Corporate Governance and Credit Rating Services Inc.

Corporate Governance Rating Report

ENKA

4 November 2026

CONTENTS

Rating and Executive Summary 3

Rating Methodology 5

Company Overview 6

SECTION 1: SHAREHOLDERS 8

- Facilitating the Exercise of Shareholders' Statutory Rights . . 8
- Shareholders' Right to Obtain and Evaluate Information . . . 8
- General Shareholders' Meeting 9
- Voting Rights 10
- Minority Rights 10
- Dividend Rights 10
- Transfer of Shares 10

SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY 11

- Corporate Website 11
- Annual Report. 12
- External Audit. 13

SECTION 3: STAKEHOLDERS. 14

- Company Policy Regarding Stakeholders 14
- Stakeholders' Participation in the Company Management . . . 14
- Company Policy on Human Resources 14
- Relations with Customers and Suppliers 15
- Ethical Rules & Social Responsibility 15
- Sustainability 16

SECTION 4: BOARD OF DIRECTORS. 17

- Functions of the Board of Directors 17
- Principles of Activity of the Board of Directors 17
- Structure of the Board of Directors 18
- Conduct of the Meetings of the Board of Directors 18
- Committees Established Within the Board of Directors . . . 18
- Remuneration of the Board of Directors and Managers with Administrative Responsibility 20

Rating Definitions 21

Disclaimer 22

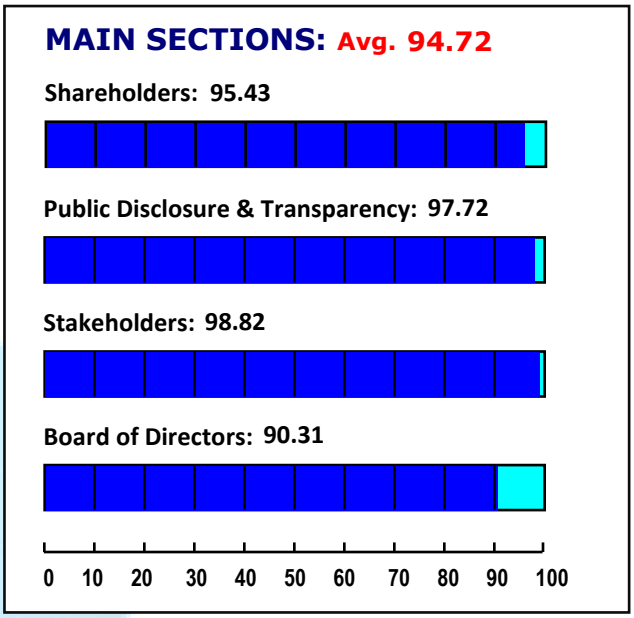
Rating and Executive Summary

Enka İnşaat ve Sanayi A.Ş. (ENKAI)

SAHA Corporate Governance Rating:

9.47

WORLD CORPORATE GOVERNANCE INDEX — Group 1



EXECUTIVE SUMMARY

The Corporate Governance Rating of 9.43 that has been assigned to Enka İnşaat ve Sanayi A.Ş. (Enka) on November 4, 2025 is hereby revised as **9.47.** SAHA's rating methodology (see page 5) is based on the Capital Markets Board's (CMB) "Corporate Governance Principles"

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc. Enka ranks in the first group of countries with a score of 80+ out of 100, according to the World Corporate Governance Index (WCGI) published by SAHA in March 2026. Details of SAHA World Corporate Governance Index (WCGI) accessed at http://www.saharating.com

Enka is rated with **9.54** under the **Shareholders** heading. Exercise of shareholders' rights complies with the legislation, articles of association and other internal rules and regulations, and measures have been taken to ensure the exercise of these rights. Enka carries out the investor relations obligations through Investor Relations Unit. There is no upper limit or privileges on voting rights. All procedures prior to the general shareholders' meeting as well as the conduct of the meeting comply with the legislation. Company has constituted a policy on donations and grants, and submitted to the general shareholders' meeting for approval. There is a consistent dividend policy of the Company and it is disclosed to the public. There are no restrictions on transfer of shares. On the other hand, prescribed rate of minority rights for public joint stock companies (5%) is adopted as it is in the articles of association of the Company. Although there are no hurdles on implementation, articles of association of the Company do not contain a provision permitting general shareholders' meetings to be held open to public including stakeholders and the media without right to vote.

