

## CORPORATE GOVERNANCE

### SECTION I - STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

The Corporate Governance Committee of the company is elected by the resolution of the Board of Directors dated 25.03.2022 and Board Members Fatih Osman Tar (Chairman) and Erdoğan Turgut (Member) as well as Gizem Özsoy (Member) which has the Capital Market Activities Advanced Level License and the Corporate Governance Rating Specialists License are selected. According to the same resolution it is decided that scope of activities of Nominating and Compensation Committee will be carried out by the Corporate Governance Committee. Principles and responsibilities of the committees are approved by the Board of Directors on 28.05.2012 and have been announced to the public.

On 11.06.2014, the duties and working principles of the committees were revised to ensure compliance with the legislation and were declared on company's official website. There are no compulsory principles, which are stated on the annex to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 and which are not applied. For the non-compulsory ones, principles 1.5.2, 3.3.8, 4.2.5, 4.2.8, 4.4.7, 4.5.5, 4.6.1 and 4.6.5 are not being applied by our company and the reasons for not applying them are explained in the relevant sections of the Corporate Governance Compliance Report. There is no conflict of interest in our Company due to not fully complying with these non-compulsory principles.

Corporate Governance Committee's main objectives are; to present the proposals for the corporate governance policies of the company, enhance the quality of the corporate governance applications and inform the Board of Directors about the effective pursuit of the legislation of the Capital Markets Board related to the corporate governance principles and the generally accepted corporate governance principles of the international capital markets, and about implementing those principles which it deems applicable. The Corporate Governance Principles Compliance Report and Corporate Governance Information Form of the Corporate Governance Committee has been presented to the review of our stakeholders in the Annual Report and website as well as at the company information page of the Public Disclosure Platform (PDP).

### SECTION II - SHAREHOLDERS

#### 2.1. INVESTOR RELATIONS UNIT

The Investor Relations Management was established in 2002 within the structure of ENKA İnşaat ve Sanayi A.Ş., for the purpose of arranging the relations with the shareholders.

The Investor Relations Department reports to İlhan Gücüyener, the Member of the Executive Committee of the company and reports on activities.

The main activities conducted by the unit can be summarized as answering the questions on financial statements, activities of the company, conditions to participate in the company's General Assemblies, announcements to public, capital increases, information on issuance of new share certificates and preparation of the company's annual reports. The numerous applications to the unit and the responses to the investors are generally made through telephone. The members are; Sinan Yavuz Aktürk, Leyla Yüksel, Ali Aslan and the manager Gizem Özsoy of the Investor Relations Unit. Gizem Özsoy holds Advanced Level License (205945) and the Corporate Governance License (700865). The Investor Relations Unit can easily be accessed through the general telephone numbers of our company, which is +90 212 376 10 00.

#### 2.2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

##### *Amendments to the Articles of Association*

After the disclosure made at the PDP on June 1, 2022 for the capital increase in the amount of TL 400 million, the Article 6 of the Articles of Association titled "Capital" has been amended to reflect this change and it was published on June 3, 2022 and 10591 numbered Turkish Trade Registry Gazette.

##### *Share Capital*

The Ceiling of the Registered Share Capital of the Company is TL 10,000,000,000 (Say: Ten Billion Turkish Liras) which is divided into total 10,000,000,000 Shares, each having a nominal value of TL1 (Say: One Turkish Lira). The total emitted Share Capital of the Company amounts to TL 6,000,000,000 (Say: Six Billion Turkish Liras) and is fully paid up. The emitted Share Capital of the Company is divided into total 6,000,000,000 Shares, each having a nominal value of TL1 (Say: One Turkish Lira).

##### *Shareholding Structure*

The list of the shareholders of ENKA İnşaat ve Sanayi A.Ş. having 5% and above shareholding as of December 31, 2022 is as follows:

Shareholder	%
TARA Holding A.Ş.	49.80
Vildan Gülçelik	7.99
Sevda Gülçelik	6.43
ENKA Spor Eğitim ve Sosyal Yardım Vakfı	5.87
Free Float and Others	29.91
Total	100.00

The details of the changes in the Capital and the Shareholding Structure within the year has been given under the Capital section of the Independent Audit Report.

### 2.3. DIVIDEND RIGHT

The Profit Distribution Policy of ENKA İnşaat ve Sanayi A.Ş. which has been approved at the General Assembly held on March 27, 2014 is as follows:

The Board of Directors of ENKA İnşaat ve Sanayi A.Ş. ("the Company") takes into account the performance of the Company of that year, economic conditions, the finalized projects, investments and the cash flow of the Company as well as Turkish

Commercial Code, the relevant articles of Capital Markets Law, regulations and the practices of the Capital Market Board when presenting the profit distribution proposal to the General Assembly.

The principal policy adopted and applied by the company in aspect of profit distribution is to act always in compliance with the applicable criteria as provided in the Capital Markets Legislation while considering a fair balance between the interests of the Company and that of the shareholders thereof. In this manner, at least 20% of the distributable profit which is calculated in accordance with the Capital Markets Board regulations and other relevant legislation is distributed as cash and/or bonus shares.

Under the framework determined by profit distribution policy and the Capital Markets Board, after reserving the 1<sup>st</sup> dividend pursuant to the provisions of Article 36 of the Articles of Association, dividends are distributed to the Bonus Certificate holders as per the rate stated in the Articles of Association (total 7.5%).

Dividends are distributed equally at once to all existing shares as per their rates regardless of date of issuance and acquisition dates. Distribution of cash dividends is planned to be paid no later than one month after the General Assembly where the date of dividend distribution is resolved by the General Assembly.

The place and date of the profit distribution, agreed upon during the General Assembly in accordance with the relevant legislation provisions, is announced to the shareholders through the Public Disclosure Platform and by the announcement on the website of the Company.

The Board of Directors may distribute dividend advance if it is authorized by the General Assembly as well as in compliance with the regulations of the Capital Market. The authorization given to the Board of Directors by the General Assembly is limited with that year in which the authorization is given.

