TÜRKİYE SİGORTA

Türkiye Sigorta 2025

TSRS-Compliant Sustainability Report

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**CONVENIENCE TRANSLATION INTO ENGLISH
OF PRACTITIONER'S LIMITED ASSURANCE REPORT
ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY INFORMATION PRESENTED BY TÜRKİYE SİGORTA A.Ş. AND ITS SUBSIDIARIES IN ACCORDANCE WITH TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Türkiye Sigorta A.Ş.,

We have undertaken a limited assurance engagement on Sustainability Information of Türkiye Sigorta A.Ş. and its subsidiaries ("the Group") for the year ended 31 December 2025 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate-Related Disclosures".

Our assurance engagement does not extend to information linked to from the Sustainability Information (including any images, audio files, documents linked from a website, or embedded videos).

Limited Assurance Conclusion

Based on the procedures we have performed as described under the "Summary of the work we performed as the basis for our assurance conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information of the Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") in the Official Gazette dated 29 December 2023 and numbered 32414(M).

We do not express an assurance conclusion on information linked to from the Sustainability Information (including any images, audio files, documents embedded in a website or embedded videos).

Inherent Limitations in Preparing the Sustainability Information

Sustainability Information, as disclosed in the "Report Scope and Basis of Preparation" section on page 8, is subject to inherent uncertainty arising from incomplete scientific and economic knowledge. The quantification of greenhouse gas emissions is subject to inherent uncertainty due to limitations in scientific knowledge. In addition, the Sustainability Information involves climate-related scenario-based estimates that are inherently uncertain due to the lack of data on the likelihood, timing, and potential impacts of future physical and transitional climate-related risks.

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Responsibilities of Management and Those Charged with Governance for the Sustainability Information

The Group Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- In addition, the Group Management is responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained and informing the Group management of the conclusion we have reached.
- Performing risk assessment procedures to obtain an understanding of the Group's internal control structure and to identify and assess the risks of material misstatement of sustainability information, whether due to fraud or error, but not for the purpose of expressing an assurance conclusion on the effectiveness of the Group's internal control.
- Designing and implementing procedures to identify and address areas of the Sustainability Information that may contain material misstatements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements may arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of Sustainability Information.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information in order to ensure that our independence is not compromised.

Professional Standards Applied

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with the Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

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Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors (Including Independence Standards) ("Code of Ethics") issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

Summary of the Work We Performed as the Basis for Our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Conducted inquiries with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- Used the Group's internal documentation to assess and review sustainability-related information;
- Evaluated the disclosure and presentation of sustainability-related information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Serap Koçdar
Partner

CONTENT

REPORT SCOPE AND BASIS OF PREPARATION

This report is the **second TSRS report** prepared to present the sustainability performance and climate change mitigation strategies of Türkiye Sigorta A.Ş. (Türkiye Sigorta), its subsidiaries, and joint ventures to its stakeholders. In line with the principles of transparency and accountability, our Company published its 2024 TSRS report and, with this year's report, aims to demonstrate data continuity and performance improvement. Our sustainability-related financial disclosures cover a 12-month period in alignment with our Company's financial reporting period, and this report includes sustainability-related financial disclosures for the reporting period between 01.01.2025-31.12.2025. These disclosures are published on the same timeline as our Company's general purpose financial reports and are disclosed to the public together with financial results at the end of the reporting period. The primary users of these disclosures are existing and potential investors, lenders, and other creditors who provide resources to our Company, and the disclosures aim to meet the information needs of users that influence decisions to buy, sell, or hold equity and debt instruments, as well as decisions to provide or settle loans and other forms of credit. In this context, the disclosures have been prepared to support the evaluation of the amount, timing, and uncertainty of the Company's future cash flows in line with expectations regarding dividends, principal and interest payments, and market value, and aim to meet the common information needs of users who have a reasonable level of knowledge and who carefully analyze the information.

The content of the report has been shaped within the framework of the **Türkiye Sustainability Reporting Standards (TSRS)**, which entered into force upon publication in the Official Gazette dated December 29, 2023 and numbered 32414. The following core standards published by the Public Oversight, Accounting and Auditing Standarts Authority (POA) constitute the methodological foundation of the report:

- **TSRS 1 "General Requirements for Disclosure of Sustainability-Related Financial Information":** It ensures the disclosure of information regarding all sustainability-related risks and opportunities expected to affect our Company's cash flows, access to finance, and cost of capital in the short, medium, and long term.
- **TSRS 2 "Climate-Related Disclosures":** It analyzes the operational and financial impacts of climate change on our Company, specifically in terms of physical risks (acute and chronic) and transition risks (policy, legal, technological, and market risks).

Our Company made limited use of the transition provisions recognized under TSRS during the relevant reporting period. In this context, disclosures under TSRS 1 were extensively reported; Scope 3 emissions were calculated and included within the reporting boundary as part of greenhouse gas emissions calculations. However, in line with the transition provisions recognized in TSRS, the calculation and reporting of Insurance Associated Emissions (Scope 3.15) under the PCAF Part C methodology were not carried out during the relevant period.

The report has been structured under the four core pillars of TSRS: **Governance, Strategy, Risk Management,** and **Metrics and Targets**. In this context, the integration of sustainability- and climate-related risks into our corporate risk management system and the potential impacts of these risks on the financial statements (premium production, claims provisions, etc.) are presented through technical analyses.

During the reporting process, transition provisions and exemptions recognized by the POA were carefully considered; however, transparency has been maximized through the use of the broadest possible data set. During the reporting period, there has been no instance where any information required to be disclosed under TSRS 1–2 was prohibited from disclosure due to legislation or therefore omitted from the report. Likewise, no sustainability-related opportunity information has been excluded from disclosure on the grounds of commercial sensitivity, nor has any assessment been made that its disclosure would cause serious harm to economic benefits; accordingly, no information has been omitted by applying the commercially sensitive information exemption. Our Company's processes are fully aligned with national and international regulations, indices, and standards. Any significant conditions or changes that may arise before the publication of the report will be announced as an addendum or supplementary information; and if there are significant developments related to business and sustainability after the reporting period has ended, additional disclosures will be made to the public.

The processes used in developing estimates, assumptions, and forward-looking projections have been appropriately defined and consistently applied, and there are no material errors in the selection or application of these processes.

PURPOSE OF THE REPORT

This study presents not only Türkiye Sigorta's environmental impacts but also its capacity to manage climate-related financial risks and its strategies to turn these risks into opportunities. Through full compliance with the standards, our disclosures have been ensured to be **transparent, accurate, verifiable, relevant,** and **comparable.**

All financial data presented within the scope of the report have been reported in full alignment and consistency with **Türkiye Sigorta's financial statements for the 2025 fiscal year,** in Turkish Lira (TRY). In accordance with the principle of financial connectivity required by TSRS 1 and TSRS 2, the data sets and assumptions used in the analysis of sustainability- and climate-related risks and opportunities have been determined in alignment with the Company's overall financial reporting framework. The definitions of the data used within the scope of sustainability-related financial disclosures have been clearly established; the data have been systematically obtained from reliable sources and subjected to periodic consistency checks. The disclosures have been prepared using consistent methodologies and data sources to support comparability across reporting periods and have been reported in a manner that allows benchmarking with sector practices. To enhance verifiability, the data sources, calculation methods, assumptions, and inputs used have been clearly defined; the information has been subjected to internal control processes and, where deemed necessary, supported by independent verification/audit mechanisms.

The metrics and underlying assumptions used in measuring sustainability performance are presented with detailed footnotes in the relevant sections. In this context:

- **Climate Indicators:** Short-term, medium-term, and long-term projections have been developed based on reasonable and supportable estimates within the framework of science-based climate scenarios.
- **Uncertainty Management:** Emission factors used in greenhouse gas emission calculations and potential uncertainties in data collection processes have been minimized and transparently disclosed in line with internationally recognized methodologies (GHG Protocol, PCAF, etc.).
- **Data Quality:** All non-financial sustainability data have been obtained from traceable, measurable, and auditable sources and have been subject to high reliability standards.

INDEPENDENT LIMITED ASSURANCE

In order to confirm the accuracy of the data declared by our Company and its compliance with the standards, a limited assurance of the report was conducted by DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş. Mentioned limited assurance process was conducted diligently in accordance with the international and national auditing standards **GDS 3000: "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and GDS 3410: "Assurance Engagements on Greenhouse Gas Statements".**

ABOUT TÜRKİYE SİGORTA

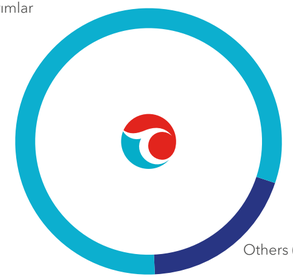
Türkiye Sigorta was established in 2020 through the merger of Ziraat Sigorta, Halk Sigorta, and Güneş Sigorta—well-established institutions of the Turkish insurance sector—under the leadership of the Türkiye Wealth Fund. This merger aimed to create a stronger capital structure and a broader service capacity within the sector, and since its establishment, the Company has become one of the leading players in the industry in a short time by offering a wide range of products to both individual and corporate customers.

Türkiye Sigorta strengthens accessible insurance through its investments in technological infrastructure and its customer-focused service approach, while also supporting long-term value creation through sustainability practices carried out along environmental and social responsibility dimensions in addition to its financial performance. Today, the Company continues to provide uninterrupted services across Türkiye through its strong agency network, bancassurance collaborations, and innovative products.

SHAREHOLDING STRUCTURE

Türkiye Sigorta's shareholding structure is based on a strong capital foundation in which the Türkiye Wealth Fund is the main shareholder. Of the Company's share capital, 81.10% is owned by TVF Finansal Yatırımlar A.Ş., a wholly owned subsidiary of the Türkiye Wealth Fund, while the remaining 18.90% consists of publicly traded shares listed on Borsa İstanbul. This shareholding structure supports Türkiye Sigorta's leading position in the sector, while also reinforcing its commitment to transparency, accountability, and corporate governance principles as a publicly listed company.

TVF Finansal Yatırımlar Anonim Şirketi
81.10%



Others (Shares traded on Borsa İstanbul)
18.90%

Shareholders	Share Amount (TRY)	Share Ratio (%)
TVF Finansal Yatırımlar A.Ş.*	8,110,171,892	81.1
Others (Shares traded on Borsa İstanbul)	1,889,828,108	18.9
TOTAL	**10,000,000,000****	**100.0**

* Türkiye Wealth Fund holds 100% of the shares of TVF Finansal Yatırımlar AŞ.
** With the resolution of our Company's Board of Directors dated 26.12.2024, approval was obtained from the Capital Markets Board (CMB) on 07.01.2025 to increase the registered capital ceiling to TRY 50 billion and to extend its validity period until the end of 2029.

OUR ASSOCIATES AND SUBSIDIARIES

Türkiye Sigorta has associates and subsidiaries that support its core line of business and contribute to its strategic growth. The table below presents Türkiye Sigorta's associates and subsidiaries, along with their capital shares and the total capital sizes of the associates.

In determining the scope of the Report, the control approach adopted by Türkiye Sigorta in line with the approaches defined in the GHG Protocol has been taken as the basis; accordingly, data related to operations that are not under control have not been included in the reporting. In this context, Türk P&I Sigorta A.Ş., in which a 50% stake is held, has been excluded from the reporting scope due to the absence of operational control. It has also been taken into consideration that OSEM Sertifikasyon A.Ş. (OSEM), the Company's sole subsidiary, has been excluded from the scope of consolidation in independent audit reports under the principle of materiality, as its total assets are below 1% of the total assets of Türkiye Sigorta A.Ş.

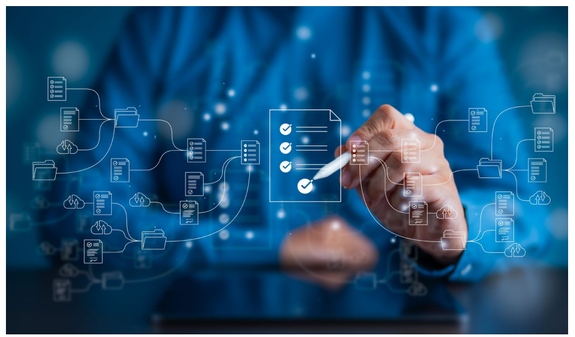
Our Associates and Subsidiaries	Türkiye Sigorta's Capital Share (TRY)	Türkiye Sigorta's Capital Share (%)	Capital of the Subsidiary (TRY)
OSEM Sertifikasyon A.Ş.	8,000,000	100	8,000,000
Türk P&I Sigorta A.Ş.	160,000,000	50	320,000,000
Türkiye Hayat ve Emeklilik A.Ş.	368,176,143	7.36	5,000,000,000
Tarım Sigortaları Havuz İşletmesi A.Ş.	8,311,821	3.70	224,419,167
TOTAL	**544,487,964**		

FIELD OF ACTIVITY AND MARKET POSITION

Türkiye Sigorta is a **leading and pioneering company** in the non-life insurance sector, providing services across all major branches, primarily fire, health, agriculture, motor own damage, and marine insurance. As of 2025, the Company has recorded growth in annual premium production above inflation and maintains its market leadership through its agile structure, balanced portfolio, and strategy focused on technical profitability.

Türkiye Sigorta reaches a broad customer base through its **multi-channel distribution** structure consisting of bancassurance, a widespread agency network, brokers, and digital channels. Pricing based on actuarial discipline, a combined ratio maintained below 100%, and a strong capital structure enhance the Company's resilience against macroeconomic fluctuations.

Distinguished by its rapid claims management and investments in technological infrastructure, the Company continues to create long-term value for its stakeholders by integrating its risk-focused insurance approach with sustainability principles.



GOVERNANCE

As Türkiye Sigorta, we adopt a multi-layered and integrated governance structure extending from the Board of Directors, the Company's highest decision-making authority, to operational units, in order to ensure the effective management of sustainability- and climate change-focused risks and opportunities.

THE OVERSIGHT ROLE AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The strategic oversight of sustainability- and climate-related risks and opportunities and the safeguarding of the Company's long-term resilience ultimately fall under the responsibility of the **Board of Directors**. The Board of Directors supervises the alignment of sustainability objectives with financial goals and provides guidance on the integration of sustainability- and climate-related scenario analyses into the business model.