Enka attained **9.77** under the **Public Disclosure and Transparency** chapter. There is a comprehensive website that includes all information listed in the Corporate Governance Principles pertinent to "Public Disclosure". Public announcements are made via all communications channels and are in accordance with CMB and Borsa Istanbul (BIST) rules and regulations. The Company's shareholding structure; the names of the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed to the public. The website is also prepared in English for the benefit of international investors. Benefits provided to board members and senior management are presented collectively in the annual report.

On the topic of **Stakeholders**, Enka scored **9.88**. Exercises of stakeholders' rights have been facilitated. A written compensation policy for the employees is established and disclosed to the public on the corporate website. During the rating period, the Company was not held liable by any public authority for any punishment/sanctions. Code of ethics is publicly available through the Company's website. The Company has a written human resources policy. Sustainability policy and implementations are found satisfactory. Social responsibility projects carried out in the past are at a high level. There is no collective labor agreement, nor a union.

From the perspective of the principles regarding the **Board of Directors**, Enka's tally is **9.03**. The vision and strategic goals of the Company have been set. The positions of Chairman of the Board and General Manager are held by the same individual, and a disclosure regarding this matter has been made via the Public Disclosure Platform (KAP). The Board of Directors consists of five members, comprising two executive members, two independent members, and one female member. CMB criteria are complied with in designation of the independent members. Corporate Governance, Audit and Early Identification of Risks Committees are established within the board of directors. The working principles of the Committees are disclosed to the public. Principles of remuneration of board members and senior executives are available on the Company's website. The Company does not provide any loans or extend any credit to the board members or senior executives. Nevertheless, lack of a female membership policy approved by the board of directors, and the inexistence of an executive liability insurance for defects and damages that may be caused by the board members during the execution of their duties are areas open for improvement.

Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which has been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally; many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after taking into account country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Company's governance practices in future should be mentioned in the annual report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the board of directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated on the basis of information provided by the Company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.22).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

Shareholders: **25%**
Public Disclosure and Transparency: **25%**
Stakeholders: **15%**
Board of Directors: **35%**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

Company Overview

Enka İnşaat ve Sanayi A.Ş.	
ENKA	**Chairman of the Board and General Manger** Agâh Mehmet Tara
Balmumcu Mah. Zincirlikuyu Yolu No:10 Beşiktaş, Istanbul www.enka.com	**Investor Relations Unit Manager** Gizem Özsoy gozsoy@enka.com

ENKA İnşaat ve Sanayi A.Ş. is the parent company of ENKA Group in which a total of over 50 companies are divided into 4 different sectors; Engineering and Construction, Energy, Real Estate, and Trade and Industry.

ENKA İnşaat ve Sanayi A.Ş. was established as ENKA Limited Şirketi on 1957 by Mr. Şarık Tara and Mr. Sadi Gülçelik. During Turkey's industrial investments move in the 1960s, ENKA realized construction of factories, a variety of shipyard facilities, and infrastructure works. In 1967, the partnership was transformed into a joint stock company and its name was changed to "ENKA İnşaat ve Sanayi Anonim Şirketi." In the 1970s, ENKA shifted to more diverse projects in the scope of its business and in various geographies. The Company was reorganized and the specialized sections of ENKA İnşaat ve Sanayi A.Ş. devoted itself to the establishment of ENKA owned new subsidiary companies. In the early 1980s, with the support of its group of companies, ENKA İnşaat ve Sanayi A.Ş. greatly expanded the volume of international contracts by undertaking major projects in the Middle East and North Africa.

On June 28, 2002 ENKA İnşaat merged with ENKA Holding Yatırım Anonim Şirketi (ENKA Holding) who held a 35.39% stake in her, and in return ENKA İnşaat held a share of 3.93% as a subsidiary, by taking over of all its assets and liabilities with all rights and obligations with the obligation to acquire them without liquidation. Companies invested in by ENKA Holding, which was established on December 29, 1972 with an actual scope of investment in stock corporations were also gathered under the umbrella of ENKA İnşaat following this merger.

The Company shares are traded under "ENKAI" code at BIST National Market and ENKA is a constituent of BIST Dividend, BIST 100 / BIST 50 / BIST STAR / BIST Dividend 5 Year / BIST Sustainability 25 / BIST Dividend 10 Year / BIST Istanbul / BIST 30 / BIST 500 / BIST Dividend 25 / BIST Sustainability / BIST All / BIST Construction / BIST Services and BIST Corporate Governance.