The distribution of profit, which takes place in the Annual Report, is made within the period required by the provisions of the Capital Market Law, as set forth in the Profit Distribution Policy. Until this day, profit distributions have been done without any delays.

Basing on the power vested in the Board of Directors by the Ordinary General Assembly for year 2020 held on March 30, 2021, the Board of Directors resolved to distribute, a total of TL 1,120,000,000 from the net profit of the current period as indicated on the financial statements comprising the interim period from 01.01.2021 to 30.09.2021, as Dividend Advances at a rate of, to the holders of share certificates representing the share capital amounting to TL 5,600,000,000. And dividend was distributed on January 05, 2022.

Additionally, based on the Group's Ordinary General Assembly held on 25 March 2022; In addition to dividend advance distributed on 5 January 2022, regarding to the distribution of the year 2021 profit, it has been resolved to distribute dividend to its in total TL 2,800,000,000; further it has been resolved to distribute TL 61,026,539 as cash dividend to founder shares. The Dividend decided to be distributed was distributed on 13 April 2022.

Based on the Group's Ordinary General Assembly held on 25 March 2022; The Group has decided to increase its capital from TL 5,600,000,000 to TL 6,000,000,000. The entire amount of TL 400,000,000 to be increased was covered from dividends.

### 2.4. DONATION AND AIDS

In 2022, within the framework of the existing Donation and Aids Policy; ENKA İnşaat ve Sanayi A.Ş. on its own has donated TL 55.965.497 while its subsidiaries have donated TL 19.041.851.

## SECTION III - STAKEHOLDERS

### Employee Training

Within the scope of ENKA Academy, a total of 11,987 person-hours of training was carried out in 2022 with approximately 566 hours of training.

Personnel Training Hours by Category of Gender at ENKA Headquarters:

	Woman	Man
Total Hours of Training	14,384	132,239
Training Hours Per Employee	41.5	44.3

	Blue Collar	White Collar
Total Hours of Training	96,884	49,739
Training Hours Per Employee	51	34.7

### Employee Rights and Employee Satisfaction

- › All ENKA employees have the pension rights and rights to maternity/paternity leave specified in the laws.
- › All ENKA employees have the right to a 50% discount at ENKA Sports, which is one of Türkiye's leading sports clubs.
- › All ENKA employees have the right to a 20% discount for events organised by ENKA Culture & Arts, which hosts a variety of well-respected artistic performances.
- › One day of volunteer leave right in a month is provided to employees who want to take part in volunteering projects.
- › Every year, sailing programmes are organised especially for employees with and without sailing experience, at basic and advanced levels.
- › Health services in clinics established at the head office and projects are offered free of charge.
- › Suitable menus are being prepared for vegetarians and for employees needing special diets.

## SECTION IV - THE BOARD OF DIRECTORS

### 4.1. STRUCTURE AND FORMATION OF THE BOARD OF DIRECTORS

The target in determining the company's board members is to create a structure which will enable the members to make productive and constructive activities, to take decisions quickly and rationally, and to form committees in order to organize their activities in an effective way. Although the aim is to have one female member at the Board of Directors, the proposal of the Board Members submitted to the General Assembly has been formed in line with the above-mentioned targets. The Board of Directors which is approved by General Assembly consists of 5 members; as two executive members, one non-executive member and two independent non-executive members.

Regarding the independent members, 2 nominees were submitted to Corporate Governance Committee, which undertook authority of Nominating Committee on January 03, 2022 and were approved on the same day by the Board of Directors.

Declaration of Independent Members of the Board of Directors about their independency is as follows:

In the context of my nomination being "Independent Member of the Board of Directors" at ENKA İnşaat ve Sanayi A.Ş.'s ("ENKA") Ordinary General Assembly Meeting of 2021 which will be held in 2022;

- › No relationship was formed in employment, in capital or in important trading activities, neither by me nor by my spouse, nor by my blood or affinity relatives up to the 3<sup>rd</sup> degree within last five years did not have any direct or indirect relationship with ENKA, 3<sup>rd</sup> parties in relation with ENKA or legal entities who have relation with shareholders of ENKA having a share of 5% or more,
- › Within the last five years, I have not been a partner (5% or above), employed as an executive having a significant duty and responsibility, or as a member of the board of directors in a company, which is primarily serving as auditing (tax audit, legal audit and including any internal audit), consulting and rating of ENKA, which undertakes material business activities under an agreement, in the period where the services or goods have been purchased or sold,
- › As being an independent member of the board of directors, I have the required professional training, knowledge and experience for undertaking the duties of the position,
- › I will not to be a full-time employee of public authorities and institutions after being elected, except being an academic mem-

ber at university provided that is in compliance with the relevant legislation.

- › I am a resident in Türkiye in accordance with the Income Tax Law no 193 dated 31.12.1960,
- › I have strong standards of ethics, professional reputation and experience for adding positive contribution in activities of ENKA, for securing my independency about subjects in relation with the conflicts of shareholders and for making independent decisions with taking into account of stakeholders' rights,
- › I will be able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company,
- › I have not been on the board of ENKA for more than six years within the last ten years,
- › I am not an independent board member in more than three of the companies which are controlled by ENKA or its controlling shareholders and in more than five companies listed on the stock exchange,
- › I am not registered as a board member elected for the legal entity,

I hereby declare my independency within the framework of relevant legislation in force, articles of association of ENKA and criteria mentioned above.

