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Sustainability Priorities

ENKA's sustainability priorities were identified through an intensive process of engagement with its stakeholders, both internal and external. The materiality analysis took place over a three-month period between March and May 2017.

The topics identified also provided input for the development of ENKA's sustainability strategy.

ENKA Sustainability Materiality Analysis Process

Preparation

A list was made of the topics that might be prioritised, based on a study of sectoral dynamics, information obtained from situation analysis meetings, feedback from stakeholders and relevant internal and external sources

The list was reviewed and the items were grouped and consolidated. As a result, 21 topics that might potentially be materialized were identified.

Determination of Topics for Stakeholders

Face-to-face workshops and/or online questionnaires were used with various groups of stakeholders in order to find out what sustainability topics were material for ENKA's stakeholders and to receive their feedback.

ENKA Materiality Analysis

The findings obtained from the top management and from the stakeholders were consolidated and the most material sustainability topics for ENKA were projected onto a matrix.

Determination of Strategic Topics

A materiality workshop was conducted with the Sustainability Committee, representing the top management of ENKA, in order to identify the sustainability topics of strategic importance for ENKA.

In determining the potential material sustainability topics, GRI Standards Sustainability Reporting Guidelines, the GRI Construction and Real Estate Sector Disclosures and the GRI report "Sustainability Topics for Sectors: What do stakeholders want to know?" were used. Account was also taken of the dynamics of the sectors in which ENKA operates, the economic, social and environmental impacts of these sectors and of ENKA itself, and feedback obtained directly or indirectly from stakeholders over the course of time.

A materiality workshop was held with the Sustainability Committee in order to determine the sustainability topics of strategic importance for ENKA. A total of 42 members, consisting of high-level managers and decision-makers from ENKA headquarters and ENKA group companies, took part in the workshop. Among the factors taken

into account in identifying the most material topics were the economic, social and environmental impacts which ENKA creates, the risks and opportunities associated with each of the sustainability topics, and the effects of these topics on the long-term performance of the company.

In addition, face-to-face workshops and/or online surveys were carried out to find out which sustainability topics were most important to ENKA's stakeholders and to receive the stakeholders' feedback. The groups of stakeholders to take part in the materiality assessment were chosen together with the group companies taking elements of impact and accessibility into account, and care was taken to ensure that the individuals and organisations contacted were selected in such a way as to be representative of the stakeholder group.



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During the workshops and online surveys, the relevant sustainability topics were shared with ENKA's stakeholders and they were asked to select the topics most important to them and put them in order. At the workshops, the participants were also given a sustainability training, which made the workshops more productive. All of these activities proved to be of great value for understanding what stakeholders expect of ENKA, getting to know their ideas for improvements, and strengthening stakeholder engagement.

A total of **266 stakeholder representatives**, including the Sustainability Committee, ENKA employees, suppliers, employers, sales representatives, non-governmental organisations and professional associations contributed to ENKA's materiality analysis through the stakeholder engagement process. Finally, the most material sustainability topics for ENKA were identified by consolidating the findings obtained from the senior management and from the stakeholders.