The oversight of sustainability and climate-focused risks and opportunities that are expected to reasonably affect to affect Türkiye Sigorta's long-term financial adequacy is among the fundamental responsibilities of the Board of Directors. The Board performs this oversight role through the **Corporate Governance and Sustainability Committee** structured within its body. While shaping the Company's overall strategy, large-scale investment projections, and operational decisions, sustainability parameters are addressed as an integral part of the agenda. In this context, strategic priorities such as the transition to a low-carbon economy, increasing energy efficiency, waste management, and the development of sustainable business models have been integrated into corporate governance processes.

These strategic assessments provide input into all processes, from investment decisions to supply chain management, from operational policies to long-term business plans. Progress toward sustainability targets is monitored through key performance indicators. Based on the results of these reviews, the Board of Directors evaluates the effectiveness of strategies and communicates the necessary instructions to management regarding the updating of policies in order to adapt to evolving risk dynamics. This structure ensures that Türkiye Sigorta's sustainability performance does not remain merely at the level of disclosure but is managed within a dynamic cycle of control and continuous improvement.

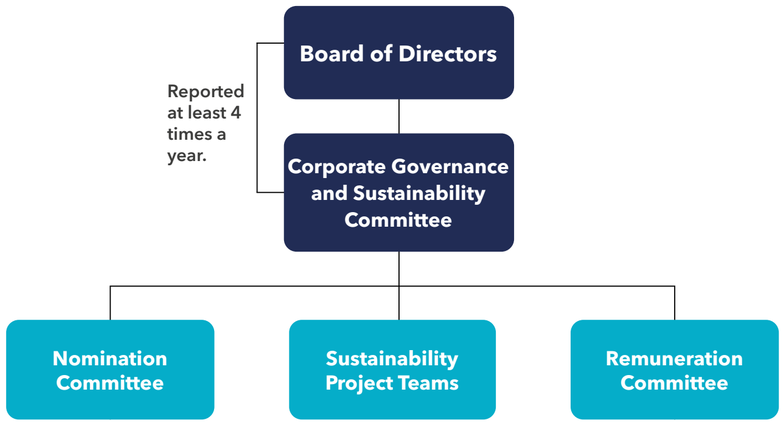
CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

Operating under the Board of Directors, the **Corporate Governance and Sustainability Committee** is the primary mechanism that coordinates and monitors the implementation of sustainability strategies. The Committee's mandate has been clarified in line with the principles of strategic oversight of sustainability activities, recording of decisions, and submission of these processes for Board approval. The Committee's oversight, monitoring, and reporting obligations regarding sustainability- and climate-related risks and opportunities are explicitly defined in the Committee's Working Principles and Regulation; the reporting and coordination responsibilities undertaken by the Investor Relations Directorate and the Risk Management Department in this context are defined in the relevant internal regulations and job descriptions. This structure has established an institutional accountability mechanism by directly embedding sustainability-focused responsibilities into the job descriptions of all relevant units, particularly Committee members. This approach, aligned with TSRS 1 standards, ensures that sustainability-related risks and opportunities become one of management's core responsibilities rather than merely an operational topic. The technical identification and monitoring processes for sustainability- and climate-related risks are carried out by the Risk Management Department. The Investor Relations Directorate is responsible for the coordination and reporting of sustainability projects and for making regular presentations to the Committee.

In addition, the Committee's assumption of **Nomination and Remuneration** functions plays a critical role in integrating sustainability targets into the Company's human resources and incentive policies. Through this integration, sustainability competencies are evaluated as a criterion in senior management selection processes, and environmental, social, and governance (ESG) performance indicators are incorporated into remuneration policies. Thus, a direct link has been established between the management of sustainability- and climate-related risks and opportunities and the Company's financial success, making the sustainability strategy an integral part of corporate performance. The Committee consists of at least two non-executive Board members. In order to maintain independence, the Committee Chair is an **Independent Board Member**. In addition, the Director of Investor Relations serves on the Committee to ensure operational continuity. Within the framework of the CMB Corporate Governance Communiqué, the Committee also undertakes the duties of the Remuneration Committee and the Nomination Committee, linking sustainability performance with corporate performance metrics and human resources management. The Committee periodically reviews sustainability activities, measures performance improvement, and submits critical decisions for the approval of the Board of Directors.

Key performance indicators (KPIs) related to sustainability and climate are monitored in alignment with the Company's strategic objectives and are periodically submitted for the review of the Board of Directors. In line with its working principles, the Corporate Governance and Sustainability Committee convenes regularly at least four times a year, on a quarterly basis, to monitor sustainability data and oversee strategic alignment. This systematic reporting structure ensures the dynamic integration of sustainability performance into corporate decision-making processes and enables senior management to fulfill its oversight responsibilities in a transparent manner.

Within the scope of activities related to the reporting period, the Corporate Governance and Sustainability Committee convened **8 times in 2025**, conducting comprehensive evaluations of climate-related risks, opportunities, and alignment processes with sustainability targets. The analyses and strategic recommendations derived from these meetings were communicated to the Board of Directors through written reports, and progress along the Company's sustainability roadmap was formally recorded. This process is operated as an integral part of Türkiye Sigorta's corporate governance cycle, in line with its principles of transparency and commitments to TSRS compliance.



COMPETENCE AT THE MANAGEMENT LEVEL

Committee members are selected from among Board members with high competence in sustainability, corporate governance, and strategic planning, or from Company personnel who meet objective criteria determined by the Board of Directors. While the chairmanship of the Committee being carried out by an independent member ensures an impartial oversight perspective, the diversity of experience among members establishes a multidisciplinary competence base for supervising sustainability strategies. In addition, the Board of Directors and its affiliated committees have the authority to involve independent legal, financial, or technical sustainability consultants in the process when in-depth analysis is required on complex sustainability matters. This mechanism operates as a strategic assurance layer that strengthens oversight capacity.

The Board of Directors and the Committee actively support the technical development of responsible personnel and their alignment with international standards in order to ensure the continuity of institutional competence in the field of sustainability. In this context, national and international certification programs and technical training activities related to sustainability and climate risk management are considered an integral part of corporate development plans. This systematic approach enables Türkiye Sigorta to continuously maintain its capacity to manage sustainability- and climate-related risks and opportunities, allowing sustainability performance to be integrated into financial and operational processes at the highest standards.

Corporate Governance and Sustainability Committee

Committee Members	Title	Role in the Committee	Term of Office (Years)
Prof. Dr. Murat AKBALIK	Independent Member of the Board of Directors	Committee Chairman	6
Bilal BEDİR	Member of the Board of Directors	Committee Member	2
Şahika BALBAY DEMİROĞLU	Director of Investor Relations	Committee Member	2

The percentage of female members on the Corporate Governance and Sustainability Committee was 33.3%.

Committee Chair **Prof. Dr. Murat Akbalık** has academic expertise in capital markets, finance, and corporate governance, with many years of experience in education, research, and publications in these fields. Through his service as a senior board member in various companies within the insurance and pension sectors, he has developed extensive knowledge of sectoral dynamics, risk management, and governance practices. In this context, he leads the Committee's work with an independent, objective, and strategic perspective.

Committee Member **Bilal Bedir** contributes significantly to stakeholder relations, corporate reputation management, and strategic decision-making processes through his experience in public administration, communications, strategy, and senior executive roles. Owing to his managerial experience in national and international institutions, he supports the Committee's work in balancing diverse stakeholder expectations, public communication, and the development of sustainable strategies aligned with corporate objectives.

Committee Member and Director of Investor Relations **Şahika Balbay Demiroğlu** provides expert support within the Committee on sustainability reporting, ESG indices, corporate governance practices, and compliance processes with capital markets regulations, drawing on her Corporate Governance Rating, Capital Markets Activities Level 3, Derivatives, and Credit Rating licenses.

Main Activities of the Committee

The activities of the Corporate Governance and Sustainability Committee are grouped under the following headings:

- Determining, periodically reviewing, and updating the Company's sustainability priorities
- Establishing and monitoring policies, strategies, and targets in line with sustainability priorities
- Analyzing ESG risks and opportunities and developing action plans accordingly
- Monitoring projects and practices aimed at improving sustainability performance
- Monitoring the preparation process of the Integrated Annual Report and sustainability reports; reviewing their content, scope, and compliance prior to publication
- Coordinating independent assurance, audit, and verification processes related to sustainability reporting and evaluating their outcomes
- Regularly monitoring national and international sustainability standards, indices, rating and reporting initiatives, and assessing their impacts on Company practices
- Monitoring data collection, survey, and assessment processes within the scope of supply chain sustainability and stakeholder expectations
- Regularly reporting developments related to sustainability activities, reporting processes, and performance indicators to the Board of Directors

SUSTAINABILITY-FOCUSED REMUNERATION AND PERFORMANCE MANAGEMENT

The remuneration and performance management policy implemented within Türkiye Sigorta recognizes ESG risks and opportunities that may affect the Company's long-term financial adequacy as fundamental criteria, beyond financial results. This strategic approach establishes a measurable and auditable discipline by placing the sustainability vision at the center of the corporate governance structure.

PERFORMANCE INCENTIVE MECHANISM AND REMUNERATION

The performance incentive mechanism at Türkiye Sigorta is structured in alignment with the Company's strategic objectives and is based not only on financial indicators but also on ESG performance. In this context, senior executives and relevant units are incentivized in line with their level of achievement of ESG targets in annual performance evaluations. The performance system is monitored through the annual performance scorecard of each executive and department. In these scorecards, sustainability and climate-focused policies are evaluated holistically alongside financial metrics and reflected in the year-end performance score. This scoring constitutes one of the key determinants in the calculation of variable pay and bonuses.

The remuneration policy applied to senior executives defines sustainability targets as key performance indicators (KPIs) that directly affect variable pay components. This mechanism, which is decisive in year-end performance scoring, operates as follows:

- **Integrated Performance Monitoring:** In the annual performance scorecards of each executive and relevant unit, sustainability and climate-related indicators are evaluated within the financial metrics.
- **Direct Incentive:** The level of achievement of annual sustainability targets (carbon reduction, energy efficiency, etc.) is reflected in bonus and variable pay calculations, ensuring full alignment of senior management with these targets.

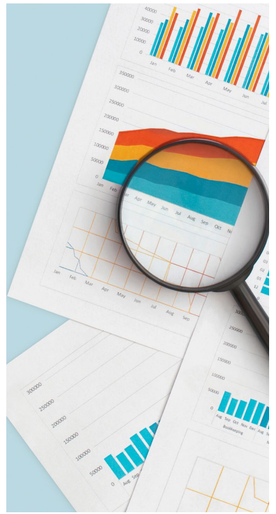
You can access our ESG Remuneration Policy through the relevant link.

OKR METHODOLOGY AND MONITORING PROCESSES

The setting of strategic objectives and the monitoring of progress are carried out through the **OKR (Objectives and Key Results)** methodology, a modern and transparent performance management system. Through this system:

- **Measurable Metrics:** Quantitative data, such as the reduction of carbon footprint, and qualitative assessments that enhance corporate resilience undergo an objective analysis process.
- **Senior-Level Oversight:** The Board of Directors and the Corporate Governance and Sustainability Committee regularly monitor sustainability-focused targets through the OKR system.

This integrated structure ensures that sustainability strategies do not remain merely declarative, but are embedded at the core of all operational decisions and translated into tangible outcomes.



INTEGRATED GOVERNANCE AND RISK MANAGEMENT

At Türkiye Sigorta, the management of sustainability and climate-related risks and opportunities is carried out through a structure fully integrated into the corporate governance and risk management architecture, under the oversight of the Board of Directors. Company management monitors climate and sustainability matters through periodic reporting and performance indicators aligned with key performance indicators (KPIs) that are harmonized with strategic objectives. Priorities such as the gradual reduction of carbon footprint, maximization of energy efficiency, and circular economy–oriented waste management are embraced at the operational level and embedded into business processes. In this context, progress achieved in developing sustainable business models is presented to the Board of Directors for evaluation.

The responsibility for monitoring sustainability-related risks and opportunities that are reasonably expected to affect Türkiye Sigorta's future financial soundness rests at the highest level with the Board of Directors. The Board fulfills this strategic oversight duty through the **Corporate Governance and Sustainability Committee** established within its structure. The Committee is positioned as the primary executive body responsible for monitoring sustainability activities, overseeing processes, and submitting critical decisions for the Board's approval. In this way, managerial responsibilities are institutionalized through the Committee and systematized under the direct supervision of the Board of Directors.

The Committee convenes regularly to assess the sustainability agenda, reviewing risk and opportunity analyses submitted by management and relevant business units. Meeting outcomes and decisions are formally recorded, signed, and submitted to the Board of Directors in the form of periodic reports. At the operational level, critical departments such as **Risk Management, Budget and Reporting**, and **Administrative Affairs**, as well as the **Construction and Real Estate Department** and specialized project teams, are responsible for integrating sustainability criteria into business processes. This multi-layered structure ensures alignment between strategic objectives and on-the-ground implementation, while enabling transparent oversight of operational performance at the Board level.

Türkiye Sigorta's management utilizes the Company's risk management architecture as a strategic tool to ensure effective oversight of sustainability-related risks and opportunities. Climate-related risks are identified through regular assessment processes covering both internal and external dynamics, and the findings are managed within the framework of corporate procedures and reported through the relevant governance channels. These processes are structured in line with the Company's Enterprise Risk Management (ERM) framework and the climate risk provisions set out in its risk management policies and procedures. Through this systematic approach, the sustainability agenda is embedded as a natural component of the ERM cycle and provides data driven input for strategic decision-making.

The activities carried out within this scope are conducted in a coordinated and integrated structure across the Company's core functions:

- **Internal Systems Division and Risk Management Department:** Identify sustainability and climate-related risks and opportunities, integrate them into strategic plans, monitor implementation performance, and provide regular reporting to senior management.
- **Corporate Governance and Sustainability Committee:** Evaluates outputs from all these processes from a holistic perspective and brings critical areas for improvement and strategic recommendations to the agenda of the Board of Directors.

As a result, controls and procedures related to sustainability risks and opportunities have been integrated into the Company's core operational cycles, establishing a traceable and systematic structure for management oversight. This integration safeguards Türkiye Sigorta's progress toward its sustainability targets while enabling the Company's resilience to sustainability and climate-related risks to be dynamically steered at the Board level.

STRATEGY

VALUE CHAIN-FOCUSED RISK AND OPPORTUNITY ANALYSIS

As Türkiye Sigorta, during the 2025 reporting period, we analyzed our sustainability and climate change-related risks and opportunities from a strategic perspective that focuses on the Company's financial and operational resilience. Conducted in line with the requirements of TSRS 1 and TSRS 2 standards, this study is based on a comprehensive Materiality Assessment process that covers not only our direct operations but also our entire value chain with financial materiality above the threshold value.