In accordance with the Articles of Association of the company, the Board of Directors is responsible for the management of ENKA İnşaat ve Sanayi A.Ş. and its representation. Validity of all documents to be given by ENKA İnşaat ve Sanayi A.Ş. and all the agreements to be concluded require the names of two persons authorized to represent the company under the official heading and per the signature circular of ENKA İnşaat ve Sanayi A.Ş.. The Board of Directors assembles at the beginning of each fiscal year and divides up the tasks as well as the management and representation authorizations between the board members. With Ordinary General Assembly resolution dated March 25, 2022, the Board of Directors has been resolved to a tenure of one year with a task division as below:

Board of Directors		
Name, Surname	Profession	Position
A. Mehmet Tara	Civil Engineer	Chairman of the Board
Cem Çeliker	Lawyer	Vice Chairman of the Board
Erdoğan Turgut	Civil Engineer M.Sc	Member of the Board (Non-Executive Member)
Mehmet Mete Başol	Economist	Member of the Board (Non-Executive & Independent Member)
Fatih Osman Tar	Business and administration professionals	Member of the Board (Non-Executive & Independent Member)

Executive Committee has been formed as follows:

Members of the Executive Committee		
Name, Surname	Profession	Position
A. Mehmet Tara	Civil Engineer	President and Chairman of the Executive Committee
Zafer Gür	Civil Engineer	Vice Chairman of the Executive Committee
Cem Çeliker	Lawyer	Member of the Executive Committee
Özger İnal	Civil Engineer	Member of the Executive Committee
Bekir Burak Özdoğan	Civil Engineer	Member of the Executive Committee
Salim Oğuz Kırkgöz	Civil Engineer	Member of the Executive Committee
Hasan Fehmi Bayramoğlu	Mechanical Engineer	Member of the Executive Committee
İlhan Gücüyener	Certified Public Accountant	Member of the Executive Committee
Hakan Kozan	Civil Engineer	Member of the Executive Committee
Mehmet Ertem	Electrical Engineer	Member of the Executive Committee



Curricula Vitae of Board of Directors, which were also announced at the official internet site prior to the General Assembly, are as follows:

**A. MEHMET TARA Chairman of the Board (Executive Member)**

Mehmet Tara, born in 1983 in İstanbul, graduated in 2006 from the Wentworth Institute of Technology Civil Engineering Department in the USA. He is fluent in English. Having joined ENKA in 2006 when he was assigned to ENKA's jobsite in Russia as field engineer, Mehmet Tara worked as Deputy Project Manager of ENKA Russia WSOC Project between 2007-2008, as Vice President of ENKA Moscow Projects between 2008-2009, as Board Member of ENKA Russian Projects & Real Estate Developments between 2010-2012. Since 2012, he acts as General Manager and Chairman of the Executive Committee of Enka İnşaat ve Sanayi A.Ş., and started to act as the Chairman of the Board of ENKA İnşaat ve Sanayi in 2022 in addition to these duties. In addition, he is a TÜSİAD Board Member and Vice President, TEV Board of Trustees Member and GIF Member.

Mehmet Tara, being an Executive Board Member within the scope of the Corporate Governance Principles as applied by the Capital Markets Board, is not an Independent Member of the Board of Directors. He was within the last seven years and currently is in charge in the Board of Directors of ENKA İnşaat ve Sanayi A.Ş. and of the affiliated group companies thereof.

**CEM ÇELİKER Vice Chairman of the Board (Executive Member)**

Cem Çeliker, born in 1980 in İstanbul, graduated in 2001 from the Nottingham University BSc. in Law, and in 2003 from the Columbia Law School LL.M. He is fluent in English. He started his legal career in the London office of Shearman & Sterling LLP in 2004. His practice focused on the international project development and financings, including those in the infrastructure, power and oil and gas sectors. He started working as a Lawyer at ENKA in 2010, and since 2010 he has acted as Chief Legal Counsel, Deputy General Manager, and Member of the Executive Board of ENKA İnşaat ve Sanayi A.Ş. Starting to act as a Member of the Board of ENKA İnşaat ve Sanayi A.Ş. in 2022, Cem Çeliker is a member of the New York and England Bar, the Vice Chairman of the Turkish Construction Industry Association (INTES) and a member of TÜSİAD.

Cem Çeliker, being an Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of Directors.

**ERDOĞAN TURGUT (Non-Executive Member)**

Erdoğan Turgut, born in 1953, graduated in 1977 from the Aegean University, Department of Civil Engineering, and completed thereafter in 1979 his Master of Science (M.Sc.) Degree Program in Soil Mechanics at the London University Kings College, so that he is fluent in English. After having worked as Deputy Project Manager in the company Koray Al Mutamidoon İnşaat A.Ş. in Saudi Arabia between 1981 and 1986 during the construction of the Intercontinental Hotel, Erdoğan Turgut acted between 1986 and 1991 as General Manager in the company Koray – Turser A.Ş. when the latter constructed the 5 Stars Sheraton Hotel & Karum Shopping Center in Ankara, and between 1991 and 1993 as Board Member of the Kavala Group of Companies, and as the partner in the company PMS A.Ş. between 1993 and 1995. Between 1995 and 2010 he acted as Foreign Relations Manager, Deputy Chairman of the Executive Board and Group Coordinator in and of the company Koray Yapı Endüstrisi ve Ticaret A.Ş. Erdoğan Turgut, being a Non-Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of ENKA İnşaat ve Sanayi A.Ş. and acted between 2012 - 2022 as a Non-Executive Board Member.

**MEHMET METE BAŞOL (Non-Executive Independent Member)**

M. Mete Başol, born in 1957, graduated from Arizona State University, Department of Economics and started his banking career in 1984 at Inter- bank at the Mid-term Loans department by making economic evaluation of various investment projects as well as preparing sector reports. He has moved to Turkish Merchant Bank which was established as an investment bank jointly by Bank-

