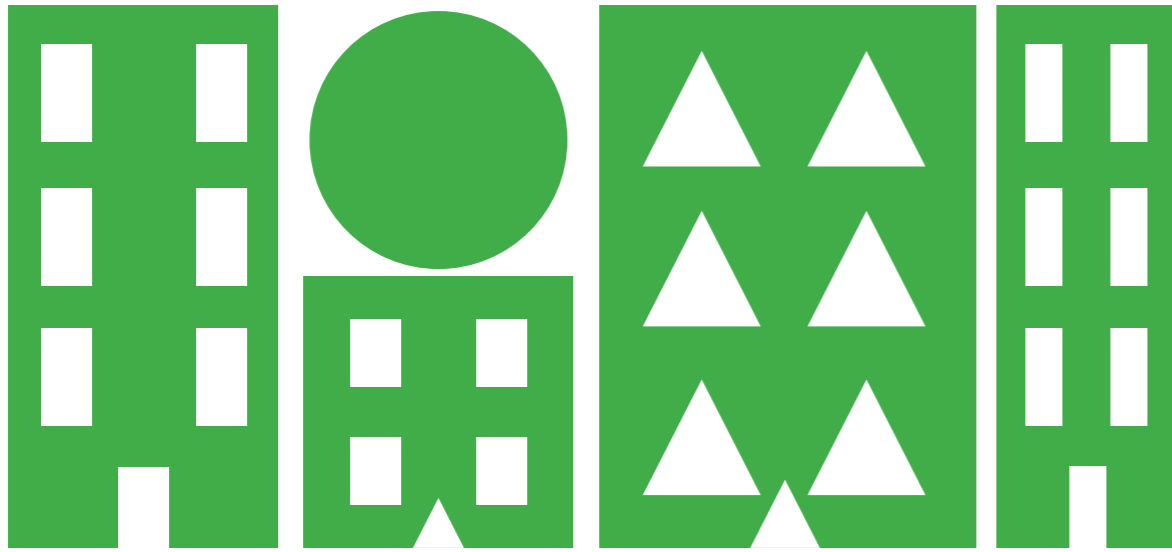


# ENVIRONMENT-FRIENDLY MATERIALS, EQUIPMENT AND GREEN BUILDINGS



ENVIRONMENT-FRIENDLY BUILDINGS USE RESOURCES MORE EFFICIENTLY AND THEREFORE HAVE LOWER OPERATING COSTS AND OFFER THEIR USERS MORE COMFORTABLE SPACES. ALTHOUGH THE INVESTMENT COSTS OF ENVIRONMENT-FRIENDLY BUILDINGS ARE HIGHER THAN CONVENTIONAL BUILDINGS, THEY SOON REDEEM THE INITIAL COSTS THROUGH THE SAVINGS THEY ENSURE.

In recent years, ENKA has begun to undertake activities to transform older buildings to meet modern requirements and transform them into more environmentally-sensitive new buildings. ENKA aims to use its very high level of expertise, science and technology in its investments to minimise adverse impacts on humans and nature. Within the projects ENKA has completed until today, 14 projects have been awarded with LEED certificates.

ENKA's Kuntsevo Plaza Project, which was commissioned for operation in 2015, won the first Russian Green Building Certification (the Green Standard) in 2013. The Kashirskaya Multi-Functional Shopping Centre project in Moscow, which was completed in 2018, also received the Russian Green Building Certificate. As they are multi-purpose shopping centres, these projects have set precedents and become pioneers in the sector.

Cimtas Ningbo Modular Skids Pipe Spools received the LEED Gold certificate for its new facilities in 2019. Cimtas Pipe already holds this certificate. Following the announcement of the award, Cimtas Pipe employees took part in a ceremony to celebrate "World Green Building Week". The employees were provided with information about environment-friendly buildings and a donation was made to the TEMA Foundation in their name for use in planting trees.

ENKA is aware that the energy sector needs to switch to a low-carbon growth process in order to prevent global climate change. However, in order to ensure reliable energy supply, the efficient use of relatively clean-burning, constantly available and reliable fuels, such as natural gas, is a necessity for the future of the energy sector. This is why one field of specialisation of ENKA is transforming open phase simple-cycle natural gas power plants to the modern and far more efficient two-phase combined cycle power plants. This way, while ensuring a secure supply of energy, electricity production per unit of fuel and facility efficiency increase and environmental impacts decrease.

ENKA's contribution to the transition to renewable energy and a low-carbon economy towards supporting the economy and leading to a sustainable future continues with the production of wind turbine towers and parts at Çimtaş Steel. In recent times, gradually rising demand for wind energy and the incentives for locally produced goods have created a market for local suppliers. Çimtaş Steel, which is increasing its activities in this direction and is Turkey's the first wind tower manufacturer without compromising on quality, broke its own annual production record in this field by producing 24,300 tonnes of wind power equipment in 2019.



In the ongoing Nizhnekamsk Combined Cycle Power Plant project in Russia, materials and equipment have been chosen carefully in order to keep the environmental impact to a minimum. The SGT5-200 gas turbine used at the project outperforms comparable turbines as it works emissions-compliant up to 45% at stable exhaust temperature and keeps NO<sub>x</sub> emissions stable and below 25 ppmvd in the total exhaust despite the increased power generation. Furthermore, as hydrogen is used by preferring these turbines, carbon emissions are reduced and emission limits are complied with.



ENKA's performance in 2018 and 2019 against "Reducing Environmental Impact" section of its 2027 Sustainability Goals is presented below.

REDUCING ENVIRONMENTAL IMPACT

ENKA 2027 SUSTAINABILITY GOALS		2018	2019
ENKA POWER	We aim to keep ENKA Power Plants' greenhouse gas emissions per unit energy that is produced, under 400 gCO <sub>2</sub> e/kWh.	344.72 gCO <sub>2</sub> /kWh	339.67 gCO <sub>2</sub> /kWh
	We aim to keep Çimtaş's greenhouse gas emission per person-hours for each tonne of production under 25 tCO <sub>2</sub> e/(person-hours/tonnes).	26.15 tCO <sub>2</sub> e/(person-hours/tonnes)	23.65 tCO <sub>2</sub> e/(person-hours/tonnes)
ÇİMTAŞ	We aim to keep Çimtaş' domestic water consumption under 15 liters/person-hours.	20 liters/person-hours	14 liters/person-hours
	We are committed to never encounter a Tier III (>20m <sup>3</sup> ) environmental incident in any ENKA company.	Target met	Target met
	We will undertake at least two projects to reduce blue water footprint.	2 Projects	2 Projects
ENKA GROUP	We will undertake at least two projects at ENKA Group to increase renewable energy use rate.	1 Project	2 Projects
	We will contribute to at least one afforestation project every year to contribute to carbon neutralisation.	2 Projects	2 Projects
	We will make no compromises on the policy of banning plastic bottle use throughout ENKA Group that was initiated in 2018.	Target met	Target met
	We will continue to adhere to ENKA Schools' waste management practices, paper and purified drinking water use policies.	Target met	Target met
ENKA SCHOOLS			