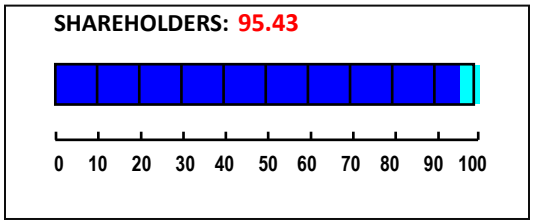
Capital Structure of ENKA İnşaat ve Sanayi A.Ş.		
Shareholder	**Share Value (TL)**	**Share %**
TARA HOLDİNG A.Ş.	2.987.988.118,31	49,80
VİLDAN GÜLCELİK	479.507.278,68	7,99
SEVDA GÜLÇELİK	385.595.958,04	6,43
ENKA FOUNDATION	352.102.864,73	5,87
PUBLIC SHARES and OTHER	1.794.805.780,24	29,91
TOTAL	**6.000.000.000,00**	**100,00**

The Board of Directors elected on March 27, 2026 for one year is as follows:

Name	**Title**	**Committee**
Agah Mehmet TARA	Chairman / Executive	
Cem ÇELİKER	Vice-chairman / Executive	
Erdoğan TURGUT	Member	Corporate Governance Committee Member / Early Identification of Risks Committee Member
Vasıf SAYIL	Independent Member	Early Identification of Risks Committee Chairman / Audit Committee Chairman
Nazlı Tlabar GÜLER	Independent Member	Corporate Governance Committee Chairwoman / Audit Committee Member

There is 1 female member on the board of directors.

SECTION 1: SHAREHOLDERS



SYNOPSIS	
+	Active Investor Relations Department.
+	Policy on donations and grants is established and submitted to the general shareholders' meeting for approval.
+	General shareholders' meetings are conducted in compliance with the legislation.
+	No privileges on voting rights.
+	Specific and consistent dividend distribution policy.
+	No restrictions on transfer of shares.
-	Minority rights are not recognized for shareholders who possess an amount less than one-twentieth of the share capital.

1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

Enka's relations with shareholders are carried out through the Investor Relations Unit and Ms. Gizem Özsoy is the Unit Manager.

Along with other departments of the Company, the Investor Relations Unit plays an active role in protecting and facilitating shareholders' rights and in particular the right to obtain and review information, and its duties are as follows;

a) To ensure that the records relating to the written correspondence with the investors and other information are kept in a healthy, safe and updated manner.

b) To respond to the queries of the shareholders requesting written information on the Company.

c) To ensure the general shareholders' meeting is held in compliance with the applicable legislation, articles of association and other Company by-laws.

d) To prepare the documents that might be used by shareholders in the general shareholders' meeting.

e) To supervise the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

Investor Relations Unit submits a report to the board of directors at least once a year on its conducted activities.

We have come to the conclusion that information and an explanation that may affect use of shareholders' rights is available up to date on the corporate website.

1.2. Shareholders' Right to Obtain and Evaluate Information:

We did not come across to any hindering process or application within the rating period regarding the appointment of a special auditor at the request of shareholders.

All kinds of information about the Company required by the legislation

are provided in a complete, timely, honest, and diligent manner and there is no fine/warning received in this regard.

The Company has established a disclosure policy and disclosed it to the public on its corporate website.

1.3 General Shareholders' Meeting:

In addition to the methods of invitation in the legislation and in order to ensure attendance of maximum number of shareholders, the invitation to the general shareholders' meeting held on March 27, 2026 covering 2025 fiscal year is performed through all means of communication available to the Company on March the 5th 2026 in accordance with the Corporate Governance Principles.

All announcements prior to the general shareholders' meeting included information such as the date and time of the meeting; without any ambiguity exact location of the meeting; agenda items of the meeting; the body inviting to the general shareholders' meeting; and the exact location where annual report, financial statements and other meeting documents can be examined.

Besides, the Company has prepared a descriptive disclosure document on agenda items.

Commencing from the date of announcement of invitation for the general shareholders' meeting; the annual report, financial statements and reports, and all other related documents pertaining to the agenda items are made available to all shareholders for examination purposes in convenient locations including the headquarters or branches of the Company, and the electronic media.

Shareholders are informed of the total number of shares and voting rights reflecting the Company's shareholding structure as of the date of disclosure and whether there are any privileged share groups within the Company capital via the corporate website.