ers Trust Co. New York and T. Is Bankası, as the Treasury, Fund Management and Foreign Relations Manager. In 1992 he has also assumed the responsibility of the group of capital markets as Assistant General Manager. In 1995, he was elected as a Member of the Board of Directors and the Credit Committee following the purchase of the entire bank by the Bankers Trust. The name of the bank was changed to Bankers Trust A.Ş. and between 1997 - 2001 he has undertaken the Chairman of the Board of Directors and General Manager task of the bank. Between 2001 and 2003, he became the Managing Director of the joint Board of Directors of the public banks (TC Ziraat Bankası, T. Halk Bankası, T. Emlak Bankası) which was established by the law. After this assignment he established Tridea Consulting with two partners and gave financial and administrative consultancy services to SME's. He continued his consultancy services under his own company after 2009. He was a Member of the Board of Directors at Galatasaray Sportif A.Ş. (2011-2012), at T. İş Bankası A.Ş. (2011-2014), at Dedeman Holding A.Ş. (2008-2014), at Dedeman Turizm Otelcilik Yatırım A.Ş. (2012-2014), at Enerji Yatırım Holding A.Ş. (2015-2021), at Enerya Gaz Dağıtım A.Ş. (2015-2021) and at Enerya Gaz Ticaret A.Ş. (2015-2021). Currently, he is a Member of the Board of Directors at, and Nurol Investment Bank Inc. (2014). He was an Independent Board Member at Coca-Cola İçecek A.Ş. (2012-2018), Anadolu Efes Brewery and Malt Sanayii A.Ş. (2012-2018) and at Hacı Ömer Sabancı Holding A.Ş. (2018-2021). Currently, he is an Independent Board Member at Kimteks Poliüretan Sanayi ve Ticaret A.Ş. (2021-) and Dardanel Önentaş Gıda Sanayi A.Ş. (2022-). M. Mete Başol meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets Board.

#### **FATİH OSMAN TAR (Non-Executive Independent Member)**

Born in 1953, Fatih O. Tar graduated from Robert College and then Boğaziçi University, Department of Business Administration in 1975. His professional life started in 1975 at Enka Pazarlama İhracat İthalat A.Ş., Foreign Trade Co. and then he worked as Sales Manager at Binex JV Construction Materials Company between 1977 and 1980, Procurement Manager at Enka Holding between 1979 and 1981, Assistant General Manager for Marketing and Sales at Güney Sanayi Tekstil İşletmeleri between 1981 and 1983, as General Manager at Enka Dış Ticaret between 1983 and 2003, as Board Member at Pimaş between 1985 and 1987, as Board Member at Enka Teknik between 2002 and 2010, as Chairman of Azen Oil Company (Netherlands) between 2003 and 2008, as Chairman and CEO of Binagadi Oil Company (Azerbaijan) between 2003 - 2008, as Deputy General Manager of Oyak Holding between 2010 and 2013, as Group Chairman and Managing Director of Eregli Demir Çelik, Iskenderun Demir Çelik & Group of Companies between 2010 and 2013, as Board Member at Yücel Boru Group between 2013 - 2015 and the President and CEO of Yücel Boru Group since 2015. Fatih Osman Tar meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets.

## **4.2. OPERATIONAL PRINCIPLES OF THE BOARD OF DIRECTORS**

The Board of Directors which was approved at the Ordinary General Assembly dated March 25, 2022 made 13 meetings until the end of report period and the average of attendance rate is 96%. Prior to each meeting, the secretariat of Board Directors personally informs board members about the meeting agenda. Since the IPO of ENKA İnşaat ve Sanayi A.Ş., no divergent views have been suggested by board members. There are no privileged voting rights for any member of the Board of Directors.

The Board of Directors were authorized at the Ordinary General Assembly for execution of written transactions listed in articles No. 395 and 396 of the Turkish Commercial Code and to transactions were done with this authority.

In 2022, there were no administrative and judicial sanctions imposed on the Company's governing body and members due to practices contrary to the provisions of the legislation.

The Board of Directors of the Company had discussed about the Affiliated Company Report and the declaration is as follows: "On such date on which the relevant legal steps as mentioned in the report have been taken, always a proper counteract has been undertaken for/towards each of such legal steps in accordance with such terms and conditions and circumstances as being to our knowledge. In this aspect, there is neither any measure to be taken or to be avoided to be taken nor any loss to be suffered by the company."

## **4.3. NUMBER, STRUCTURE AND INDEPENDENCE OF THE COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS**

Three committees officiate in affiliation with the Board of Directors of ENKA İnşaat ve Sanayi A.Ş.. The committees assemble as often as it is necessary. Board of Directors' resolution dated 25.03.2022 about these committees is as follows:

#### **For the Audit Committee to elect for a tenure of one year:**

Fatih Osman Tar (Chairman) and Mehmet Mete Başol (Member)

#### **For the Corporate Governance Committee to elect for a tenure of one year:**

Fatih Osman Tar (Chairman), Erdoğan Turgut (Member) and Gizem Özsoy (Member)

#### **For the Early Identification of Risks Committee and to elect for a tenure of one year:**

Mehmet Mete Başol (Chairman) and Erdoğan Turgut (Member)



Also, it has been resolved that according to the structure of the Board, the issues falling within the scope of activities of the Nominating Committee and the Remuneration Committee to be carried out by the Corporate Governance Committee and for the working principles of the committees and task fields to be identified by the committee members and to be submitted to the Board of Directors. Purposes of committees as established thereof, have been stated below:

#### **Purpose of the Audit Committee:**

It is to ensure the duly supervision of the independent audit of the accounting system and financial data of the company as well as of the functioning and efficiency of the internal control system.

#### **Activities of the Audit Committee:**

The Audit Committee convened 5 times during the year. Committee;

- › Review options for the independent auditor for the fiscal year 2022 and submitted KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to the Board of Directors' for approval.
- › Reviewed the interim and annual financial reports of the Company and submitted the reports to the Board of Directors for the approval of the Board of Directors after detecting that they reflect the truth.
- › It examined the reports submitted to them as a result of the audits conducted by the Internal Control Unit with the Corporate Quality, Finance, Sustainability & Compliance, Human Resources and HSE departments within the scope of internal audit.

#### **Purpose of the Corporate Governance Committee:**

It is to propose suggestions regarding the corporate governance of the Company; to ensure the increase in quality of the corporate governance applications; to pursue efficiently the legislation of the Capital Markets Board regarding the corporate governance principles and any other corporate governance principles generally accepted on the international capital markets as well as to advise the Board of Directors on the implementation of any applicable ones thereof; to make the necessary workings for the nomination, assessment and training of the proper candidates for the Board of Directors of the Company, and for the determination of the principles of remuneration of the Members of the Board of Directors and top managers of the Company and to propose suggestions to the Board in this aspect.