VALUE CHAIN-FOCUSED RISK AND OPPORTUNITY ANALYSIS

Within the framework of its business model designed with a sustainability focus, Türkiye Sigorta manages its non-life insurance activities by structuring its value chain across three main strategic lines. This structure is shaped along the axes of the **upstream value chain** (supply chain and business partnerships), **direct operations,** and the **downstream value chain** (distribution channels, customer ecosystem, and service recipients).

Our Company has integrated its operational efficiency targets into all its processes through a holistic approach that combines them with ESG performance criteria. This integrated approach enables risks to be identified at their source and ensures that sustainable growth opportunities are optimized across all links of the value chain.

The table alongside details Türkiye Sigorta's value chain lines and the scope of these lines:

Value Chain	Description
Upstream	Suppliers and business partners that enable Türkiye Sigorta's operations are positioned along this line. Technology companies providing IT and digital infrastructure, websites/mobile applications, digital sales and service platforms, and AI-based decision support solutions; suppliers delivering services in areas such as office and administrative services, communication, consumables, and logistics; as well as reinsurance companies and technical/external service providers supporting risk capacity and claims management constitute the upstream value chain. Within the framework of its sustainable procurement approach, the Company observes the principles of transparency and responsible cooperation.
Operations	The core activities through which Türkiye Sigorta directly creates value are carried out along this line. Product development, pricing, policy management, claims assessment, and indemnity payment processes are operated in an integrated manner across lines such as fire and natural disasters, motor third-party liability, motor own damage (casco), health, engineering, agriculture, aviation, personal accident, and others. The extensive agency network and the bancassurance channel serve as the primary production and service channels.
Downstream	The line through which the Company's products and services reach customers and where value creation materializes is the downstream value chain. A broad portfolio ranging from individual customers to SMEs and large-scale corporate policyholders is accessed through agency, bancassurance, and digital channels, and inclusive, needs-based solutions that enhance insurance penetration are offered.

Türkiye Sigorta adopts a holistic management approach that addresses business continuity, risk management, and long-term value creation together across all stages of its value chain. Within the scope of this approach, while digital transformation investments, data-driven decision-making processes, and the improvement of operational standards are prioritized, environmental, social, and governance dimensions are considered an integral part of business processes.

The Company's value chain management is supported by objectives such as monitoring resource use in operational processes, reducing environmental impacts, and developing human resources on a competency-based basis. In all customer-facing processes, the continuity of service quality, transparency, and trust are addressed as fundamental principles, and it is aimed to consider sustainability criteria in the provision of products and services.

PRIORITIZATION METHODOLOGY AND FINANCIAL IMPACT ASSESSMENT

Within the framework of the methodological foundations we established last year, we continued to analyze our risks and opportunities based on the parameters of "Probability of Occurrence" and "Impact Magnitude". All risks and opportunities identified by our Company as potential were scored in accordance with our criteria scaled from 1 to 5, and the risks and opportunities determined to be significant were identified and included in our report. As a result of this study, we identified risks and opportunities with critical financial impacts related to sustainability and climate change. Accordingly, we integrated our sustainability- and climate-related risks and opportunities deemed significant into decision-making processes by submitting them to the approval of the Board of Directors. In the scoring process, the following technical criteria aligned with TSRS (Türkiye Sustainability Reporting Standards) were taken as a basis:

1. Qualitative and Quantitative Analysis: In addition to environmental impacts, the potential effects of risks on our Company's cash flows, access to finance, and cost of capital in the short, medium, and long term were analyzed.

2. Time Horizons: Risks and opportunities were classified and incorporated into our strategic business plans from short-term (0–3 years), medium-term (4–7 years), and long-term (8+ years) perspectives.

3. Climate Scenarios: Climate-related physical risks (acute and chronic) and transition risks (policy, legal, technological, and market) were subjected to stress testing under low- and high-carbon future scenarios.

Risk Assessment Matrix

Probability of Occurrence		Impact Magnitude: Very High (5)	High (4)	Medium (3)	Low (2)	Very Low (1)
Very High	5	25	20	15	10	5
High	4	20	16	12	8	4
Medium	3	15	12	9	6	3
Low	2	10	8	6	4	2
Very Low	1	5	4	3	2	1

Sustainability and climate change-related risks and opportunities were analyzed based on the criteria of "Probability of Occurrence" and "Impact Magnitude"; during these analyses, the scoring methodology outlined below was taken as a basis.

Score	Probability Definition	Description
5	Very High	The probability of the risk occurring is extremely high; it can be observed in almost every period and represents a risk level that is expected to occur.
4	High	The probability of the risk occurring is high; it emerges frequently and the likelihood of recurrence is evident.
3	Medium	There is a probability that the risk may occur at certain intervals; it may arise periodically but is not continuous.
2	Low	The probability of the risk occurring is low; it is rarely observed and generally requires specific conditions to materialize.
1	Very Low	The probability of the risk occurring is quite low; it arises only in exceptional circumstances or very infrequently.

Score	Impact Definition	Description
5	Very High	If the risk materializes, it may cause severe and widespread damage to the institution's financial structure, operations, customers, and environmental systems. It creates significant pressure on institutional capacity.
4	High	The materialization of the risk may significantly affect the institution's activities; financial losses, operational disruptions, or clear adverse consequences for stakeholders may arise.
3	Medium	The impact of the risk is at a manageable level; limited operational disruptions or medium-scale financial and environmental impacts may occur within the institution.
2	Low	The impacts that may arise if the risk materializes are limited; it affects operational processes and institutional resources at a low level.
1	Very Low	The impact of the risk is very low; it creates minimal consequences on the institution's processes and its financial/operational impact is negligible.

Level of Financial Impact

Financial Impact Level	Impact on Revenue	Definition
Low	0–1%	Carried out based on the 2025 revenue figures.
Medium	1–5%	
High	5%+	

The financial materiality threshold has been set at 5% of revenue; all impacts exceeding this threshold are considered financially material and have been classified as having a "high" level of significance in the risk and opportunity table.

As Türkiye Sigorta, we have completed the process of identifying our sustainability and climate-related risks and opportunities in accordance with TSRS 1 and TSRS 2 standards. In this process, we initially identified risks and opportunities that could potentially be significant for our Company based on the SASB (Sustainability Accounting Standards Board) framework, TCFD, national resources, and sectoral research.

This comprehensive approach enables the effective management of sustainability and climate-related risks and opportunities in line with our Company's strategic objectives.

Each risk and opportunity identified across the value chain has been incorporated into Türkiye Sigorta's sustainability matrix and disclosed with technical details in the relevant sections of this report. These identified priorities provide input to all our decision-support mechanisms, ranging from product development processes to reinsurance strategies, from asset allocation decisions to our corporate risk appetite statement. In this way, uncertainties arising from climate change have been transformed into manageable strategic data.

DEFINITION OF RISKS AND OPPORTUNITIES BY TIME HORIZONS

In order to analyze the financial impacts of sustainability and climate-related risks and opportunities more accurately, Türkiye Sigorta classifies these elements across specific time horizons. In making this classification, the Company's strategic planning cycle, asset-liability structure, and the long-term projections of climate change have been taken into consideration.

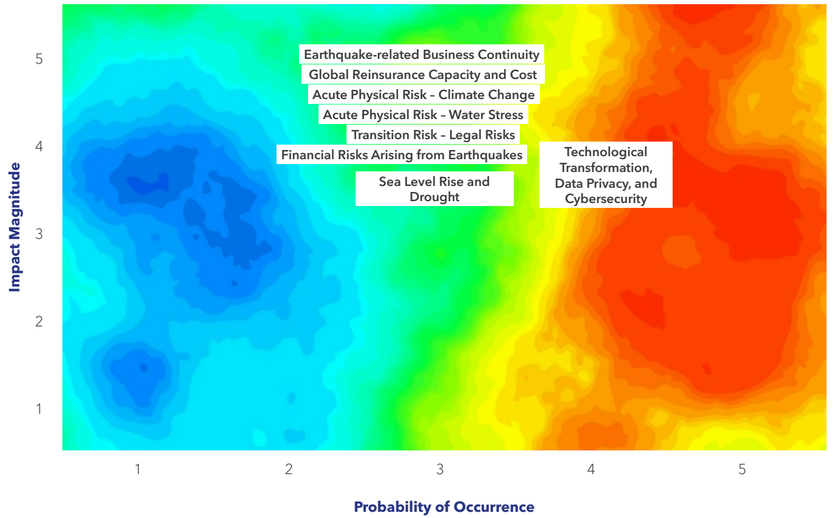
The table below details how Türkiye Sigorta defines short, medium, and long-term periods within the framework of specific time ranges and criteria:

Time Interval	Year	2025 Descriptions
Short Term	0–3	As Türkiye Sigorta, we carry out our budgeting and strategic planning activities within this period. In this process, we keep sustainability and climate-related risks at a predictable and manageable level by making use of past data. Our short-term strategies focus on integrating these risks into our existing business processes.
Medium Term	4–7	In the medium term, we aim to implement policies and technological developments addressing sustainability and climate-related risks. During this period, we seek to reduce potential uncertainties by strengthening our sustainability and climate change adaptation processes. We plan to increase our operational efficiency through new technology adaptation and climate risk management strategies.
Long Term	8+	In the long term, we expect sustainability and climate-related risks to become more pronounced and severe at the global level. Accordingly, we aim to support our sustainable business processes through proactive strategies by adopting a comprehensive risk management model in order to mitigate the impacts of such risks.

During the reporting period, no additional changes were made to the business model or resource allocation in order to address sustainability and climate-related risks and opportunities; management was carried out through existing processes.

In the 2025 reporting period, Türkiye Sigorta's time horizon–based disclosures regarding climate and disaster risks were developed in a more detailed and implementation-oriented manner, based on the general and framework-level approach used in 2024.

When assessing sustainability-related risks and opportunities, Türkiye Sigorta takes as a basis the results of its materiality analysis and risk appetite framework, which address financial resilience together with environmental and social impacts. When making decisions on new activities, products, or investments, the relevant area's carbon and water footprint, physical and transition risks that may arise under climate scenarios, impacts on local communities, employment creation potential, and financial returns are analyzed collectively. While risk appetite is kept low in areas that carry high environmental and social risks and are not aligned with regulatory requirements, opportunities that create long-term value such as low-carbon technologies, sustainable infrastructure, financial inclusion, employee experience, and social investments are prioritized. In location selection and branch and service network planning, energy-efficient buildings, access to public transportation, disaster risk, and local community needs are taken into consideration. In insurance and investment decisions, compliance with human rights, environmental impacts, and governance standards are among the fundamental criteria. In this way, sustainability risks are considered not only as elements to be avoided but also as areas offering opportunities in terms of new products such as green policies and sustainable investments, operational efficiency, employee engagement, and brand value.



SUSTAINABILITY-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

RISKS

Technological Transformation, Data Privacy and Cybersecurity Risks in İnsurance Sector

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2025	Time Interval	Impact Level
Technological transformation, data privacy and cybersecurity risks in insurance sector	Türkiye-wide / digital channels and IT infrastructure	Number of realized cybersecurity incidents / data breaches (count) and total financial impact of these incidents (TRY)	0	Short Term	High
		Percentage of employees participating in data security trainings within the scope of the Personal Data Protection Law (PDPL) (%)	100		
		Coverage ratio of critical systems with information security certifications (ISO 27001, etc.) (%)	100		
		Average Claims File Closure Time (Days)	19.2		

Impacts on the Company's Strategy and Decision-Making Mechanism	Sustainability Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position of the Risk in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Regular reporting and stress testing are conducted at the Board level, prioritizing cybersecurity and PDPL compliance within the technological transformation strategy.	This focus area covers strengthening the Company's digital infrastructure, ensuring data security and PDPL compliance at the highest standards, and improving the digital customer experience.	To strengthen the Company's digital security, the information security management system will be improved, cybersecurity investments will be increased, employees will receive periodic PDPL and security awareness trainings, and crisis communication plans will be established.	Digitalization and cybersecurity investments, IT and cybersecurity budgets, external security services, and employee training resources.	Direct Operations Downstream Value Chain Upstream Value Chain	In the event of realization of this risk, large-scale compensation and penalty payments arising from data breaches may be incurred, which may lead to significant reputational damage for the Company. Customer loss may result in a decrease in revenues in the medium term.

Current Financial Impact*	Projected Financial Impact*

*It has not been calculated as it requires excessive effort and cost.

Business Continuity Risk Arising from Earthquakes and Large-Scale Disasters

Risk Definition	Location / Sector	Time Interval	Impact Level
Business Continuity Risk Arising from Earthquakes and Large-Scale Disasters	All Operations Across Türkiye	Short Term	High

Impacts on the Company's Strategy and Decision-Making Mechanism	Sustainability Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position of the Risk in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
The Board of Directors evaluates business continuity, alternative operational models, and crisis management scenarios and makes strategic decisions aimed at minimizing operational disruptions.	This focus area covers operational actions to be taken through the Company's disaster and emergency scenarios.	Strategic positioning and crisis management are activated. Business continuity and emergency plans are implemented and updated; and business processes are streamlined accordingly. Growth and investment decisions are reviewed.	Provision of human resources, financial resources, and backup system infrastructure within the crisis management framework.	Direct Operations	In the event that the risk materializes and business continuity cannot be ensured, premium production may be disrupted and operational activities may be interrupted; a slowdown in revenue and profitability may occur, a decrease in liquidity inflows may be experienced, and pressure may arise on profitability and capital.

Current Financial Impact*	Projected Financial Impact*

*It has not been calculated as it requires excessive effort and cost.