Agenda items were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the general shareholders' meeting was related to the agenda items.

At the general assembly meeting, it was observed that the meeting chairman paid attention to conveying the issues on the agenda in an impartial and detailed manner, in a clear and understandable manner, and that the shareholders were given the opportunity to express their opinions and ask questions under equal conditions.

Agenda of the general shareholders' meeting included the proposal for the permission to be granted to shareholders who have control of the management, members of the board of directors, managers with administrative responsibility, their spouses and up to second degree blood relatives to execute transactions and compete with the Company and/or its affiliates, to make a commercial business transaction for himself or on behalf of others or to join to another company dealing with the same type of commercial business as a partner with unlimited responsibility.

The members of the board of directors related with the issues of a special nature on the agenda, other related personality, authorized persons who are responsible for preparing the financial statements and auditors were present to give necessary information and to answer questions at the general shareholders' meeting.

The Company has established a policy on donations and grants and submitted to the general shareholders' meeting for approval on March 27, 2014. Shareholders are informed, with a separate agenda item, on all donations and grants effectuated during the period and the amount of benefits and beneficiaries at this meeting.

Although there is no obstacle in practice regarding holding the general shareholders' meetings open to the public including the stakeholders and the media without the right to vote, there is no provision in this regard in the articles of association nor in the internal guidelines of the general shareholders' meeting.

General shareholders' meeting is attended by the representative of the external auditor.

1.4. Voting Rights:

There are no voting privileges at Enka.

It is considered that the Company avoids applications that make it difficult to exercise voting rights and all shareholders, including those who reside abroad, are given the opportunity to exercise their voting rights conveniently and appropriately.

1.5. Minority Rights:

Maximum care is given to the exercise of minority rights. However, minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and the Company has adopted the rate foreseen in the legislation for listed companies.

There is no evidence of any conflict of interest between the majority shareholders and that of the Company.

1.6. Dividend Rights:

The dividend policy of the Company is clearly defined and disclosed to the public on the corporate website and submitted to the shareholders for approval at the general shareholders' meeting.

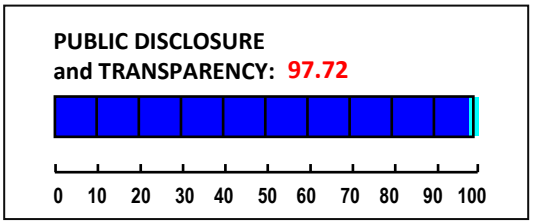
The Company's dividend distribution policy contains minimum information clear enough for investors to predict any future dividend distribution procedures and principles. It has been evaluated that a balanced policy is followed between the interests of the shareholders and that of the Company.

There is a clause in the company's articles of association regarding the distribution of advance dividends.

1.7. Transfer of Shares:

Neither the articles of association of the Company nor any decisions adopted at the general shareholders' meeting contain any provisions that impede the transfer of shares which are publicly traded.

SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



SYNOPSIS	
+	Comprehensive website, actively used for public disclosure.
+	Annual report complies with the legislation, comprehensive and informative.
+	Important events and developments disclosed in accordance with the legislation.
+	English version of the website for international investors.
+	List of ultimate controlling individual shareholders disclosed to the public.
=	All benefits provided to members of the board of directors and senior executives are presented collectively.

2.1. Corporate Website:

Company's website is actively used for disclosure purposes and the information contained therein is timely updated.

Along with the information required to be disclosed pursuant to the legislation, the Company's website includes; trade register information, information about latest shareholder and management structure, information on inexistence of any privileged shares, the date and the number of the trade registry gazette on which the changes are published along with the final version of the Company's articles of association, publicly disclosed material information, annual reports, periodical financial statements, prospectuses and circulars and other public disclosure documents, agendas of the general shareholders' meetings and list of participants and minutes of the general shareholders' meeting, form for proxy voting at the general shareholders' meeting, disclosure policy, dividend distribution policy, ethical rules of the Company, frequently asked questions including requests for information, questions and notices, and responses thereof.

The Company's shareholding structure; the names, amount and rate of the shares held by the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed to the public along with the privileges they hold and also updated bi-annually as per the minimum requirement.

The information contained on the website exists also in English for the benefit of international investors.