#### **Purpose of the Early Identification of Risks Committee:**

It is to early identify any potential risks that might jeopardize the existence, development and continuation of the Company, and to take and implement the necessary measures and preventive actions for the elimination of such detected potential risks as well as to perform any workings related to risk management and to review at least once a year any applied risks management systems.

Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee.

In 2022 Audit Committee made 5 meetings, Corporate Governance Committee made 2 and the Early Identification of Risks Committee made 6 meetings within the months stated below.

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Audit Committee</b>			✓✓		✓			✓			✓	
<b>Corporate Governance Committee</b>	✓						✓					
<b>Early Identification of Risks Committee</b>	✓		✓		✓		✓		✓		✓	

Moreover, in addition to these committees, Executive Ethics and Compliance Committee, Sustainability Committee, OHS (Occupational Health and Safety) Board, Information Security Committee, Risk Management Working Group under the Board of Directors continue their activities. These committees also report annually to the Board of Directors regarding their activities.

#### **Purposes of the Executive Ethics and Compliance Committee:**

The Executive Ethics and Compliance Committee reporting to the Board of Directors is formed to ensure the Corporate Values to be supported by the Ethics and Compliance Program. This Committee, furthermore, provides support to the Company in the application of an effective Ethics and Compliance Program, in the determination of the basic principles of such Program as well as in the continuously promotion of creation of a Corporate Culture that attaches importance to ethical business conduct and compliance with laws.

#### **Purpose of the Sustainability Committee:**

The Sustainability Committee (the Committee) was formed to assess economic, social and environmental risks and opportunities that may have an impact on ENKA's assets and trading activities, to monitor and analyse relevant sustainability issues, to identify

the sustainability strategy and to undertake projects to realise goals. The Committee is led by the ENKA's Chairman of the Board of Directors and reports results obtained from all sustainability efforts to ENKA's senior management.

The Sustainability Committee which consists of managers of different units and departments at the Company and subsidiaries representing all main functions, continued its activities in 2022 by reviewing the sustainability strategy, ensuring ownership of sustainability goals and activities at every level and monitoring the sustainability performance.

***Purpose of the Information Security Committee:***

The Information Security Committee was established to support the execution of the necessary works within the framework of the operation, maintenance and efficiency of the company's information security management system and to report the performance of these efforts to the Board of Directors.

In this context, the Information Security Committee is primarily responsible for; ensuring the confidentiality, integrity and accessibility of information belonging to ENKA and its stakeholders, protecting information assets, satisfying information security requirements within the scope of applicable terms and conditions and international standards, determining and systematically managing information security risks, performing monitoring and measurement activities, improving information security management system performance, and implementing and promoting information security policies and procedures within the company.

The Information Security Committee, which consists of asset and risk owners that may affect the information security, meets once a year.

***Purposes of the OHS (Occupational Health and Safety) Board:***

The OHS Board, consisting of the Employer Representative, OHS Specialists, Workplace Physician/Nurse, Human Resources Specialist, Administrative Affairs Officer, Employee Representatives and any related experts as to be assigned pursuant to the relevant agenda items, and holding its meetings in 3 months intervals, is formed for the purpose of proper identification and assessment of any potential risks related to occupational health and safety at Head Office and accurate determination and assessment of any measures to be taken there against, and reporting the same to the Board of Directors.

Besides the OHS Board, in all our projects, also HSE Boards are formed under the guidance of the relevant Project Managements and the Project Health, Safety and Environment (HSE) Departments. These Boards hold regularly on weekly and monthly basis the so-called "Zero Accident Team Meetings" and review the HSE performance of the project and decide on any main actions required to be taken.

## 4.4 RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The Internal Control Unit within the structure of the company, which periodically inspects the projects and the group companies in advance and proposes the necessary solutions for any deviations from the objectives, as well as all of the potential risk factors to the management. The internal control systems and its structure is organized in a way that can eliminate all risks to be encountered by the company, especially the ones which could adversely affect the activities and proactively works for the solution without encountering any problems even in the crisis period. Increasing strength of the company's financial position is an indication of this system working effectively.

***Purposes of the Risk Management Working Group:***

The Risk Management Working Group is formed in accordance with the Resolution of the Company's Executive Ethics and Compliance Committee dated 28.11.2017 in order to ensure the proper identification of any corporate risks of ENKA, the accurate determination of the applicable risk mitigation methods and the precise assessment and review of such risks as identified.

Amongst the basic tasks of the Risk Management Working Group is the application of an effective Risk Management Program throughout the Company, the identification of the principles and methods underlying such Risk Management Program, and the assurance of continuous development of Risk Management as a Corporate Culture extending to and through the projects, units and individuals.

The main risks faced by the Company and the policies related to the management of these risks are given in detail under 34<sup>th</sup> note of the Independent Audit Report in the following headings.

- › Capital risk management
- › Interest risk
- › Foreign currency risk
- › Credit risk
- › Liquidity risk



## 4.5. MISSION, VISION AND OBJECTIVES OF THE COMPANY

### **Our Mission:**

To design, build and deliver safe, high-quality and cost-effective construction projects on schedule for our customers while providing quality employment and career growth opportunities for ENKA Employees.

### **Our Vision:**

To be one of the best and innovative engineering & construction companies serving globally.

### **Our Performance Objectives:**

- › To be open to innovations, using advanced technologies and always seeking the better,
- › To be prudent and sensitive about work security and environment protection,
- › To train our young employees in accordance with our culture as creative, hardworking and honest employees and to ensure that our employees work as individuals who have self-confidence, are able to communicate and use discretionary power and take responsibility, and
- › To seek our competitive power and profit in perfecting our management and technical skills.

### **Pursuit of the Objectives and Achievement of Goals:**

The objectives that reflect of our sensitivity about completing the works before the end of the planned time frame and delivering to the client are pursued very diligently at the highest and most detailed level. The members of the Executive Board pursue the objectives and the degree of their achievement in relation to the projects carried out in those countries where they are responsible and periodically resolve in the Executive Board to find out the leading motives of the deviations, whether the deviations affect the result of the project and if it is necessary to create new targets and to take the necessary measures about the personnel who have responsibility in such delay.