SUSTAINABILITY-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

Financial Risks Arising from Earthquakes

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2025	Time Interval	Impact Level
Financial Risks Arising from Earthquakes	All Operations Across Türkiye	Capital Adequacy Ratio (%)	215	Short Term	High
Impacts on the Company's Strategy and Decision-Making Mechanism	**Sustainability Risk Focus Areas**	**Actions to Be Taken Against the Risk**	**Resources Provided / To Be Provided for Actions**	**Position of the Risk in the Business Model and Value Chain**	**Expected Impacts on Financial Position, Performance and Cash Flows**
The Board of Directors and senior management evaluate capital planning, liquidity management, and the reinsurance strategy based on concrete stress event analyses.	This focus area covers financial actions to be taken through the Company's disaster and emergency scenarios.	Target solvency ratio (SCR) levels are redefined by considering the impact of earthquake-related loss shocks on capital adequacy. In major loss scenarios, liquidity buffers and emergency financing plans are established to ensure claims payment capacity.	Provision of additional capital and liquidity buffers as part of the earthquake stress testing process.	Direct Operations	In the event that the risk materializes, sudden and high claims payments may create pressure on liquidity; a decline in net profit due to pressure on profitability may create pressure on liquidity; a decline in net profit due to reduced profitability may lead to increased pressure on capital adequacy.
Current Financial Impact*	**Projected Financial Impact***				
TRY (3,157,843,762)	Optimistic Scenario: TRY (3,536,785,013)				
	Average Scenario: TRY (3,726,255,639)				
	Pessimistic Scenario: TRY (3,884,147,827)				
	Full Realization of the Risk: TRY (10,058,692,161,610)				

*Calculations have been made based on the following assumption: For claim payments, relative risk coefficients were determined for regions with high flood and storm risk by taking into account the regional distribution of agricultural premium production. The weighted risk coefficient calculated based on regional premium weights was found to be 17.5%, and based on this coefficient, optimistic, average, and pessimistic scenarios were established as 12%, 18%, and 23%, respectively.

Risks Arising from Global Reinsurance Capacity and Costs

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2025	Time Interval	Impact Level
Tightening of global reinsurance capacity and cost risk	All Operations Across Türkiye	Conservation Ratio (%)	50	Medium Term	High
		Reinsurance Network Expansion Capacity (%)	24		
Impacts on the Company's Strategy and Decision-Making Mechanism	**Sustainability Risk Focus Areas**	**Actions to Be Taken Against the Risk**	**Resources Provided / To Be Provided for Actions**	**Position of the Risk in the Business Model and Value Chain**	**Expected Impacts on Financial Position, Performance and Cash Flows**
The Board of Directors makes strategic choices regarding underwriting limits, capital allocation, and the use of alternative risk transfer instruments by taking into account developments in reinsurance markets, capacity, and costs.	This focus area covers the improvement of the Company's reinsurance capacity and cost efficiency.	Efforts to increase international and local reinsurance capacity and to create cost advantages will be implemented.	Establishment of sustainable partnerships with international and local reinsurers within the framework of the reinsurance program budget.	Upstream Value Chain	In the event that the risk materializes and global reinsurance capacity tightens, an increase in the conservation ratio may occur; due to events caused by earthquakes and etc. pressure on liquidity, profitability, and capital may arise. In the case of increased reinsurance costs, production costs may rise, and if costs are partially passed on, margin of contraction may put pressure on profitability.
Current Financial Impact*	**Projected Financial Impact***				

*It has not been calculated as it requires excessive effort and cost.

SUSTAINABILITY-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

OPPORTUNITIES

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value 2025	Time Interval	Impact Level
Increased Reinsurance Capacity and Capacity Utilization	All Operations Across Türkiye	Reinsurance Capacity Increase Rate (%)	24	Short Term	High
Impacts on the Company's Strategy and Decision-Making Mechanism	**Sustainability Opportunity Focus Areas**	**Actions to Leverage Opportunity**	**Resources Provided / To Be Provided for Actions**	**Position of the Risk in the Business Model and Value Chain**	**Expected Impacts on Financial Position, Performance and Cash Flows**
Risk appetite and capital planning are reviewed; the reinsurance program is restructured at senior management level.	The Company's strong and increasing reinsurance capacity creates a significant opportunity in terms of financial resilience.	Ensuring the continued increase in reinsurance capacity and making relationships with existing reinsurers long-term and robust.	Preserving the objective of strengthening existing expertise and deepening relationships in the Reinsurance and Financial Risks area, within annual targets.	Upstream Value Chain	Within the scope of the relevant opportunity, it is not expected that the activities to be carried out will have a negative impact on the Company's financial position, performance, and cash flows.
Current Financial Impact*	**Projected Financial Impact***				

*It has not been calculated as it requires excessive effort and cost.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

RISKS

Extreme Weather Events

Acute Physical Risks

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Climate change–driven extreme weather events such as severe storms, floods, droughts, or heatwaves may lead to loss of life and property.	Türkiye / Non-life insurance (residential, commercial and industrial insurance) agricultural insurance, infrastructure and public assets	Share of insured assets located in natural disaster risk regions within the total portfolio (%)	0.61	0.76	Medium Term	Medium
		Ratio of assets affected by risks such as floods and storms to the total insured amount (%)	0.58	0.72		

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Due to increasing claims of payments and technical provisions, strategic measures must be taken to ensure the sustainability of the financial structure. In addition, risk analysis processes and pricing policies should be reviewed to ensure long-term resilience.	Increase in claims payments, increase in technical provisions, decline in profitability, pressure on the Solvency Ratio (SCR), changes in investor and customer behavior	Revision of underwriting policies to reduce claim frequency and severity, diversification of the product portfolio, use of risk transfer mechanisms (such as reinsurance agreements), development of sustainable insurance products	Financial resources, reinsurance agreements, risk modeling tools, technology investments, climate change scenario analyses, employee trainings.	Downstream Value Chain	If the risk materializes, sudden and high claims payments may increase short-term cash outflows, create pressure on profitability, and consequently exert pressure on capital through reduced earnings.

Current Financial Impact*		Projected Financial Impact*				
2024	2025		2024	2025		
TRY (191,255,354)	TRY (411,532,160)	Optimistic Scenario	TRY (219,943,657)	TRY (460,916,019)		
		Average Scenario	TRY (248,631,960)	TRY (485,607,949)		
		Pessimistic Scenario	TRY (277,320,263)	TRY (506,184,557)		
		Full Materialization of the Risk	TRY (15,070,956,772,563)	TRY (19,143,910,464,365)		

*Calculations have been made based on the following assumption: For claim payments, relative risk coefficients were determined for regions with high flood and storm risk by taking into account the regional distribution of agricultural premium production. The weighted risk coefficient calculated based on regional premium weights was found to be 17.5%, and based on this coefficient, optimistic, average and pessimistic scenarios were established as 12%, 18%, and 23%, respectively.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

Water Stress

Acute Physical Risks

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Water stress increases pressure on the agricultural sector, water-intensive industries, and health insurance. Climate change and the depletion of water resources may reduce agricultural productivity, thereby increasing demand for agricultural insurance. Water-intensive industries may face higher risk premiums, while health insurance demand may increase due to water-related health risks. This situation requires insurance companies to diversify their risk management and develop new products addressing water-stress related risks.	Türkiye / Agricultural and livestock insurance, water-intensive industries, health insurance	Share of agricultural and livestock insurance policies within the total insurance portfolio (%)	19.84	22.62	Medium Term	Medium

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Pressure on the agricultural sector, water-intensive industries, and health insurance is increasing. Due to climate change, insurance demand is rising and operational sustainability risks are emerging. Insurance companies need to develop strategic plans to address this situation.	Share of assets exposed to water stress within the insurance portfolio, share of insurance demand in water-intensive industries, proportion of water-stress-related agricultural loss claims within total compensation payments	Development of new insurance products to mitigate water-stress related risks, establishment of integrated business models aligned with sustainable water management projects, and implementation of awareness-raising initiatives to enhance customer understanding	Financial analysis tools, water management strategies, sustainable insurance products, technology investments, risk assessment models	Direct Operations Downstream Value Chain	Increasing water stress raises insurance demand across agriculture, water-intensive industries, and health insurance; however, claim frequency, pricing pressure, and impacts on profitability may create structural risks in the medium and long term.

Current Financial Impact* 2024	Current Financial Impact* 2025	Projected Financial Impact*	Projected Financial Impact* 2024	Projected Financial Impact* 2025
TRY (1,164,025,302)	TRY (4,046,097,700)	Optimistic Scenario	TRY (1,338,629,097)	TRY (4,531,629,424)
		Average Scenario	TRY (1,513,232,893)	TRY (4,774,395,286)
		Pessimistic Scenario	TRY (1,687,836,688)	TRY (4,976,700,171)
		Full Materialization of the Risk	TRY (2,200,925,766,023)	TRY (1,163,062,052,836)

*Calculations have been made based on the following assumption: For claim payments, relative risk coefficients were determined for regions with high flood and storm risk by taking into account the regional distribution of agricultural premium production. The weighted risk coefficient calculated based on regional premium weights was found to be 17.5%, and based on this coefficient, optimistic, average, and pessimistic scenarios were established as 12%, 18%, and 23%, respectively.

Sea Level Rise and Drought

Chronic Physical Risks

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Increased sea levels and drought constitute chronic physical risks for the insurance sector and may lead to loss of life and property in the long term.	Türkiye (coastal regions) / agricultural and livestock insurance, residential and commercial insurance	Share of agricultural and livestock insurance policies in the total insurance portfolio (%)	19.84	22.62	Long Term	Medium
		Share of insurance claims arising from extreme rainfall within total compensation payments (%)	0.5	0.38		

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Increasing claim payments and provisions require the implementation of strategic measures to ensure sustainability. In addition, risk analysis processes and pricing policies must be reviewed to ensure long-term resilience.	Increase in claim payments, increase in provisions, decrease in profitability, pressure on CAR (Capital adequacy ratio), changes in investment and customer behavior	Revision of insurance policies to reduce claim frequency and severity, diversification of the product portfolio, use of risk transfer mechanisms (such as reinsurance agreements), development of sustainable insurance products	Financial resources, reinsurance agreements, risk modeling tools, technology investments, climate change scenario analyses, employee training	Downstream Value Chain	In the event that these risks materialize, the geographical and structural risk profile of insured assets increases, leading to loss of life and property. Claim payments, technical profitability, and capital adequacy may be negatively affected, creating pressure on the financial structure.

Current Financial Impact* 2024	Current Financial Impact* 2025	Projected Financial Impact*	Projected Financial Impact* 2024	Projected Financial Impact* 2025
TRY (19,953,845,089)	TRY (33,485,219,383)	Optimistic Scenario	TRY (36,023,494,647)	TRY (50,148,780,523)
		Average Scenario	TRY (29,963,559,476)	TRY (43,505,822,498)
		Pessimistic Scenario	TRY (23,903,624,304)	TRY (36,860,784,247)
		Full Materialization of the Risk	TRY (12,014,323,386,854)	TRY (16,619,271,547,022)

*Calculations were carried out based on two different assumptions:
1. For claim payments, relative risk coefficients were determined for regions with high flood and storm risk by taking into account the regional distribution of agricultural premium production. The weighted risk coefficient calculated based on regional premium weights was found to be 17.5%, and based on this coefficient, optimistic, average and pessimistic scenarios were established as 12%, 18%, and 23%, respectively.
2. TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

Legal Risk

Transition Risk

Risk Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Compliance with TSRS in Türkiye has become mandatory, introducing climate-related risks into financial reporting. In the future, the offering of certain insurance products in sectors with high climate risk may be restricted or prohibited. • Increase in Provisions: Higher provisions required to protect financial balance due to climate-related claims. • Decrease in Profitability: Pressure on profitability due to higher claim payments and provisions. • Pressure on CAR: Negative impact on statutory equity (CAR) as profitability declines.	Türkiye / carbon-intensive sectors (energy, industry, fossil fuel–related insurance lines)	Claims payments / premium ratio (%)	2.91	14.18	Long Term	Low
		Share of environmentally friendly policies (%)	-	0.92		
		Number of lawsuits (count)	0	0		
		Lawsuit loss ratio (%)	0	0		
		Share of sustainable investments in total investments (%)	1.7	1.7		

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Risk Focus Areas	Actions to Be Taken Against the Risk	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
In line with TSRS compliance requirements, financial reporting processes must be strengthened to include climate risks. In this context, insurance portfolios should be reviewed and risk assessment processes enhanced.	Share of carbon-intensive sectors in the insurance portfolio, share of sustainable investments in total portfolio, claim payments, compensation ratio, climate-related claim ratio, share of environmentally friendly policies, number of lawsuits, lawsuit loss ratio, claims cost ratio, increase in provisions ratio	Revision of business strategies in line with climate risks, development of environmentally friendly insurance products, enabling sustainable transformation of the existing portfolio, implementation of measures to enhance financial resilience	Financial planning tools, environmental risk modeling, Regulatory compliance consultancy, sustainability funds, employee awareness-raising training programs	Direct Operations Downstream Value Chain	Mandatory compliance with TSRS' and inclusion of climate risks in financial reporting may lead to restrictions or prohibitions on insurance products in high-risk sectors. This may affect premium production,portfolio composition, profitability, and capital adequacy, creating medium- and long-term impacts.