The Company's website also includes; investor presentations, working principles of the Committees, important board decisions under the heading of material disclosures, the vision/mission of the Company established by the board, information on capital increases and dividend payments, general shareholders' meeting internal guidelines, social responsibility activities, information on senior management, financial data, main ratio analysis, and the human resources policy.

Enka realized its Corporate Governance Compliance Report (CR) and the Corporate Governance

Information Form (CGIF) notifications via PDP on March 4, 2026, within the specified notification period.

2.2. Annual Report:

We have come to the conclusion that the annual report is prepared in detail by the board of directors to provide public access to complete and accurate information on the Company. It covers information such as;

- Period covered by the report, the title of the Company, trade register number, contact information,
- The names and surnames of the chairman, members and executive members involved in the management and supervisory boards during the covered period, their limits of authority, tenure of office (with start and end dates),
- The sector in which the Company operates and information on its position in the sector,
- Progress on investments,
- CGIF and CRF templates,
- Information on related party transactions,
- Other issues not included in the financial statements, but are beneficial for users,
- Company's organization, capital and ownership structure and any changes in the related accounting period,

- All benefits provided to staff and workers, information on number of personnel,
- Explanation on privileged shares and their amount,
- Information on board members' transactions with the Company on their behalf or someone else within the framework of permission granted by general shareholders' meeting along with their activities within the scope of restraint of trade,
- Research and development activities,
- Dividend distribution policy,
- Basic ratios on the financial position, profitability and solvency,
- Company's financing resources and risk management policies,
- Information on major events occurred between the closing of the accounting period and the date of the general shareholders' meeting where financial statements are evaluated.

In addition to the matters specified in the legislation, following issues also took place in the annual report:

- External duties of board members and executives,
- Members of the Committees within the board and the frequency of meetings held,
- Number of board meetings held during the year,
- Major court cases against the Company and possible consequences,
- Information on shareholding in excess of 5% of the capital,
- Benefits and vocational training of employees, and other Company activities that give rise to social and environmental results,
- Rating results,
- Corporate Governance Compliance Declaration.

Regarding the disclosure of benefits provided to board members and senior executives in the company's annual report, the principle of transparency and sensitivities regarding the protection of personal data have been considered together. Taking into account the potential issues that disclosing information on an individual basis might cause in

terms of data privacy, the collective disclosure ensures a sufficient level of transparency in informing the public.

2.3. External Audit:

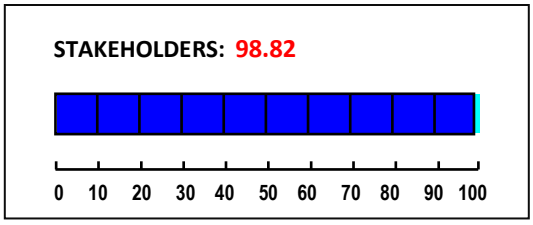
DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. has been selected to conduct the independent audit of the Company.

There has not been a situation during the reporting period where the external auditor avoided to express its opinion and not signed the audit report, nor has reported a qualified opinion. It has been declared that there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period.

Neither a consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services during the same period.

SECTION 3: STAKEHOLDERS



SYNOPSIS	
+	Measures to safeguard stakeholders' rights are facilitated.
+	A set of code of ethics is prepared and disclosed to the public.
+	A written compensation policy for employees established and disclosed to the public.
+	Company is not held liable by any public authority for any punishment/sanctions within the rating period.
+	Sustainability policy and practices are satisfactory.
=	Although mechanisms exist to support the participation of stakeholders in the Company's management, these are not included in the articles of association.
=	No collective bargaining and no trade union.

3.1. Company Policy Regarding Stakeholders:

Enka recognizes the rights of stakeholders established by law or through any other mutual agreement. In case the rights of the stakeholders are not regulated by the relevant legislation and protected by contracts, the Company protects the interest of stakeholders under good faith principles and within the capabilities of the Company. Effective and expeditious compensation is provided in case of violation of the rights.

It is considered that the website of the Company is actively used to provide adequate information on policies and procedures towards the protection of stakeholders' rights.

The corporate governance implementation of the Company ensures that its stakeholders, including its employees and representatives, report their concerns to the management concerning any illegal or unethical transactions.

In addition, a written compensation policy is established and disclosed to the public.

3.2. Stakeholders' Participation in the Company Management:

Enka has developed models for stakeholders, particularly employees to participate in management without impeding the operations of the Company, but they are not included in the articles of association. Views of stakeholders on important decisions directly concerning them are taken into consideration.