## 4.6. FINANCIAL BENEFITS

For stand-alone ENKA İnşaat ve Sanayi A.Ş.; total wages paid for the members of the Board of Directors is TL 9,633,314 the social security payments is TL 270,805 and the accrued retirement pay provisions as of December 31, 2022 are TL 256,163. The total amount of the fees and similar benefits provided to the top managers such as the general manager, general coordinator and vice general managers is TL 64,591,135 the social security payments is TL 3,888,944 and the accrued retirement pay provisions as of period end are TL 8,618,184. There are no payments made to the members of the Board of Directors and top managers in the way of shares, derivative products originating from shares, share buying options or payments not made in cash such as house or car whose proprietorship bestowed and/or allocated for their use. ENKA İnşaat ve Sanayi A.Ş. is not in any sort of debt relation whatsoever with any of the members of the board or any top managers. The Remuneration Policy Applicable to the Board Members and Administratively Responsible Managers was submitted to the shareholders at the General Assembly dated March 27, 2014 which was published on our internet site is as follows:

### **1. Objective and Scope**

The purpose of the policy described hereunder is to determine, in compliance with and under consideration of such regulations, obligations and principles as specified in the Capital Markets Legislation and the Capital Markets Board's corporate governance principles, any rules, requirements, principles and modus of implementation applicable to the remuneration of the Board Members and Administratively Responsible Managers of ENKA İnşaat ve Sanayi A.Ş. as approved by the Board of Directors thereof. Any rights, benefits and remunerations to which the Board Members of the Company are entitled to, and any modus of and requirements applicable to the payment thereof are defined in the Articles of Association of the Company, and such rights, benefits and remunerations are concluded and fixed each year by the General Assembly thereof in its annual meeting under a separate item of agenda and the same are published thereafter in the website of the company. The remuneration policy hereunder aims the sustainability and enhancement of the performances of the Board Members and Administratively Responsible Managers of the Company.

### **2. Principles Applicable to Remuneration**

#### **Remunerations Payable to the Members of the Board of Directors**

Independent Members and Non-executive Board Members: The Independent Members and Non-executive Board Members of the Board of Directors are entitled to a monthly attendance fee as honorarium in such amount as to be determined each year by the General Assembly. The amount of such monthly attendance fee is not fixed on the basis of the performance of the Company so that the independency thereof is not impacted of the Independent Members thereby.

Executive Board Members: The Executive Board Members are paid a monthly attendance fee in the same amount as payable to the Independent Members as aforesaid, besides such below mentioned bonuses as payable to the same on the basis of their performances and contributions to the company as well as their level of reaching the targets as set.

### **Remunerations Payable to Administratively Responsible Managers**

Remunerations payable to Administratively Responsible Managers include performance determined bonuses besides the fixed pays to be determined and calculated in accordance with the scope of duties and responsibilities thereof under consideration of the requirements and the experiences designated for each position. Executive Committee Members are entitled to a monthly attendance fee as honorarium as well as bonuses and fixed pays.

## **3. Performance and Remuneration Methods**

### **Fixed Pays:**

In the determination of the attendance fees payable to the Members of the Board of Directors as well as of the fixed pays to the Administratively Responsible Managers as aforesaid, the preservation of the company's internal balances and the compliance thereof with strategic targets and the ethical values of the company are always considered. The amount of the fixed pays is determined and calculated for each position in accordance with the scope of duties and responsibilities of the relevant payee under consideration of various factors such as economic conditions in the market, the size of the company, any long-term targets and the level of realization thereof as well as the position and the level of experience of the relevant payee. In the determination and calculation of the remunerations payable to the Board Members and Administratively Responsible Managers of the Company, no short-term performance-based payment plans such as Company's profit or income shall be applicable.

### **Performance Pays (Bonus Payments):**

Also, in the determination and calculation of the performance-based bonus payments, various factors such as bonus policies applicable in the market to any staff in similar or equivalent position, the level of reaching and realization of the company targets and the individual performances are taken into account, and they are determined and calculated so that the equity of the company is not impacted thereby. Within the scope of this policy, no Board Member or Administratively Responsible Managers of the Company is lent any money or granted any loan or any personal credit by virtue of any third parties or provided any securities or guarantees. Any remunerations and benefits paid to Board Members and Administratively Responsible Managers of our company are disclosed to public in the Annual Report thereof.

## **SECTION V – FINANCIAL POSITION**

As of 31.12.2022, it is concluded that the Company's debt structure is suitable for the continuation of activities in a healthy manner with a debt-to-equity ratio of 0.31.

As of 31.12.2022, the backlog amount and basic ratios are given below and detailed financial information is given in the Independent Auditor's Report.

### **Backlog as of 31.12.2022 (Million US Dollars)**

Backlog (Million US Dollars)		%
Country	Amount	Ratio (%)
Special Projects	1,210	29.4%
Russian Federation	651	15.8%
United Kingdom	547	13.3%
Kazakhstan	224	5.4%
Germany	193	4.7%
Finland	140	3.4%
USA	116	2.8%
Mexico	49	1.2%
The Bahamas	47	1.1%
Türkiye	46	1.1%
Others*	899	21.8%
Total	4,122	100%

\*The "Others" group consists of the following countries: Brazil, China, Croatia, Iraq, Ireland, Ireland, Ireland, Ireland, Ireland, Poland, Saudi Arabia, Serbia, Spain, Sweden.