Current Financial Impact* 2024	Current Financial Impact* 2025	Projected Financial Impact*	2024	2025
TRY (4,253,245,916)	TRY (20,874,644,783)	Optimistic Scenario	TRY (3,444,790,726)	TRY (22,777,639,768)
		Average Scenario	TRY (5,084,160,590)	TRY (24,441,987,458)
		Pessimistic Scenario	TRY (6,723,530,454)	TRY (25,881,747,584)
		Full Materialization of the Risk	TRY (614,182,464,644)	TRY (619,255,290,210)

*Calculations were carried out based on two different assumptions:
1. For claim payments, relative risk coefficients were determined for regions with high flood and storm risk by taking into account the regional distribution of agricultural premium production. The weighted risk coefficient calculated based on regional premium weights was found to be 17.5%, and based on this coefficient, optimistic, average, and pessimistic scenarios were established as 12%, 18%, and 23%, respectively.
2. TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average, and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

OPPORTUNITIES

Expansion of Insurance Products

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
The use of insurance products by households, businesses, and other stakeholders within the scope of combating climate-related acute and chronic risks is expected to contribute to the widespread adoption of insurance products and the expansion of the Company's customer base.	Türkiye / Households, SMEs, agricultural insurance, and life and non-life insurance products	Sales ratio of insurance products addressing climate risks (%)	1.7	0.96	Long Term	Medium

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Opportunity Focus Areas	Actions to leverage Opportunity	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Due to the increase in climate-related acute and chronic risks, households, businesses, and other stakeholders are expected to show greater interest in insurance products, which will enable the expansion of the customer base. The Company will identify appropriate strategies and make decisions aimed at meeting demand.	Products and Services, Market, Resilience	Development of new insurance products, diversification of products for different sectors, creation of risk management awareness	Marketing budget, customer analytics, digital insurance platforms, training programs, financial resources, human resources, technology and R&D resources	Downstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact* 2024	Current Financial Impact* 2025	Projected Financial Impact*	2024	2025
TRY 1,391,127,501	TRY 1,411,728,011	Optimistic Scenario	TRY 2,504,029,502	TRY 2,117,592,017
		Average Scenario	TRY 2,086,691,252	TRY 1,835,246,414
		Pessimistic Scenario	TRY 1,669,353,001	TRY 1,552,900,812

*TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

OPPORTUNITIES

Incorporation of Climate Risk into Product Pricing

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Climate-related acute and chronic events pose a high risk of loss of life and property on a large scale. This situation will create opportunities for new products and pricing arising from climate risks.	Türkiye / Non-life insurance products (residential, motor, commercial, agricultural insurance)	Share of total premium income derived from climate risk-based products (%)	1.37	0.96	Long Term	High
		Number of climate risk-specific products	2 (Green Casco and Green T-Casco)	2 (Green Casco and Green T-Casco)		

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Opportunity Focus Areas	Actions to Leverage Opportunity	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Due to the increase in climate-related events, pricing policies need to be reviewed and accurate risk premiums determined.	Products and Services, Market, Resilience	Strengthening actuarial analyses, revising pricing strategies	Risk modeling software, data analytics teams, market research	Downstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact*		Projected Financial Impact*				
2024	2025		2024	2025		
TRY 1,391,127,501	TRY 1,411,728,011	Optimistic Scenario	TRY 2,504,029,502	TRY 2,117,592,017		
		Average Scenario	TRY 2,086,691,252	TRY 1,835,246,414		
		Pessimistic Scenario	TRY 1,669,353,001	TRY 1,552,900,812		

*Calculations have been made based on the following assumption: TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

OPPORTUNITIES

Resource Efficiency

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Increasing demand for energy-efficient and low-carbon products creates growth opportunities in insurance policy volumes.	Türkiye / Energy efficiency-focused products, non-life insurance lines	Increase in the number of policies provided for energy-efficient products (%)	1.61	-36.8	Long Term	High

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Opportunity Focus Areas	Actions to Leverage Opportunity	Resources Provided / To Be Provided for Actions	Position in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Along with increasing demand for products and services that ensure energy efficiency, necessary actions and initiatives will be undertaken in the insurance sector to capture opportunities.	Resource Efficiency, Energy Source, Products and Services	Development of insurance packages tailored to energy-efficient products	Sustainability experts, financing supports, regulatory compliance consultancy	Direct Operations / Downstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact*		Projected Financial Impact*				
2024	2025		2024	2025		
TRY 1,033,841,905	TRY 904,116,622	Optimistic Scenario	TRY 1,860,915,429	TRY 1,356,174,933		
		Average Scenario	TRY 1,550,762,858	TRY 1,175,351,609		
		Pessimistic Scenario	TRY 1,240,610,286	TRY 994,528,284		

*Calculations have been made based on the following assumption: TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average, and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average, and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

OPPORTUNITIES

Resilience/Market

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value		Time Interval	Impact Level
			2024	2025		
Inclusion in sustainability indices enhances reputation and brand perception among investors and stakeholders, increasing the Company's long-term value creation potential.	Türkiye / Insurance sector and capital markets	Increase in score obtained from sustainability indices (%)	28.2	12.9	Medium Term	Medium
Impacts on the Company's Strategy and Decision-Making Mechanisms	**Climate Opportunity Focus Areas**	**Actions to Leverage Opportunity**	**Resources Provided / To Be Provided for Actions**		**Position of the Opportunity in the Business Model and Value Chain**	**Expected Impacts on Financial Position, Performance and Cash Flows**
The Company will undertake initiatives to strengthen its reputation among investors and customers by improving sustainability-focused strategies.	Resilience, Market	Increasing sustainability performance, preparing ESG reports, and ensuring regular participation in index assessments	ESG advisory services, sustainability reporting tools, green funds, sector research		Downstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.
Current Financial Impact*	**Projected Financial Impact***					

*It has not been calculated as it requires excessive effort and cost.

OPPORTUNITIES

Resource Efficiency

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value		Time Interval	Impact Level
			2024	2025		
Investments in renewable energy and low-carbon technologies may contribute to the Company's sustainable growth by generating premium income through renewable energy insurance products aligned with annual renewable energy targets.	Türkiye / Insurance products for renewable energy and low-carbon investments	Share of renewable energy products in total sales (%)	1.02	0.61	Medium Term	Medium
Impacts on the Company's Strategy and Decision-Making Mechanisms	**Climate Opportunity Focus Areas**	**Actions to Leverage Opportunity**	**Resources Provided / To Be Provided for Actions**		**Position of the Opportunity in the Business Model and Value Chain**	**Expected Impacts on Financial Position, Performance and Cash Flows**
The Company aims to increase its market share and support sustainable growth by integrating renewable energy solutions into its insurance portfolio.	Resource Efficiency, Energy Sources, Market, Products and Services	Development of tailored insurance packages for renewable energy projects and increasing sector partnerships	Financial support, sustainability consultancy, R&D investments		Direct Operations / Downstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact*		Projected Financial Impact*				
2024	2025		2024	2025		
TRY 1,033,841,905	TRY 904,116,622	Optimistic Scenario	TRY 1,860,915,429	TRY 1,356,174,933		
		Average Scenario	TRY 1,550,762,858	TRY 1,175,351,609		
		Pessimistic Scenario	TRY 1,240,610,286	TRY 994,528,284		

*Calculations have been made based on the following assumption: TSB sector data were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT MATRIX

OPPORTUNITIES

Products and Services

Opportunity Definition	Location / Sector	Measurement Metric	Metric Value 2024	Metric Value 2025	Time Interval	Impact Level
Increasing demand by aligning product offerings with the Sustainable Development Goals (SDGs) to meet consumer preferences and achieve premium growth.	Türkiye / Sustainability and SDG-linked insurance products	Share of total revenue generated from SDG-linked products (%)	1.17	0.46	Medium Term	Medium

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Opportunity Focus Areas	Actions to Leverage Opportunity	Resources Provided / To Be Provided for Actions	Position of the Opportunity in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Taking actions aimed at increasing customer awareness through sustainable products and enhancing brand value by offering SDG-aligned products to the market.	Products and Services, Market, Resilience	Promotion of SDG-focused insurance products and customer awareness campaigns	Marketing budget, corporate social responsibility projects, partnerships, incentives	Direct Operations / Downstream Value Chain / Upstream Value Chain	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact* 2024	Current Financial Impact* 2025	Projected Financial Impact*	Projected Financial Impact* 2024	Projected Financial Impact* 2025
TRY 1,191,453,598	TRY 679,994,926	Optimistic Scenario	TRY 2,144,616,476	TRY 1,019,992,389
		Average Scenario	TRY 1,787,180,397	TRY 883,993,404
		Pessimistic Scenario	TRY 1,429,744,318	TRY 747,994,419

*Calculations have been made based on the following assumption: update were used for premium production. Based on the latest publicly available data, total sector production for November 2025, and a trend analysis conducted for the years 2024, 2023, and 2022, coefficients were determined for optimistic, average, and pessimistic scenarios. Last year, rates of 80%, 50%, and 20% were used for the optimistic, average, and pessimistic scenarios, respectively; this year, based on the trend analysis, values of 50%, 30%, and 10% were used, respectively.

OPPORTUNITIES

Products and Services, Market, Resilience

Opportunity Definition	Location / Sector	Time Interval	Impact Level
Strenghtening the sustainable product portfolio through data-driven pricing algorithms that take climate risks, energy efficiency, and customer behavior into account.	Türkiye / Non-life insurance products, business lines where data and analytics-based pricing is applied	Medium Term	Medium

Impacts on the Company's Strategy and Decision-Making Mechanisms	Climate Opportunity Focus Areas	Actions to Leverage Opportunity	Resources Provided / To Be Provided for Actions	Position of the Opportunity in the Business Model and Value Chain	Expected Impacts on Financial Position, Performance and Cash Flows
Pricing processes are digitalized and risk selection criteria are updated; strategic investments support product mix decisions.	Actuarial modeling and risk pricing transformation; improving pricing accuracy through climate data and behavioral insights, enhancing the risk-return balance and increasing the competitiveness of the sustainable product portfolio.	Climate/ESG-sensitive pricing models will be developed, and pilot applications will be implemented at the product level.	Implementation of data-driven actions through data analytics teams, risk modeling software, climate data sets, technology investments, and training programs.	Direct Operations	It is not expected that activities carried out within the scope of this opportunity will have a negative impact on the Company's financial position, performance, or cash flows.

Current Financial Impact*	Projected Financial Impact*

*It has not been calculated as it requires excessive effort and cost.

CLIMATE SCENARIO ANALYSIS

In order to assess Türkiye Sigorta's strategic resilience to climate-related risks and to analyze potential impacts on its operations and customer portfolio through a holistic approach, the scenario set has been determined by taking into account the geographical areas in which the Company operates, its product/coverage structure, the physical risk profile to which it is exposed, and the requirements for adaptation to a low-carbon economy. In this context, NGFS scenarios have been used for the assessment of transition risks, while RCP 4.5 and RCP 6.0 scenarios have been used together for the analysis of physical risk projections. Accordingly, an analysis framework covering both transition and physical risk components and aligned with Türkiye Sigorta's long-term climate strategies has been established.

In the selection of scenarios, priority has been given to climate vulnerabilities and the types of risks faced in the regions where Türkiye Sigorta operates most intensively. Türkiye's variable precipitation regime and its sensitivity to flood risk, as well as the potential impacts of acute physical risks such as floods, flash floods, and extreme rainfall on policy coverage and claims occurrence probabilities, necessitate a robust design of the physical risk component of the scenario set. Therefore, indicators such as temperature increase, frequency of extreme precipitation, and flood risk have been incorporated into the assessment through RCP scenarios, enabling the sensitivities of the portfolio under different climate pathways to be compared.

On the transition risk side, scenarios developed by the NGFS (Network for Greening the Financial System) that model the pace of transition to a low-carbon economy and policy/technology transformation are taken as the basis. With the expansion of scope carried out in 2025, the analyses have been extended to a broader framework, and all of NGFS's "Orderly," "Disorderly," "Hot House World," and "Too Little, Too Late" approaches have been incorporated into the modeling process.

This scenario set includes critical variables such as carbon pricing, regulatory tightening, energy transition, and sectoral carbon intensity. In this way, both the financial impacts of "orderly" and "disorderly" transition pathways and the outcomes of high physical-risk "hot house world" pathways supported by RCP scenarios, as well as delayed intervention scenarios, can be monitored. This balanced and expanded structure enables a multidimensional analysis of potential impacts on customers' sectoral transition risks and underwriting decisions.

Findings obtained from the scenario analyses are integrated into Türkiye Sigorta's strategies for transitioning to a low-carbon economy, sustainable product development approaches, and operational risk resilience objectives. These analyses provide a critical roadmap for optimizing underwriting conditions, planning risk mitigation measures for high-risk regions, aligning coverage structures with climate impacts, and managing potential losses through short-, medium-, and long-term projections. Within this framework, climate-related scenario analyses are updated at regular intervals in parallel with the strategic planning cycle, and Türkiye Sigorta's climate resilience is reassessed and reported in each reporting period in terms of the impacts of climate uncertainty on the business model and strategy. In this way, Türkiye Sigorta is able to strategically manage uncertainties arising from climate change and strengthen its climate-aligned insurance operating model.

RCP Scenarios

Scenarios	RCP Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
RCP 4.5	RCP (Representative Concentration Pathway) 4.5 is a medium-level greenhouse gas emission scenario defined by the IPCC. It assumes that, although climate policies are implemented globally in a limited manner, global temperature increase is kept approximately within the range of 2–2.4°C by 2100. It represents a scenario in which emission growth slows down and climate change is partially brought under control.	This scenario assumes that climate policies are implemented at a certain level globally, offering a more stable outlook. Since temperature increases remain relatively limited, the frequency and severity of extreme weather events may increase but remain manageable. In the geographies where Türkiye Sigorta operates, climate-related risks increase; however, they occur at relatively lower severity and frequency, keeping the impact on the insurance portfolio partially limited.	In a medium-emission scenario, the increase in physical risks is gradual, and damage events such as floods and similar events occur less frequently. The risk of Large-scale loss events in insured assets may decrease. This supports keeping expected claims at lower levels and provides the Company with advantages in operational planning. Nevertheless, changes in precipitation patterns and localized flood risks may slightly increase the claims frequency in Türkiye Sigorta's relevant lines of business; however, the company is in a position to absorb this increase through its existing reinsurance protections and technical reserves. Financially, under the RCP 4.5 scenario, climate-related losses are expected to have lower volatility, and Türkiye Sigorta's profitability and capital adequacy are expected to be affected less negatively compared to high-risk scenarios.
Impacts on Strategy and Business Model			
Under this scenario, the Company has the opportunity to implement its sustainability-focused strategies in a planned manner. In an RCP 4.5 world, where the transition to a low-carbon economy occurs gradually, Türkiye Sigorta continues to diversify its product portfolio by expanding renewable energy investments and climate-friendly insurance products. For example, insurance products that provide coverage for renewable energy investments and climate-friendly policies (Green Casco, etc.) are expanded and integrated into the Company's long-term growth strategy. Climate risks continue to be proactively integrated into corporate risk management processes; however, in an environment of limited physical damage, climate stress tests and scenario analyses are weighted less heavily, allowing long-term planning to be carried out under relatively stable assumptions. In this way, the Company focuses on achieving its sustainability targets (e.g., carbon net-zero commitments) through operational efficiency and product innovation. Under this scenario, Türkiye Sigorta's value chain impacts are shaped in a relatively stable manner across the upstream value chain, direct operations, and downstream value chain under climate assumptions. In the upstream value chain, continuity is maintained in collaborations with technology, digital infrastructure, reinsurance, and service providers, with priority given to strengthening data-driven decision-support systems and reinsurance structures that take climate risks into account. In direct operations, claims management, pricing, product development, and risk assessment processes are integrated with climate scenarios to support operational efficiency and technical profitability. In the downstream value chain, through agent networks, bancassurance, and digital channels, climate-friendly products and services are expanded, enhancing customer awareness of climate risks and sustaining value creation through inclusive insurance solutions. Within this framework, the RCP 4.5 scenario enables sustainable growth across the value chain to be supported in a gradual and controlled manner.			