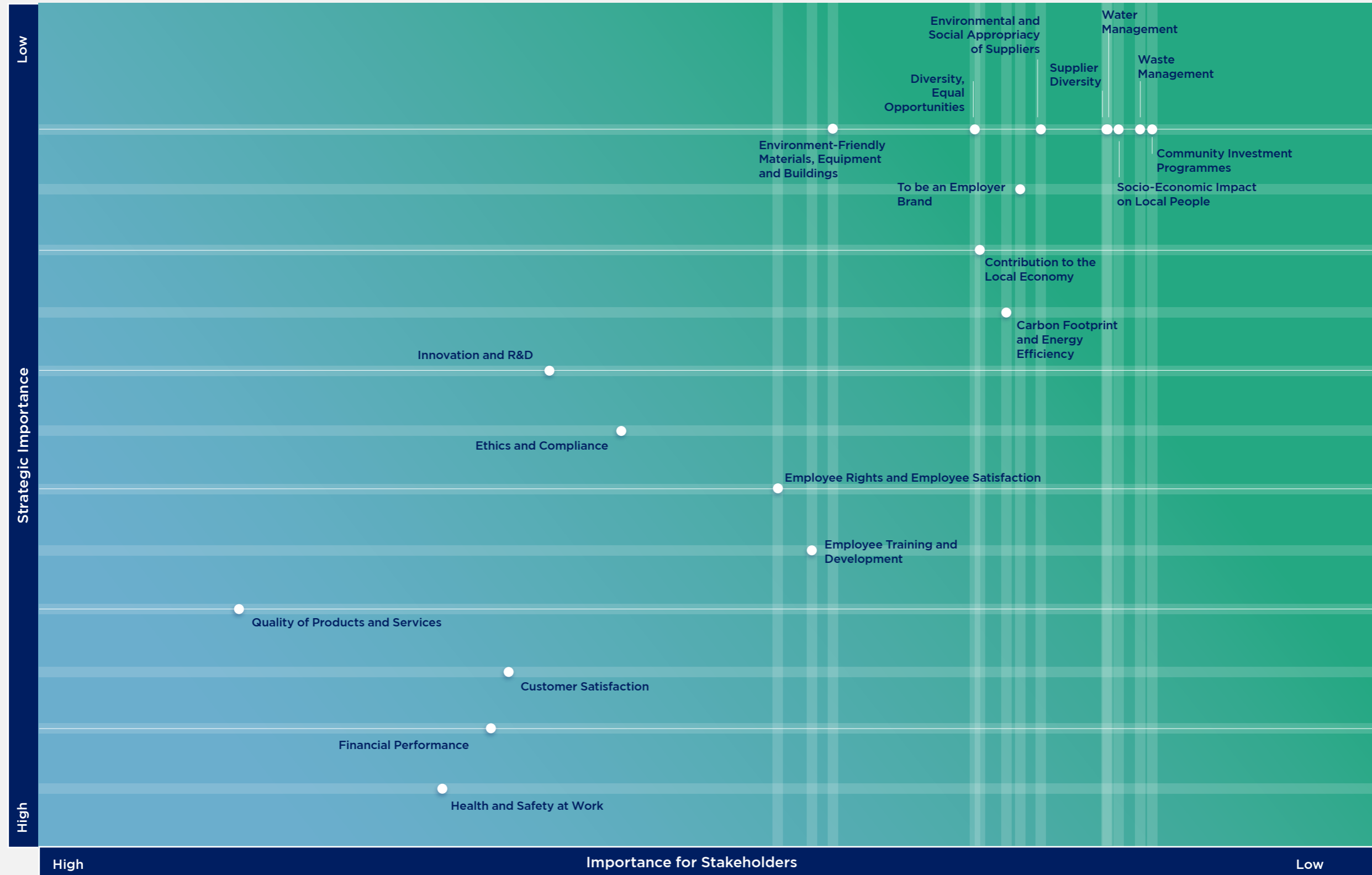
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Workshops Held and Surveys Conducted

Method	Stakeholder Group	No. Of Participants
Workshop	Senior Management	42
	Employees Group 1	27
	Employees Group 2	25
	Suppliers	10
	Non-Government Organisations And Professional Organisations	11
	Çimtaş	30
	Total	145
Survey	Employers	15
	Sales Representatives	6
	Suppliers Group 1	3
	Suppliers Group 2	39
	Employees Group 1	10
	Employees Group 2	48
	Total	121
Grand Total		266

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ENKA Sustainability Materiality Matrix



The list of ENKA's most material sustainability topics drawn up as a result of the above process, together with the range of units they encompass, is as follows:

Most Material Sustainability Topics	Scope
Health and Safety at Work	ENKA Group and Subcontractors (including Projects)
Economic Performance	ENKA Group (including Projects)
Customer Satisfaction	ENKA Group (including Projects)
Quality of Products and Services	ENKA Group (including Projects)
Employee Training and Development	ENKA Group (including Projects)
Employee Rights and Employee Satisfaction	ENKA Group (including Projects)
Ethics and Compliance	ENKA Group, Subcontractors, Suppliers and Business Partners (including Projects)
Innovation and R&D	ENKA Group (including Projects)
Carbon Footprint and Energy Efficiency	Headquarters, Çimtaş (Pipe + Steel), 2 Projects, Power (All), ENKA Pazarlama, Istanbul ENKA Schools, ENKA Sports Club, ENKA Real Estate (CCI, ENKA TC, MKH)
Contribution to the Local Economy	ENKA Group (including Projects)