3.3. Company Policy on Human Resources:

Company has a written human resources policy, publicly disclosed via the corporate website.

Within this scope, the Company offers equal opportunity to persons with the same qualifications in recruitment and career planning.

In cases which management reshuffle could cause disruptions, succession planning for determination of new manager appointments is in place.

The criteria for recruitment are determined in writing and adhered to. Employees are treated equally with regard to their rights. Training programs are organized and training policies are developed to enhance the knowledge, skills, and conduct of personnel.

Meetings are held for employees on matters such as financial status of the Company, wage, career, education, health, and opinions are exchanged. Decisions taken or developments concerning employees are notified to employees or their representatives. Job descriptions, distribution of duties, performance and rewarding criteria are shared with employees.

The entire personnel of the Company can access the quality handbook which also includes job descriptions, by using the ENKA portal and obtain information about the relevant arrangements.

There is no active trade union within the company.

3.4. Relations with Customers and Suppliers:

Enka has taken all necessary precautions to attain customer satisfaction in the sales and marketing of its products and services. Quality standards in goods and services are complied with and care is taken to protect them.

Care is taken on the confidentiality of all trade secret data and information on customers and suppliers.

We have witnessed no evidence on non-market pricing of goods and services that the Company offers.

3.5. Ethical Rules & Social Responsibility:

Ethical rules of the Company are disclosed to the public on the corporate website.

ENKA Sports Education and Social Aid Foundation is one of the leading platforms of Turkey where ENKA İnşaat ve Sanayi A.Ş. fulfills its social responsibility. The activities carried out by ENKA Foundation throughout the year are included in the annual reports of the Company, and such information is also accessible through the website at www.enka.com.

The mission of the foundation is to educate individuals with scientific methods, raise them as modern, productive, questioning individuals and unlock their potential in an environment where sports, education, culture and the arts are all blended together.

The Sadi Gülçelik Sports Complex was founded in 1983 on the slopes of Istinye, Istanbul. Its fundamental values include ethics, morality, respect, trust, sincerity, openness and innovation.

Besides the ENKA Sports Club, the ENKA Foundation comprises ENKA Schools and ENKA Culture and Arts. ENKA Schools came into being with the opening of ENKA Schools Istanbul in Istinye in 1996. ENKA Schools Adapazari were launched in the wake of the 1999 earthquake. The Private ENKA Technical and Vocational Anatolian High School opened its doors in Kocaeli in 2008 and the ENKA Kocaeli Science and Technology High School started teaching in 2014. All the units and members of the foundation are committed to disseminating and sharing the wealth of its heritage with society at large.

It has been concluded that Enka complies with the regulations regarding the environment, the consumer, public health and ethical rules, and respects internationally recognized human rights.

The Company has not been subject to any significant sanctions by the public administrations during the course of the rating period.

In addition, the Company declared through the CRF disclosure that all kinds of corruption, including extortion and bribery, are being fought with.

3.6. Sustainability:

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.

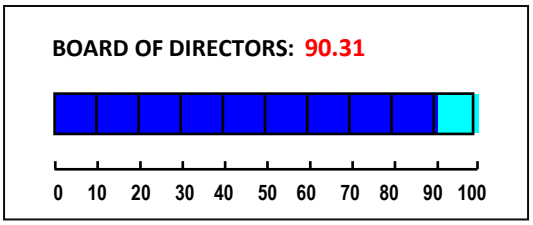
The Sustainability Committee was formed to assess economic, social and environmental risks and opportunities that may have an impact on ENKA's assets and trading activities, to monitor and analyze relevant sustainability issues, to identify the sustainability strategy and to undertake projects to realize 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.

ENKA, with its sustainability performance in 2022, continues to be included in Dow Jones Sustainability Index and FTSE4Good Index as well as Borsa İstanbul Sustainability Index.

The Sustainability Principles Compliance Report, prepared in accordance with the formats determined by the CMB's Decision No. 34/977 dated 23.06.2022 and approved by the Company Board of Directors, is included in the Annual Report.

As of our report date, there are no fines or any lawsuits filed against the Company for damages to the environment.