CLIMATE SCENARIO ANALYSIS

Scenarios	RCP Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
RCP 6.0	RCP 6.0 assumes limited policy intervention in greenhouse gas emissions and projects that global temperature increase will reach 3–4°C by 2100. Compared to the high-emission "business as usual" scenario, RCP 6.0 is relatively more optimistic; however, it represents a future in which climate action is delayed and existing policies remain insufficient. Therefore, RCP 6.0 reflects a climate future with higher physical risks.	In this scenario, where climate policies remain relatively limited, global greenhouse gas accumulation continues to increase, creating a risky climate outlook that can be described as a "Hot House"-like scenario. In the geographies where Türkiye Sigorta operates, extreme weather events are expected to become more frequent and severe. Especially physical risks such as floods, inundations, storms are likely to materialize with greater probability and severity under RCP 6.0. For assets covered by the Company's insurance portfolio, projections indicate that climate-related damage risks will increase significantly. In parallel with rising temperatures, the frequency of extreme precipitation and sudden flood events is expected to rise markedly under this scenario.	Under RCP 6.0, physical climate risks increase significantly, creating substantial operational and financial impacts for Türkiye Sigorta. Rising claims notifications and compensation payments lead to serious increases in the Company's technical provisions and reserves. This increases operating expenses and reinsurance costs, putting downward pressure on profitability and capital adequacy ratios. Moreover, the intensification of chronic physical risks (e.g. sea level rise and prolonged drought) is expected to increase claims payments, and provisions, and reduce profitability. Additionally, frequent and severe natural disasters may reduce asset values and make insurability more challenging, leading to changes in investor and customer behavior and increasing risk aversion toward the Company. To meet its financial obligations in a high-risk environment, Türkiye Sigorta may need to expand its reinsurance programs and strengthen capital adequacy.
Impacts on Strategy and Business Model			
Under this scenario, the Company's strategy and business model undergo a comprehensive transformation to address climate risks. Türkiye Sigorta integrates climate scenario analyses into strategic planning to adapt to the changing risk environment. In particular, in response to the high physical risks projected under RCP 6.0, the Company reviews product policies and coverage structures, plans risk-mitigation measures for risky regions and increases claims tolerance while restructuring portfolio composition. For example, in flood- and water-stress-prone regions, policy terms and pricing models are updated in line with climate trends, and investments are made in rapid disaster response and claims management capacities to minimize customer losses. In addition, reinsurance agreements and financial buffers are reviewed to strengthen risk-bearing capacity. From a long-term strategic perspective, under RCP 6.0 Türkiye Sigorta adopts more aggressive actions to make its business model resilient to climate change, such as reducing exposure to high-carbon sectors, prioritizing climate-friendly investments and insurance products, and expanding stress testing to include worst-case scenarios. Within this scope, sustainability and risk management governance is elevated to top management priority, making the management of climate risks across the entire value chain a strategic focus. Under the RCP 6.0 scenario, the impacts on Türkiye Sigorta's value chain become more significant and transformative due to rising physical climate risks. In the upstream value chain, strengthening reinsurance capacity, technical service providers, and risk-modelling infrastructure becomes critical, and the need for climate-sensitive reinsurance structures and advanced analytics increases. In direct operations, higher claims frequency and severity require the redesign of product structures, coverage terms, pricing models, and claims management processes, while operational resilience is enhanced through risk-based portfolio management. In the downstream value chain, distribution channels and customer ecosystems must be restructured to maintain insurability, accessibility, and pricing balance in high-risk regions; digitalization and risk-mitigation services gain importance to adapt to changing customer behavior. Overall, this scenario necessitates a risk-focused and adaptive business model transformation across all stages of Türkiye Sigorta's value chain to strengthen climate resilience.		

NGFS Scenarios

Scenario	NGFS Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
Orderly (Orderly Transition Scenario)	A scenario in which climate policies are implemented early and in a planned manner, the transition to a low-carbon economy occurs on time, and transition risks are managed at low cost.	In the orderly scenario, global climate policies progress consistently; therefore, Türkiye Sigorta's operations are not exposed to major volatility. As the low-carbon transition takes place gradually, the Company's activities and portfolio risks can be managed in a predictable manner; neither physical nor financial shocks are expected.	Thanks to early measures and a planned transition, climate risks decrease gradually, and increases in claim frequency and costs remain limited. Türkiye Sigorta's risk profile is updated regularly, and capital and reinsurance planning is carried out in line with this scenario in a controlled manner. While the financial structure remains stable, opportunities arising from low-carbon opportunities can be utilized in a balanced way.
Impacts on Strategy and Business Model			
Under this scenario, Türkiye Sigorta proactively develops climate-friendly business models. For example, it adds low-carbon "Green Insurance" products to its portfolio and supports an orderly transition by allocating capital to sustainable investment instruments. At the same time, it increases operational efficiency and responds to changing customer expectations by investing in digitalization and innovative solutions; thus, it gains a competitive advantage by addressing the long-term impacts of climate change. In this scenario, within the upstream value chain, collaborations with technology and service providers and reinsurance partners are prioritized based on climate-compliance criteria; digital infrastructure and data analytics strengthen low-carbon operations. In direct operations, product development, pricing, claims management, and risk assessment processes are gradually transformed to systematically integrate climate risks; operational efficiency increases while claims volatility is kept under control. In the downstream value chain, products and services offered through agents, bancassurance, and digital channels are diversified to encourage low-carbon activities and climate-aligned behaviors; stability and sustainable growth in customer portfolio are achieved.		

Scenario	NGFS Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
Disorderly (Disorderly Transition Scenario)	A scenario in which climate policies are implemented late or abruptly, and transition costs are high and unpredictable.	In the disorderly scenario, carbon reduction policies are implemented late or suddenly. Türkiye Sigorta's customer portfolio may be exposed to sudden and unpredictable changes. In particular, corporate clients in carbon-intensive sectors face unexpected regulations and technological transitions, which may create operational risks; this may lead to volatility in insurance demand and claim occurrences. The Company closely monitors these uncertainties through multidimensional scenario analyses.	The unpredictability of policy and market conditions creates uncertainty in the Company's financial planning. Regulatory changes and technological shocks in the transition period may increase claim frequency and compensation amounts in certain sectors, thereby raising Türkiye Sigorta's reserve requirements. In this scenario, the Company may need to reassess its risk appetite, reduce exposure in high-risk segments if necessary, and tighten capital and risk management measures. In the short term, pressure on profit margins may arise, while adaptation steps are required to rebalance the structure in the long term.
Impacts on Strategy and Business Model			
In this scenario, Türkiye Sigorta adopts a flexible and agile strategy. To adapt to sudden policy changes, it rapidly reviews insurance terms and pricing for high-carbon sectors and updates product policies in risky areas. In addition, it strengthens its rapid response capacity against unexpected risk increases by focusing on digital transformation and innovative solutions. Türkiye Sigorta aims to turn emerging opportunity areas (e.g., clean technology insurance) into an advantage in line with its sustainability strategy by prioritizing them. Under this scenario, in the upstream value chain, differences in suppliers' and partners' alignment with climate policies become more pronounced; reinsurance costs and technical capacity conditions become more volatile, and partnership structures are reviewed more frequently. In direct operations, sudden regulatory changes and market uncertainties create pressure on product pricing, claim frequency, and reserve management; risk assessment models need to be updated more frequently, and operational flexibility must be increased. In the downstream value chain, while fluctuations occur in insurance demand for high-carbon sectors, product portfolios and distribution strategies are rapidly revised; digital channels and flexible product structures play a critical role in adapting to sudden changes in customer demand.			

Scenario	NGFS Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
Hot House World (No-Action Scenario)	A scenario in which climate policies remain insufficient, global warming accelerates, and physical risks reach their highest level.	In the "Hot House World" scenario, global climate actions remain weak; therefore, Türkiye Sigorta faces very frequent and severe natural disasters. The frequency and severity of extreme weather events such as floods, inundations, storms and droughts increase, causing significant damage to insured assets. Deterioration in the physical risk profile raises both the probability and magnitude of claims; consequently, the Company's compensation burden and demand for reinsurance increase substantially.	In this scenario, Türkiye Sigorta's operations are exposed to intense physical risk pressure. Increasing claim frequency and amounts lead to a significant rise in compensation payments, creating adverse financial impacts. Türkiye Sigorta may need to reduce risk tolerance, limit new policy issuance in high-risk regions, and increase reinsurance protection. Capital planning must be restructured to cover rising climate-related losses. If these measures are not taken, excessive claim burdens may strain the Company's profitability and capital adequacy.
Impacts on Strategy and Business Model			
Under "Hot House" conditions, Türkiye Sigorta's strategy is reshaped around resilience and damage mitigation. Risk-management-focused actions are prioritized: insurance terms and premiums are optimized to absorb rising claims, and risk-mitigation measures (such as stronger loss-prevention controls and customer awareness programs) are implemented in high-risk regions. Policy structures are redesigned to be more aligned with climate risks, and the business model evolves to facilitate risk sharing in catastrophic losses through increased reinsurance and alternative risk transfer mechanisms. In this scenario, access to reinsurance capacity in the upstream value chain becomes more difficult and costly; operational burdens increase through claims management, loss assessment, and technical service providers, and supply continuity may come under risk. In direct operations, rising physical climate risks significantly intensify claim assessment and compensation processes, while increasing operational resource utilization and putting serious pressure on profitability and capital adequacy. In the downstream value chain, insurability declines in high-risk regions; underwriting conditions tighten, premium structures are reshaped, and customer access becomes more selective. This may ultimately lead to contraction on the customer side of the value chain.			

Scenario	NGFS Description	Scenario Definition	Impact on the Company (Operations / Financial Structure)
Too Little, Too Late	A scenario in which climate policies remain insufficient for a long period, followed by delayed but sudden and stringent interventions; as a result, both physical risks and transition risks materialize at very high levels.	In this scenario, Türkiye Sigorta initially faces high physical risks similar to the "Hot House" scenario due to limited actions. As a result of insufficient actions, extreme weather events intensify and cause severe losses. In the subsequent period, delayed but radical policy measures are implemented abruptly, triggering a rapid and forced economic transition. In this dual shock environment, the Company must both manage increasing disaster-related losses and adapt to sudden regulatory and technological changes affecting carbon-intensive sectors. Consequently, both claim costs and transition-related adaptation costs are incurred at high levels.	"Too Little, Too Late" represents a highly challenging scenario for Türkiye Sigorta. While physical loss exposure reaches maximum levels, abrupt transition measures may lead to asset impairments and policy portfolio losses. To maintain financial stability, Türkiye Sigorta may need to take extraordinary actions: strengthening capital buffers, increasing reinsurance protection to upper limits, reducing exposure in high-risk lines if necessary, and implementing cost-saving measures. In this scenario, intense pressure is exerted on profitability and capital adequacy; therefore, the risk outlook is continuously reassessed through stress testing and close monitoring.
Impacts on Strategy and Business Model			
In this scenario, Türkiye Sigorta undertakes significant strategic changes. To adapt to a low-carbon economy, the Company rapidly transforms its product portfolio, reduces fossil-fuel-intensive coverages, and prioritizes insurance products related to renewable energy and energy efficiency while strengthening sustainable investment strategies. At the same time, emergency response and claims management capacities are enhanced to ensure business continuity amid frequent disasters. The business model is reshaped around flexibility and diversification to manage both transition and physical risks simultaneously. In the upstream value chain, suppliers, technology providers, and reinsurance relationships are managed under heightened uncertainty, with costs and contractual terms changing rapidly. In operations, rising claim volumes and adaptation costs increase pressure on product development, pricing, and risk management processes; operational resilience and continuity measures become top priorities. In the downstream value chain, the need to rapidly rebalance the customer portfolio emerges; exit from high-risk segments and a shift toward sustainable products are carried out in parallel. Distribution channels and customer relationships are redesigned to preserve value-chain continuity under growing uncertainty.			

RISK MANAGEMENT

Türkiye Sigorta identifies, analyzes, and monitors sustainability-focused risks and opportunities within the framework of a fully integrated methodology that combines corporate risk management, strategic planning, and sustainability governance. In line with our Integrated Annual Reporting and "integrated thinking" model, this process is based on making ESG criteria an integral part of the business model. This approach, which strengthens the Company's operational resilience, aims to proactively manage the impacts of non-financial risks on financial performance.

Within the governance structure, the Corporate Governance and Sustainability Committee and the Risk Management unit operate with a high level of coordination under the strategic oversight of the Board of Directors. This collaboration is supported by regulatory policies such as the Sustainability Policy, Environmental and Climate Change Policy, Human Rights and Employee Rights Policy, Environmental, Occupational Health and Safety Policy, and Responsible Procurement Policy. These policies and procedures aim to systematically keep climate-related and social risks under control not only within the Company's internal operations but throughout the entire value chain.

In line with the principles of transparency and accountability, the Company commits to providing stakeholders with comparable and verifiable data by aligning sustainability performance indicators with financial reporting standards. This structured management model not only enables the early identification of risks but also lays the groundwork for capturing strategic opportunities in the transition to a low-carbon economy.

STRATEGIC RISK AND OPPORTUNITY IDENTIFICATION METHODOLOGY

Türkiye Sigorta uses a multidimensional data matrix to identify sustainability-focused risks and opportunities. In this process, internal data sources are analyzed to cover operational performance indicators, energy–water–waste management, emission volumes, and human resources and OHS data. In addition, customer experience and complaint dynamics, information security and business continuity records, investment portfolio data, and supplier performance scores form the basis for determining the Company's internal risk profile. These data enable the digitalization of corporate memory and operational efficiency along the sustainability axis.

Data obtained from internal sources are enriched through cross-checking with macro-level external data sources. In this context, in addition to legislative changes, regulatory authority expectations, and sectoral comparative (peer) analyses, feedback received from ESG rating agencies is considered strategic input. In forecasting climate crisis–related physical and transition risks, scientific datasets such as climate scenarios published by global authorities including the IPCC and NGFS, disaster risk maps, and water stress indicators are utilized.

All identified risks and opportunities are rated across specific time horizons in full alignment with the Company's budget discipline and strategic planning cycles. Assessments are conducted from short-term (0–3 years) perspectives where operational impacts are monitored, medium-term (4–7 years) perspectives where strategic direction is determined, and long-term (8+ years) perspectives where climate projections and structural transformations are analyzed. This temporal classification safeguards the Company's financial resilience while also ensuring its long-term value creation capacity.