## BASIC RATIOS (Thousand US Dollars)

	31.12.2022			31.12.2021		
<b>Current Ratio:</b>						
Current Assets	3,536,158	=	238.6%	5,106,689	=	290.8%
Current Liabilities	1,481,853			1,755,791		
<b>Cash Ratio:</b>						
Cash & Cash Equivalents + Financial Investments	4,597,104	=	310.2%	5,265,431	=	299.9%
Current Liabilities	1,481,853			1,755,791		
<b>Leverage Ratio:</b>						
Total Liabilities	2,034,099	=	23.7%	2,360,750	=	25.9%
Total Assets	8,580,537			9,102,333		
<b>Total Equity to Total Assets Ratio:</b>						
Total Equity	6,546,438	=	76.3%	6,741,584	=	74.1%
Total Assets	8,580,537			9,102,333		
<b>Current Assets to Total Assets Ratio:</b>						
Current Assets	3,536,158	=	41.2%	5,106,689	=	56.1%
Total Assets	8,580,537			9,102,333		
<b>Non-current Assets to Total Assets Ratio:</b>						
Non-current Assets	5,044,379	=	58.8%	3,995,644	=	43.9%
Total Assets	8,580,537			9,102,333		
<b>Return on Assets (ROA) Ratio:</b>						
Net Income	118,394	=	1.4%	609,567	=	6.7%
Total Assets	8,580,537			9,102,333		
<b>Net Income to Revenue Ratio:</b>						
Net Income	118,394	=	3.2%	609,567	=	21.3%
Revenue	3,730,788			2,859,411		
<b>Total Liabilities to Total Equity:</b>						
Total Liabilities	2,034,099	=	31.1%	2,360,750	=	35.0%
Total Equity	6,546,438			6,741,584		

\*Based on the financial statements prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("KGK").

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
1.1.	FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
	1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website	X					
1.2.	RIGHT TO OBTAIN AND REVIEW INFORMATION						
	1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3.	GENERAL ASSEMBLY						
	1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
	1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
	1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
	1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
	1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.		X				Although there is no restriction on the participation of stakeholders and media in the General Assembly meetings, stakeholders participated in the meeting held in 2022 but the media did not have any request for participation..
1.4.	VOTING RIGHTS						
	1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
	1.4.2 - The company does not have shares that carry privileged voting rights.	X					
	1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					
1.5.	MINORITY RIGHTS						
	1.5.1 - The company pays maximum diligence to the exercise of minority rights	X					
	1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			In our company, minority rights are defined in regulated rates in the Turkish Commercial Code (TTK) and there are no plans to change this.
1.6.	DIVIDEND RIGHT						
	1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
	1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
	1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Our company regularly distributes profit.
	1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7.	TRANSFER OF SHARES						
	1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1.	CORPORATE WEBSITE						
	2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
	2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
	2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2.	ANNUAL REPORT						
	2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
	2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
3.1.	CORPORATION'S POLICY ON STAKEHOLDERS						
	3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
	3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
	3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
	3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2.	SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
	3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
	3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3.	HUMAN RESOURCES POLICY						
	3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
	3.3.2 - Recruitment criteria are documented.	X					
	3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
	3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
	3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				The Human Resources have been working as a representative of ENKA, for coordination and relation between the employer and employees of the company. However, there is no trade union in our company.
	3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
	3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
	3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.			X			Although there is no association or trade union in the company, there is no restrictive practice.
	3.3.9 - A safe working environment for employees is maintained.	X					
3.4.	RELATIONS WITH CUSTOMERS AND SUPPLIERS						
	3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
	3.4.2 - Customers are notified of any delays in handling their requests.	X					
	3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
	3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5.	ETHICAL RULES AND SOCIAL RESPONSIBILITY						
	3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
	3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1.	ROLE OF THE BOARD OF DIRECTORS						
	4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
	4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2.	ACTIVITIES OF THE BOARD OF DIRECTORS						
	4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	X					
	4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
	4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
	4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
	4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.			X			Chairman of the Board of Directors, Agah Mehmet Tara, continues to carry out his current CEO position in line with the targets of the company.

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
	4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
	4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.			X			Damages caused by the faults of the members of the Board of Directors during their duties in the company are not insured.
4.3.	STRUCTURE OF THE BOARD OF DIRECTORS						
	4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Within the framework of corporate governance principles, a target of at least 25% has been set for the rate of female members in the Board of Directors of our company, but a policy has not yet been established in line with this target.
	4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4.	BOARD MEETING PROCEDURES						
	4.4.1 - Each board member attended the majority of the board meetings in person.	X					
	4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
	4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	In 2022 meetings, The board members that could not attend the meeting, did not submit their opinion in written format.
	4.4.4 - Each member of the board has one vote.	X					
	4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
	4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
	4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			The Board Members are able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company.
4.5.	BOARD COMMITTEES						
	4.5.5 - Board members serve in only one of the Board's committees.			X			Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee. All committee members ensure adequate participation in the activities of the committee in which they are members.
	4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
	4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
	4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6.	FINANCIAL RIGHTS						
	4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			Performance evaluation is made within the Board of Directors but not in written format.
	4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
	4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			The disclosure is not done individually, but the total amount and the remuneration policy has been provided under the financial benefits section of the Annual Report.



## Corporate Governance Information Form

1.	SHAREHOLDERS	
1.1.	Facilitating the Exercise of Shareholders Rights	
	The number of investor meetings (conference, seminar/etc.) organised by the company during the year	25
1.2.	Right to Obtain and Examine Information	
	The number of special audit request(s)	0
	The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3.	General Assembly	
	Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	<a href="https://www.kap.org.tr/tr/Bildirim/915484">https://www.kap.org.tr/tr/Bildirim/915484</a>
	Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	General Assembly Notices and related materials are disclosed at the same time.
	The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no transaction in the context.
	The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	There is no transaction in the context.
	The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	There is no common and continuous transactions in the context.
	The name of the section on the corporate website that demonstrates the donation policy of the company	<a href="https://www.enka.com/tr/yatirimci-iliskileri/sirket-politikalari/">https://www.enka.com/tr/yatirimci-iliskileri/sirket-politikalari/</a>
	The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://www.kap.org.tr/tr/Bildirim/198439">https://www.kap.org.tr/tr/Bildirim/198439</a>
	The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 24
	Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Company employees
1.4.	Voting Rights	
	Whether the shares of the company have differential voting rights	Hayır (No)
	In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
	The percentage of ownership of the largest shareholder	49,8%
1.5.	Minority Rights	
	Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
	If yes, specify the relevant provision of the articles of association.	-
1.6.	Dividend Right	
	The name of the section on the corporate website that describes the dividend distribution policy	<a href="https://www.enka.com/investor-relations/company-policies/">https://www.enka.com/investor-relations/company-policies/</a>
	Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Dividend distribution was made.
	PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends.	Dividend distribution was made.