SECTION 4: BOARD OF DIRECTORS



SYNOPSIS	
+	The board of directors has been structured in accordance with the Communiqué.
+	There are two independent members and one female member on the board of directors.
+	Audit, Corporate Governance and Early Identification of Risks Committees established and working efficiently.
+	Principles of remuneration of board members and senior executives are established and disclosed to the public.
+	Conduct of the board meetings is defined in the articles of association.
=	Chairman and General Manager is the same person. Related disclosure is made via PDP
-	There is no insurance in place for damages that may be caused by the board members during the execution of their duties.
-	No policy has been established regarding the inclusion of female members on the Board of Directors.

4.1. Functions of the Board of Directors:

Strategic decisions of the board of directors aim to manage the Company's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of the Company. The board administers and represents the Company within these parameters.

The board of directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance.

The board also oversees that Company activities are managed in compliance with the legislation, articles of association, internal procedures and established policies.

4.2. Principles of Activity of the Board of Directors:

Board of directors performs its activities in a transparent, accountable, fair and responsible manner.

Distribution of tasks between the members of the board of directors is explained in the annual report. The board of directors established various internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees. In this context, the board reviews the effectiveness of risk management and internal control systems at least once a year.

The presence, functioning, and effectiveness of internal controls and internal audit are explained in the annual report.

The board of directors plays a leading role in maintaining effective

communication between the Company and the shareholders and settling any disputes which may arise. The board works in close coordination with the Corporate Governance Committee and the Investor Relations Unit in this context.

Chairman and General Manager is the same person, and the related disclosure is made via PDP.

On the other hand, any defects and damages caused by board members during the execution of their duties are not insured. In addition, executive powers of the chairman of the board and chief executive officer/general manager are not clearly separated in the articles of association.

4.3. Structure of the Board of Directors:

The Company's board of directors is composed of five members and two of them are executive. Among the non-executive board members there are two independent members who have the ability to execute their duties without being influenced under any circumstances.

The Corporate Governance Committee have prepared a report on the candidates proposed by the board and shareholders, by taking into consideration of whether or not the candidate meets the independency criteria and submitted this assessment as a report to the board for its approval. CMB criteria are complied with in determining independent candidates. Independent candidates for the board of directors have signed a declaration of independence within the framework of the legislation, articles of association, and the CMB criteria.

There is one female member on the Board of Directors. However, there is no policy approved by the Board of Directors regarding the inclusion of female members that stipulates a minimum threshold of 25% for female representation on the Board.

4.4. Conduct of the Meetings of the Board of Directors:

Chairman of the board of directors sets the agenda for board meetings in consultation with other members and the chief executive officer/general manager. During its term, the Board of Directors held 14 meetings, with an attendance rate of 87.2%.

Information on the agenda items of the board of directors is made available to the members in sufficient time prior to the meeting date by a coordinated flow of information. Each member is entitled to a single vote.

The conduct of the board meetings is defined in internal regulations and meeting and decision quorums have been included in writing in the articles of association of the Company.

Board members allocate necessary time for the Company's business and there are no limitations taking on additional external duties. Especially, due to the significant contribution of the professional and sectorial experiences of the independent members to the board of directors, such a restriction is not required.

4.5. Committees Established Within the Board of Directors:

A Corporate Governance Committee, an Audit Committee, and an Early Identification of Risks Committees are established from within the board of directors along with the Executive Committee in order to fulfill its duties and responsibilities.

Functions of the Committees, their working principles and members are

designated by the board of directors and disclosed to the public on the Company's website.

All members of the Audit Committee and the chairmen of all three Committees are elected among the independent board members. The CEO/general manager is not on the Committees. There are no executive members on the Committees.

All necessary resource and support needed to fulfill the tasks of the Committees are provided by the board of directors. Committees can invite any manager as they deem necessary to their meetings and obtain their views.

We have found the frequency of meetings for the committees—with the exception of the Corporate Governance Committee—to be sufficient.

Audit Committee supervises the operation and efficiency of the Company's accounting system, public disclosure, external audit and internal audit systems, reviews complaints that are received by the Company regarding Company accounting, internal and external independent audit systems, within the framework of the principle of confidentiality and finalizes them, notifies the board in writing on findings related to their duties and responsibilities and the related assessment and recommendations, following taking the opinion of responsible managers of the Company and the external auditor notifies the board in writing on whether the annual and interim statements disclosed to the public is in accordance with the Company's accounting principles, true and accurate.

Audit committee members possess the qualifications mentioned in the Corporate Governance Principles Communiqué.

The annual report contains partial information on working principles of the Audit Committee, number of written notices given to the board of directors in the fiscal year and meeting resolutions.