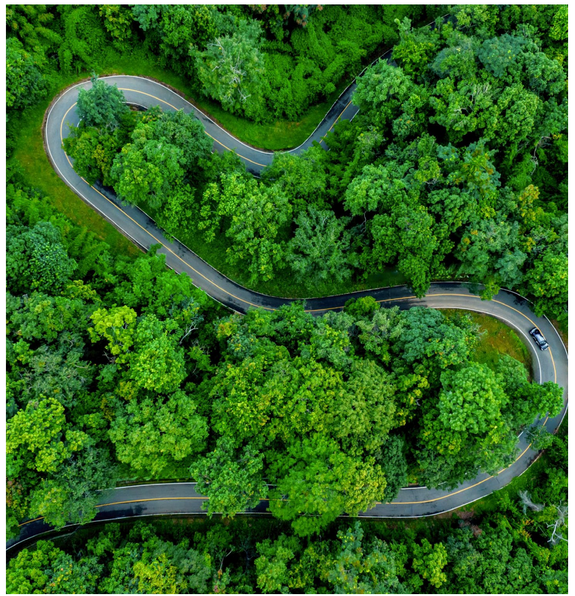
Identified climate-related risks and opportunities are scored on a scale of 1–5 based on the criteria of likelihood of occurrence and magnitude of financial/operational impact, and a total impact score is calculated by multiplying likelihood by impact. In addition, financial materiality is classified based on impact on revenue as 0–1% "low," 1–5% "medium," and 5% and above "high," with impacts exceeding the 5% threshold considered financially material. Detailed information regarding the threshold value is provided on pages 22–23.

CLIMATE SCENARIOS AND STRATEGIC RESILIENCE ANALYSIS

Our Company utilizes advanced scenario analyses in the processes of identifying climate-related risks and assessing the potential opportunities arising from these risks. These analyses transform the uncertain nature of the climate crisis into models based on quantitative and qualitative data, enabling the testing of the Company's financial and operational resilience. Within the scope of the analysis, the scenario sets developed by the NGFS (Network for Greening the Financial System) and RCP (Representative Concentration Pathway), established by the global financial system to manage climate risks, are used as key reference points.

As of the 2025 reporting period, the scope of analysis has been expanded to include scenarios in which transition risks are managed early and at low cost–"Orderly" (Orderly/Net Zero 2050); scenarios in which policy changes are delayed or occur abruptly–"Disorderly" (Disorderly/Delayed Transition); and scenarios in which climate policies remain insufficient and physical risks are maximized (Hot House World). This expanded set of scenarios provides a holistic projection of regulatory and technological risks arising from the transition to a low-carbon economy, as well as the physical impacts of extreme weather events on the portfolio.

These scenario analyses not only support the minimization of risks but also enable the strategic prioritization of opportunity areas aligned with our sustainability strategy. Accordingly, the development of low carbon–footprint "Green Insurance" products, capital allocation to sustainable investment instruments, digitalization initiatives that enhance operational efficiency, and innovative solutions addressing changing customer expectations are integrated into our business model in line with the analysis outcomes. In this way, the long-term impacts of climate change are managed as strategic levers through which Türkiye Sigorta can create competitive advantage.



RISK ASSESSMENT METHODOLOGY AND MATERIALITY ANALYSIS

Identified sustainability-focused risks and opportunities are subject to a comprehensive assessment across four fundamental dimensions that affect the Company's value creation capacity. The financial dimension analyzes direct impacts on premium production, claims costs, investment portfolio valuation, and operational expenses, while the operational dimension addresses risks related to business continuity, service quality, and supply chain security. These analyses are conducted through a holistic perspective that also considers reputation, stakeholder management, and reflections on the Company's overall ESG performance.

The assessment process is based on a hybrid scoring model in which likelihood and magnitude of impact are scored using both qualitative and quantitative indicators. In qualitative assessments, expert opinions, stakeholder feedback, and global trend analyses are taken as references, while in quantitative assessments, concrete metrics such as key risk indicator (KRI) and key performance indicator (KPI) thresholds, cost and claims projections, and emission intensity are utilized.

The resulting scores are visualized on a Risk Heat Map and a Prioritization Matrix, thereby clarifying the strategic hierarchy of risks.

This methodology enables the efficient allocation of resources to areas with the highest risk/opportunity potential and establishes a proactive management discipline within the Company's risk appetite framework.

Sustainability-focused risks are subjected to a comparative analysis using the same methodological framework as the strategic, financial, and operational risk categories included in the Corporate Risk Inventory. This approach ensures that sustainability-related risks are managed not as standalone elements but as an integral part of the Company's overall risk profile. In the prioritization process, the Company's risk appetite, equity resilience, potential volatility in reinsurance capacity, level of regulatory compliance, and the expectations of key stakeholders are considered as fundamental decision criteria. In this way, climate- and ESG-focused risks are fully integrated into corporate decision-making mechanisms and capital allocation processes, thereby completing the risk management cycle.

Risks and opportunities exceeding the threshold values determined through the scoring process are classified as "significant," submitted for approval to the Board of Directors, and integrated into strategic decision-making mechanisms.

MONITORING, REPORTING, AND STRATEGIC INTEGRATION

Priority sustainability risks and opportunities are systematically monitored through defined key risk indicators (KRIs), key performance indicators (KPIs), strategic targets, and dynamic action plans. This periodic monitoring process enables the assessment not only of the current status of risks but also of their alignment with defined targets and the effectiveness of implemented actions.

The results obtained from monitoring are comprehensively evaluated on the agendas of the relevant Executive Committees, the Corporate Governance and Sustainability Committee, and the Risk Committee, and are regularly reported to the Board of Directors. Through Türkiye Sigorta's integrated reporting approach, sustainability-focused risk and opportunity outputs are monitored within a holistic structure together with financial and non-financial performance indicators. This cycle ensures that strategic and operational decisions are made on a rational and resilient basis in light of up-to-date ESG data.

While sustainability risk and opportunity analyses under TSRS 1 had not yet been structured within a formal framework during the 2024 reporting period, as of 2025 these processes have undergone a comprehensive transformation based on TSRS 2 standards. Accordingly, existing climate-focused analyses have been expanded to systematically integrate not only critical physical risks such as earthquakes and water scarcity but also sustainability factors related to social and governance dimensions into the risk management cycle.

While the Company's core risk management methodology has been preserved, scenario sets and data granularity have been enhanced to establish a more detailed, measurable, and traceable structure. This enhancement has strengthened the alignment of ESG risks with corporate strategy.

Strategic and operational risk assessments are regularly updated and reintroduced into the monitoring cycle, thereby enabling the tracking of evolving materiality levels of the risk and opportunity set over time.

ENTERPRISE RISK MANAGEMENT (ERM) INTEGRATION AND STRATEGIC DECISION-MAKING

At Türkiye Sigorta, the management of sustainability-focused risks and opportunities is carried out in a fully integrated manner within the Company's Enterprise Risk Management (ERM) structure. Inventory studies conducted under the coordination of the Risk Management Directorate encompass environmental dimensions such as climate change, water scarcity, resource efficiency, waste management, and biodiversity; social dimensions such as workforce dynamics, human rights, and customer experience; and governance dimensions such as ethical principles, compliance, data security, and supplier management. In water and biodiversity disclosures, the applicability of the CDSB Framework Application Guidance was assessed; however, due to the limited impacts arising from the nature of our operations, these topics were not further elaborated. Within this framework, the set of climate risks and opportunities identified by our Company under TSRS 1–2 has been structured in alignment with commonly used disclosure categories in the insurance sector. Greenhouse gas emissions and financed emissions are addressed under the heading "Greenhouse Gas Emissions," while the impacts of extreme weather events, disasters, and climate-related physical risks on claims frequency, operational continuity, and reinsurance costs are evaluated under "Physical Impacts of Climate Change." In addition, the integration of climate risks into corporate governance, risk management, data governance, reinsurance strategy, and capital and portfolio decisions is managed through a "Systemic Risk Management" approach; environmental impacts and sustainability sensitivities are considered within the framework of "Ecological Impacts," while customer trust, product transparency, and communication standards are addressed under "Sales Practices and Product Labeling," and the development of climate-aligned products and sustainable insurance solutions is evaluated as an opportunity area under the focus of "Product Design and Life Cycle Management." These multidimensional analyses are informed by operational data from business units, stakeholder feedback, and global trend analyses, and are prioritized through a likelihood-impact matrix and defined threshold values.

In addition to the global NGFS scenarios used in modeling climate risks, as of 2025, physical risks specific to Türkiye's geological and climatological structure—such as earthquakes and water scarcity—have also been incorporated into the scenario sets. This localized modeling approach aims to more accurately project the financial implications that risk impacts may generate across different time horizons (short, medium, and long term).

The outputs of these assessments constitute strategic inputs that directly inform the Company's key decision-making mechanisms, including risk appetite, strategic planning, budgeting, product development, reinsurance strategies, and investment portfolio management. In this way, sustainability elements are managed not merely as an independent area of work, but in an integrated manner linked to all risk categories and strategic objectives. The entire process is regularly monitored and reported under the strategic oversight of the Board of Directors through the **Corporate Governance and Sustainability Committee and Early Risk Detection Committee.**

OPERATIONAL RESILIENCE AND INTEGRATED MANAGEMENT SYSTEMS

Türkiye Sigorta implements a structured Integrated Management System aligned with international management systems to ensure high standards of quality, customer satisfaction, business continuity, information security, and customer relationship management across all its operations. The Company holds certifications for the ISO 9001 Quality Management System, ISO 10002 Customer Satisfaction Management System, ISO 18295 Customer Relationship Management System, ISO/IEC 22301 Business Continuity Management System, ISO/IEC 27001 Information Security Management System, and ISO/IEC 42001 Artificial Intelligence Management System. These certifications confirm Türkiye Sigorta's commitment to conducting its processes in accordance with international norms and to continuously improving service quality.

Within the scope of the Integrated Management System, processes related to quality management are strengthened, and regular improvement activities are carried out in line with ISO 10002 and ISO 18295 standards to ensure the effective handling of customer feedback.

In ensuring information security, the requirements of ISO/IEC 27001 and ISO/IEC 22301 standards are taken as a basis, and processes for the protection of financial and sensitive customer information are verified through independent audits.

The Company's business continuity practices have been developed based on the international ISO/IEC 22301 Business Continuity Management System Standard. In this context, processes aimed at preparedness against business interruptions, rapid recovery, and minimizing operational risks have been established, and the certification process was successfully completed in 2024. In order to monitor the environmental impacts arising from Türkiye Sigorta's operations, the measurement, reporting, and monitoring of energy and water consumption data are carried out by the Environmental Management Team. Data Owners enter monthly consumption data into the system to enable the monitoring of periodic variations and acquire the necessary technical competencies in the field of sustainability through carbon emission and TS EN ISO 14064-1 reporting trainings.

METRICS AND TARGETS

As Türkiye Sigorta, we use the cross-sector metrics defined under the TSRS 2 standard to measure our performance and exposure related to climate-related risks and opportunities. These metrics support the monitoring of progress toward our climate-related strategic targets while contributing to the provision of transparent and comparable information to our stakeholders. In addition, the metrics included under the TSRS 2 Sector-Specific Implementation Guidance – Volume 17: Insurance are explained in the Appendices section.

Assessments regarding the amount and percentage of assets sensitive to climate-related transition and physical risks have not been conducted, as they rely on multiple assumptions and long-term projections. In addition, the Company does not have an internal carbon pricing mechanism.

GREENHOUSE GAS EMISSIONS

Our energy and emissions management vision is built on minimizing the environmental footprint of our operational processes, optimizing energy intensity, and assuming a leading role in the transition to a low-carbon economy. Within this scope, we monitor our energy consumption data in real time, subject our emission sources to detailed analyses across Scopes 1, 2, and 3, and manage technical improvement processes through efficiency-focused projects. The Environmental Management Team established within our Company in 2023 manages the processes of identifying greenhouse gas sources, measuring consumption levels, and calculating emission values. The team tracks consumption and emission values arising from both internal and external activities, analyzes changes over the years, and continues energy efficiency initiatives.

Within the energy transition that lies at the core of our strategy, we prioritize access to renewable sources. In order to ensure transparency and traceability in electricity procurement, we carry out the acquisition of **YEK-G (Renewable Energy Source Guarantee System) certificates**. In 2025, 84% of our total electricity consumption was supplied from renewable energy sources certified with YEK-G.

Year	Total Electricity Consumption (GJ)	Consumption Certified with YEK-G (GJ)	Renewable Electricity Share (%)
2023	5,443	3,211	59%
2024	5,468	4,702	86%
2025	4,539	3,810	84%

We are expanding our sustainability targets beyond our Head Office campus to include all regional directorates. We continue our technical infrastructure investments with determination in order to raise energy efficiency standards and enhance renewable energy integration across our entire operational network.

Our Company's climate strategy is built on transparency, traceability, and science-based targets. Within this scope, we manage emissions arising from our operational processes in line with international standards and take concrete steps in accordance with our **2053 Net Zero vision**. Since 2021, we have been calculating and reporting our greenhouse gas emissions in full compliance with the internationally recognized **Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard 2004 (GHG Protocol 2004).** As of 2025, we have strategically expanded the scope of our emissions inventory to include indirect impacts across our value chain within our reporting boundaries.

Measurement Approach, Inputs, And Assumptions

Our greenhouse gas inventory management is structured around the internationally recognized "Activity Data × Emission Factor" methodology and is fully aligned with the GHG Protocol and PCAF standards. This methodological approach enables the transparent and reproducible monitoring of emissions arising from our operational processes based on scientific data. In the calculation of our Scope 1 and Scope 2 emissions, IPCC guidelines and up-to-date national emission factors are meticulously followed as primary data sources.

Within Scope 1, emissions are calculated based on activity data related to natural gas consumption in facilities (stationary combustion), fuels used by the Company fleet (mobile combustion), and leakage/fugitive emissions arising from refrigerant gas leaks and fire extinguishers containing greenhouse gases. Natural gas and electricity consumption are calculated based on monthly invoice data, vehicle fuel consumption is calculated based on fleet mileage and fuel records, and refrigerant gas and fire extinguisher emissions are calculated based on equipment inventory and filling/leakage data. As there are no process emissions or biomass-related emissions, these subcategories are reported as "0."

Within Scope 2, electricity consumption of the Head Office and all regional directorates is collected from invoices and included in the calculations. In determining our indirect emissions based on electricity consumption, the national emission factor of 0.434 tCO_2e/MWh, published annually by the Ministry of Energy and Natural Resources and used as the basis for our reporting period, is applied.

In the calculation of Scope 3 emissions covering our value chain, globally recognized emission factors such as those provided by DEFRA and the EPA are utilized to ensure data diversity and accuracy. These international libraries offer reliable multipliers across a wide range of activities, from logistics to financial investments, thereby enhancing the technical depth and comprehensiveness of our inventory. The preference for publicly available and auditable emission factors in all our calculation processes maximizes transparency and accountability, which are fundamental principles of our corporate sustainability approach.