## General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
25/03/2022	0	76%	0%	76%	Investor Relations / General Assembly / General Assembly Meetings	-	14	0	<a href="https://www.kap.org.tr/tr/Bildirim/1006962">https://www.kap.org.tr/tr/Bildirim/1006962</a> <a href="https://www.kap.org.tr/tr/Bildirim/1013170">https://www.kap.org.tr/tr/Bildirim/1013170</a>

2.	DISCLOSURE AND TRANSPARENCY	
2.1.	Corporate Website	
	Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	About Us / Company Profile, Investor Relations, Sustainability
	If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares	Investor Relations /Corporate Articles and Documents / Shareholding Structure
	List of languages for which the website is available	Turkish - English - Russian

2.2.	<b>Annual Report</b>	
	The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
	a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance / 4.1 Structure and Formation of The Board of Directors
	b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance / 4.3 Number, Structure And Independence of The Committees Established Within The Board of Directors
	c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance / 4.2 Operational Principles of The Board of Directors
	ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Independent Auditors' Report / Basis of Presentation of The Consolidated Financial Statements
	d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Independent Auditors' Report / Commitments
	e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	-
	f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no cross ownership subsidiary.
	g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Corporate Governance / Section 3 Stakeholders
3.	<b>STAKEHOLDERS</b>	
3.1.	<b>Corporation's Policy on Stakeholders</b>	
	The name of the section on the corporate website that demonstrates the employee remedy or severance policy	<a href="https://www.enka.com/investor-relations/company-policies/">https://www.enka.com/investor-relations/company-policies/</a>
	The number of definitive convictions the company was subject to in relation to breach of employee rights	490
	The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Director of Quality, HSE, Sustainability & Integrity
	The contact detail of the company alert mechanism	+90 (212) 376 10 10
3.2.	<b>Supporting the Participation of the Stakeholders in the Corporation's Management</b>	
	Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
	Corporate bodies where employees are actually represented	-
3.3.	<b>Human Resources Policy</b>	
	The role of the board on developing and ensuring that the company has a succession plan for the key management positions	-
	The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Corporate Groups / Human resources
	Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
	The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Corporate Groups / Human resources
	The number of definitive convictions the company is subject to in relation to health and safety measures	3
3.5.	<b>Ethical Rules and Social Responsibility</b>	
	The name of the section on the corporate website that demonstrates the code of ethics	Sustainability / Ethics & Compliance
	The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Sustainability / Publications / Developing Communities
	Any measures combating any kind of corruption including embezzlement and bribery	Sustainability / Ethics & Compliance / Fighting bribery and corruption
4.	<b>BOARD OF DIRECTORS-I</b>	
4.2.	<b>Activity of the Board of Directors</b>	
	Date of the last board evaluation conducted	It is held once a year before the General Assembly.
	Whether the board evaluation was externally facilitated	Hayır (No)
	Whether all board members released from their duties at the GSM	Evet (Yes)
	Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Agah Mehmet TARA - Chairman of the Board, Cem ÇELİKER - Vice Chairman of the Board, Erdoğan TURGUT - Member of the Board, Mehmet Mete BAŞOL - Member of the Board, Fatih Osman TAR - Member of the Board
	Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	27
	Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Corporate Governance / Risk Management and Internal Control Mechanism
	Name of the Chairman	Agah Mehmet Tara
	Name of the CEO	Agah Mehmet Tara
	If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	<a href="https://www.kap.org.tr/tr/Bildirim/1013366">https://www.kap.org.tr/tr/Bildirim/1013366</a>
	Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
	The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
	The number and ratio of female directors within the Board of Directors	0

Composition of Board of Directors							
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
AGAH MEHMET TARA	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	25/03/2022	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
CEM ÇELİKER	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	25/03/2022	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
ERDOĞAN TURGUT	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	11/04/2013	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
FATİH OSMAN TAR	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
MEHMET METE BAŞOL	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)

4.	BOARD OF DIRECTORS-II	
4.4.	Meeting Procedures of the Board of Directors	
	Number of physical board meetings in the reporting period (meetings in person)	13
	Director average attendance rate at board meetings	97%
	Whether the board uses an electronic portal to support its work or not	Hayır (No)
	Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Depending on the agenda.
	The name of the section on the corporate website that demonstrates information about the board charter	Investor relations / Corporate articles and documents/ Articles of Association - Article 17
	Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no upper limit.
4.5.	Board Committees	
	Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance / 4.3 Number, Structure And Independence of The Committees Established Within The Board of Directors
	Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/tr/Bildirim/366204">https://www.kap.org.tr/tr/Bildirim/366204</a>

Composition of Board Committees-I				
Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Denetim Komitesi (Audit Committee)	-	Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Mehmet Mete Başol	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Mehmet Mete Başol	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Gizem Özsoy Bayramoğlu	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)

4.	BOARD OF DIRECTORS-III	
4.5.	Board Committees-II	
	Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Independence Of The Committees Established Within The Board of Directors
	Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Independence Of The Committees Established Within The Board of Directors
	Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Independence Of The Committees Established Within The Board of Directors
	Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Independence Of The Committees Established Within The Board of Directors
	Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Independence Of The Committees Established Within The Board of Directors
4.6.	Financial Rights	
	Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Corporate Governance / Mission, Vision and Objectives Of The Company
	Specify the section of website where remuneration policy for executive and non-executive directors are presented	Investment Relations / Company Policies
	Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	-

Composition of Board Committees-II					
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Denetim Komitesi (Audit Committee)		100%	100%	5	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		100%	50%	6	6
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		66,6%	33,3%	2	2