The external audit of the Company is conducted by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The nomination and election process of the external audit firm, taking into account its competence and independence, starts with a proposal from the Audit Committee to the board and ends with the board's choice being presented and approved at the general shareholders' meeting.

The Corporate Governance Committee is established in order to determine whether or not corporate governance principles are being fully implemented by the Company, if implementation of some of the principles are not possible, the reason thereof, and assess any conflict of interests arising as a result of imperfect implementation of these principles, and present remedial advices to the board of directors. In addition, it oversees the work of the shareholder relations unit.

Manager of the Investor Relations Unit, Ms. Gizem Özsoy, is a member of the Corporate Governance Committee.

Early Identification of Risks Committee reviews risk management systems at least once a year.

The Corporate Governance Committee carries out the duties of the Nomination Committee and Remuneration Committee, since they are not established yet. However, the minutes of the Committee's meetings contain no mention of any assessments regarding the structure and efficiency of the board of directors, recommendations for potential changes in these areas, or

proposals concerning the remuneration to be provided to senior executives.

4.6. Remuneration of the Board of Directors and Senior Management:

The principles of remuneration of board members and senior executives have been documented in writing and submitted to the shareholders as a separate item at the general shareholders' meeting.

A remuneration policy prepared for this purpose can be found on the Company's website. Stock options or performance based payments are not included in the remuneration package of the independent board members.

The Company does not lend any funds or extend any credits to a member of the board or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

Orientation process for newly appointed managers is documented in the Human Resources Policy.

Remuneration of the executives is based on market conditions and determined according to their qualifications, and proportional to their contributions to the performance of the Company.

There has been no case where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs, and provided unfair advantage.

The salaries and other benefits provided to the members of the Board of Directors and executives with administrative responsibilities are disclosed collectively in the annual report. Considering that disclosing information on an individual basis may raise sensitivities regarding the protection of personal data, together with the principle of informing the public, it is accepted that the collective disclosure practice provides sufficient transparency.

In addition, there is no regulation on compensation for losses incurred by the Company, and third parties, as a result of not performing the executives' duties duly.

Rating Definitions

Rating	Definition
9 - 10	The company performs **very good** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated. Deserved to be included in the BIST Corporate Governance Index on the highest level.
7 - 8	The company performs **good** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated. Deserved to be included in the BIST Corporate Governance Index on the highest level.
6	The company performs **fair** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Deserved to be included in the BIST Corporate Governance Index and management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated.
4 - 5	The company performs **weakly** as a result of poor corporate governance policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.
<4	The company performs **very weakly** and its corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.

DISCLAIMER

This Corporate Governance Rating Report has been prepared by Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA Corporate Governance and Credit Rating Services, Inc.) based on information made available by ENKA İnşaat ve Sanayi A.Ş. and according to the Corporate Governance Principles by the Turkish Capital Markets Board as amended on 2014.

This report, conducted by SAHA A.Ş. analysts and based on their best intentions, knowledge base and experience, is the product of an in depth study of the available information which is believed to be correct as of this date. It is a final opinion about the degree of sensitivity of a company to its shareholders' and stakeholders' rights, its commitment to public disclosure and transparency, and conduct and credibility of its board of directors.

The contents of this report and the final corporate governance rating should be interpreted neither as an offer, solicitation or advice to buy, sell or hold securities of any companies referred to in this report nor as a judgment about the suitability of that security to the conditions and preferences of investors. SAHA A.Ş. makes no warranty, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes.

SAHA A.Ş. has embraced and published on its website (www.saharating.com) the IOSCO (International Organization of Securities Commissions) Code of Conduct for Credit Rating Agencies and operates on the basis of independence, objectivity, transparency, and analytic accuracy.

© 2023, Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. All rights reserved. This publication or parts thereof may not be republished, broadcast, or redistributed without the prior written consent of Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. and ENKA İnşaat ve Sanayi A.Ş.

Contacts:

S. Suhan Seçkin
suhan@saharating.com
Ali Perşembe
apersembe@saharating.com
M. Metin Tosun
mtosun@saharating.com

Saha Kurumsal Yönetim ve Kredi Derecelendirme A.Ş
Valikonağı Cad., Hacı Mansur Sok., Konak Apt. 3/1, Nişantaşı, Istanbul
Tel: (0212) 291 97 91, Fax: (0212) 291 97 92 ● info@saharating.com ● www.saharating.com