Within this scope, it was assessed whether there were any reporting period discrepancies in the activity data obtained from our value chain; no misalignment between the reporting period and the data used, nor any significant events that would materially affect emissions during the interim period, were identified. In this way, the methodological integrity of the data provided to our stakeholders is preserved, and a highly reliable data architecture is established for independent assurance mechanisms.

For financed emissions, listed equity and corporate bonds, as well as sovereign debt, have been calculated. The ratio of total investment assets (IA) included in the financed emissions calculation is 100%; government bonds, private sector bonds, and investment funds have been included in the calculation. Accordingly, there are no asset classes excluded from the scope.

During this reporting period, by integrating our Scope 3 emissions into our inventory, we have gained the capability to analyze our climate impact end to end. In particular, as a financial institution, we expanded the calculation of emissions arising from our insurance portfolio and financial investments—one of our most critical impact areas—using sector-specific methodologies, and for the first time reflected our financed emissions under Scope 3 Category 15 in our TSRS report. Under Category 3, Well-to-Tank (WTT) emissions related to the production and transportation chain of fuels reported under Scope 1 are calculated. Under Category 5, waste generated from operations is calculated based on daily weight measurements and waste disposal methods; under Category 6, business travel emissions are calculated based on flight distance (short-haul/long-haul), taxi, and accommodation records; and

GREENHOUSE GAS EMISSIONS

under Category 7, employee shuttle emissions are calculated based on assumptions regarding the number of vehicles, routes, distance, and number of passengers, using DEFRA 2025 emission factors.

For Category 15 investments, portfolio data are assessed in alignment with the PCAF/GHG Protocol Financial Sector guidance, and financed emissions are included in the inventory accordingly. Expenditure items with insignificant/negligible climate impact are not included in the methodology but are documented separately for transparency. The inclusion of financed emissions in the calculations presents a holistic view of the climate impact of the Company's investment portfolio and provides relevant, decision-useful information to general-purpose financial report users in assessing the financial impacts of climate risks.

In order to confirm the accuracy, consistency, and completeness of our greenhouse gas inventory at the highest level, we have implemented independent assurance processes. In 2024, our Scope 1 and Scope 2 emissions and greenhouse gas procedures were verified at a reasonable assurance level in accordance with the ISO 14064-3 standard by an independent verification body accredited by TÜRKAK. This verification process provides institutional assurance by demonstrating the transparency of our calculation methodology, the reliability of our datasets, and our full compliance with international standards.

As in previous years, during this reporting period we retired 1,261 MWh of YEK-G certificates to offset our Scope 2 emissions arising from electricity consumption, achieving an emissions reduction of 459 tCO_2e.
Our decarbonization roadmap envisions a gradual and measurable improvement in efficiency. In line with our target to achieve a 15% improvement in energy intensity by 2035:

- To reduce our Scope 1 mobile combustion emissions, we prioritize the transition of our vehicle fleet to electric vehicles (EVs) and investments in low-emission mobility.
- To minimize Scope 3 emissions arising from employee transportation, we are implementing route optimization models within our shuttle network. Through this efficiency-focused logistics planning, we aim to systematically reduce the total distance traveled and, consequently, fossil fuel consumption, thereby lowering per-employee emission intensity.

Emissions (tCO_2e)	2023	2024	2025
Scope 1	1,334	1,474	1,525
Scope 2 – Location-Based	332	671	547
Scope 2 – Market-Based	136	94	88
Scope 3*	1,670	4,659	309,598
Total Emissions (Scope 1&2)	1,470	1,568	1,613
Total Emissions (Scope 1&2&3)	3,140	6,227	311,211
Emissions Intensity (tCO_2e / number of employees)**	0.93	1.00	1.05

*In Scope 3 calculations, Category 15 Financed Emissions calculations have been expanded. The value calculated for 2025 is 307,836 tCO_2e. Financed emissions for 2024 were calculated for the first time on a limited basis and were not included in the calculations for 2023. The 2023 and 2024 data have not been subject to limited assurance.
** Emission intensity has been calculated based on the total of Scope 1 + Scope 2 (Market-Based) emissions.

Scope	Sub-Category	2023 Greenhouse Gas Inventory tCO_2e	2024 Greenhouse Gas Inventory tCO_2e	2025 Greenhouse Gas Inventory tCO_2e	Description
Scope 1	Stationary Combustion	94	77	149	Scope 1 emissions arising from stationary combustion at Türkiye Sigorta include direct emissions generated from natural gas consumed at company facilities. These emissions are calculated in accordance with the GHG Protocol and are based on activity data obtained from energy invoices and related internal records. In the calculations, reliable emission factors provided in the IPCC 2006 Guidelines and national inventories are used. Data quality and consistency are ensured through internal verification and cross-checks, and the Carbon Footprint Monitoring Procedure supports year-to-year comparability.
	Mobile Combustion	1,230	1,376	1,361	Scope 1 emissions from mobile combustion arise from fuels used in vehicles belonging to Türkiye Sigorta (gasoline, diesel, LPG, including hybrid vehicles). Emissions are calculated in accordance with the GHG Protocol methodology. Activity data are collected from fuel purchase records and vehicle mileage data. Emission factors are based primarily on IPCC 2006 references, and calculation accuracy is confirmed through limited and reasonable assurance audits. Thus, reported mobile combustion emissions remain traceable and continuously monitored.
	Fugitive / Leakage Emissions	9	21	14	Fugitive/leakage emissions of Türkiye Sigorta include emissions arising from cooling systems, refrigerators, and chillers. In addition, emissions from fire extinguishers containing CO_2 or halocarbons are also included in the inventory. These emissions are calculated in accordance with the GHG Protocol using equipment maintenance/service records and activity data. Appropriate emission factors are selected based on IPCC 2006 and national data sources, and data quality and calculation consistency are ensured through verification procedures.
Scope 2	Location-Based	332	671	547	In calculating Scope 2 (location-based) emissions, Türkiye Sigorta uses electricity consumption data obtained from electricity invoices of the Head Office and all regional directorates. Emissions are calculated in accordance with the GHG Protocol using location-based grid emission factors, reflecting the average emission intensity of the national electricity grid. Activity data are regularly monitored through invoice tracking systems and stored digitally to ensure data completeness and accuracy. The Carbon Footprint Monitoring Procedure ensures consistency and verifiability of Scope 2 accounting across reporting years and supports the Company's long-term emission reduction strategy.
	Market-Based	136	94	88	Scope 2 (market-based) emissions are calculated based on electricity consumption certified with YEK-G (Renewable Energy Source Guarantee System) certificates. YEK-G is a national certification system developed to register and encourage the use of electricity generated from renewable energy sources in Türkiye. Electricity consumption supplied with valid renewable energy certificates is associated with zero or near-zero emission factors in line with the GHG Protocol Scope 2 Guidance. In this context, Türkiye Sigorta has collected and verified the certificate purchase records for all operational locations where YEK-G is used. For electricity consumption not covered by certificates, national grid average emission factors are applied conservatively. This approach is consistent with Türkiye Sigorta's decarbonization commitment and its strategy to increase renewable energy use across operations.

Scope	Sub-Category	2023 Greenhouse Gas Inventory	2024 Greenhouse Gas Inventory	2025 Greenhouse Gas Inventory	Description
		tCO_2e	tCO_2e	tCO_2e	
Scope 3	3.1 Purchased goods and services	95	107	926	Within the scope of Scope 3, Category 1 (Purchased Goods and Services), Türkiye Sigorta assesses its emissions based on the following expenditure items: information processing consumables, stationery, other office supplies, tea and coffee materials; calculations are based on the quantity of purchased materials and supplier invoices. In addition, postal, cargo and courier expenses, as well as membership fees and taxes expenses are classified under service purchases and included. A spend-based methodology is applied, and related expense items are matched with appropriate greenhouse gas emission factors to estimate emissions. Emission factors are obtained from internationally recognized databases such as the EPA and GHG Protocol emission factor tools and selected in line with each sub-category. Calculations rely on purchasing data obtained from Türkiye Sigorta's accounting and invoicing systems, ensuring alignment with operational expenditures. To increase transparency, insignificant items with immaterial impact are excluded and documented accordingly. Internal consistency checks and review processes are applied to support the reliability and accuracy of estimates. Through this approach, indirect environmental impacts arising from both goods and service purchases are comprehensively assessed and included in the Scope 3 inventory in compliance with Türkiye Sigorta's Scope 3 accounting framework.
	3.2 Capital goods	983	841	74	Within the scope of Scope 3, Category 2 (Capital Goods), Türkiye Sigorta calculates indirect emissions related to capital expenditures (CAPEX) incurred during the reporting year. This category includes information technology equipment, software license purchases, agency signage, office furniture, small fixtures and equipment, printed documents, printing services, and other purchased assets capitalized by the Company. These expenditures are classified as capital goods due to their long-term use and amortization characteristics. Emissions are calculated using a spend-based approach by applying appropriate emission factors to each capital expenditure category. Emissions related to vehicle purchases reflect only the investment-related impact, while emissions from vehicle operational fuel use are reported under Scope 1. This ensures that indirect climate impacts of capital asset investments on operations are comprehensively reflected in the GHG inventory.
	3.3 Fuel- and energy-related activities not included in Scope 1 or Scope 2 (WTT)	404	630	462	Within the scope of Scope 3, Category 3 (Fuel- and energy-related activities not included in Scope 1 or Scope 2), Türkiye Sigorta includes upstream emissions arising from the production and transportation of fuels consumed by the Company (well-to-tank (WTT)). WTT emissions are calculated for natural gas, diesel, gasoline, LPG, and hybrid fuel types reported under Scope 1. To reflect the life-cycle impact of fuel use, calculations are performed using upstream emission factors representing fuel extraction, refining, and transportation processes.

Scope	Sub-Category	2023 Greenhouse Gas Inventory	2024 Greenhouse Gas Inventory	2025 Greenhouse Gas Inventory	Description
		tCO_2e	tCO_2e	tCO_2e	
Scope 3	3.4 Upstream transportation and distribution	-	-	-	Türkiye Sigorta's business model is based on service-oriented insurance and does not include physical product sales or a product-based supply/distribution process. Therefore, within the upstream value chain, there is no significant logistics/transportation activity related to the transportation of purchased products to company operations. Due to limited physical risks and existing expense-based calculations, this category is evaluated under Category 1. In this context, Scope 3 Category 4 (Upstream transportation and distribution) did not constitute a relevant emission source for Türkiye Sigorta during the reporting period, and the emission amount was determined as "0"
	3.5 Waste generated in operations	4	1	2	Within the scope of Scope 3, Category 5 (Waste generated in operations), Türkiye Sigorta calculated emissions based on the daily waste amounts generated at operational facilities, using weight-based measurements. Total waste amounts were classified by type and quantified. Emissions were estimated using GHG Protocol emission factors by taking into account waste disposal and processing methods. Recyclable and non-recyclable waste were segregated, and the amounts of recycled waste were also incorporated into accounting records, thereby enhancing the accuracy and comprehensiveness of the calculations. Through this approach, operational waste-related emission footprints were comprehensively assessed.
	3.6 Business travel	137	264	188	Within the scope of Scope 3, Category 6 (Business travel), Türkiye Sigorta calculated emissions arising from domestic and international business trips, including flights, accommodation services, and taxi use. Emissions were classified by travel distance (short-haul and long-haul) and accommodation type, and estimated using standardized GHG Protocol emission factors based on activity data. This approach enabled the Company to comprehensively quantify emissions arising from corporate travel activities throughout the reporting year.
	3.7 Employee commuting	47	519	111	Within the scope of Scope 3, Category 7 (Employee commuting), Türkiye Sigorta calculated emissions arising from employees' commuting between home and workplace based on company-provided personnel service transportation. Calculations considered the number of vehicles, routes, distances traveled, and average occupancy rates to improve data accuracy. Total commuting emissions were estimated using relevant GHG Protocol emission factors. This methodology consistently and transparently reflects the impact of employee mobility within the Company's carbon footprint. In addition, Türkiye Sigorta uses a computer-assisted application to optimize the number of shuttle services and routes. Allowing employees residing in the same areas to use a single shuttle improves operational efficiency while supporting collaborative initiatives aimed at reducing carbon emissions.
	3.8 Upstream leased assets	-	-	-	Türkiye Sigorta does not lease any assets from other organizations. Although leased vehicles are used in operations, emissions arising from fuel consumption of these vehicles are already reported under Scope 1 emissions.
	3.9 Downstream transportation and distribution	-	-	-	Türkiye Sigorta is a service-based insurance company and does not engage in physical product sales, transportation, or distribution activities. Therefore, Scope 3 Category 9 is not applicable within the Company's business model.

Scope	Sub-Category	2023 Greenhouse Gas Inventory tCO_2e	2024 Greenhouse Gas Inventory tCO_2e	2025 Greenhouse Gas Inventory tCO_2e	Description
Scope 3	3.10 Processing of sold products	-	-	-	Türkiye Sigorta is a financial services company and does not conduct any physical product sales to third parties, nor is it involved in any physical product processing activities. Therefore, this Scope 3 category is not applicable within the Company's business model.
	3.11 Use of sold products	-	-	-	Türkiye Sigorta is an insurance services company and does not sell any physical goods or products to third parties. Therefore, the relevant downstream Scope 3 category is not applicable within the Company's business model.
	3.12 End-of-life treatment of sold products	-	-	-	Türkiye Sigorta is a financial services company providing insurance products that do not constitute physical goods or services. Therefore, there are no physical goods or services sold to third parties, and the related downstream Scope 3 category is not applicable within the Company's business model.
	3.13 Downstream leased assets	-	-	-	Türkiye Sigorta does not have any owned assets leased to third parties. Therefore, Scope 3, Category 13 (Downstream leased assets) is not applicable within the Company's business model.
	3.14 Franchises	-	-	-	Türkiye Sigorta's operations are not conducted under a franchise business model. The Company does not license its brand or operations to third parties for operating goods or services at specific locations. Therefore, Scope 3, Category 14 (Franchises) is not applicable within the Company's business model.
	3.15 Investments	-	2,297	307,836	Within the scope of Scope 3, Category 15 (Investments), Türkiye Sigorta calculated indirect greenhouse gas emissions arising from financial investments during the reporting period. Calculations were performed in accordance with the GHG Protocol Scope 3 Standard and the PCAF (Partnership for Carbon Accounting Financials) methodology. Emissions under this category were determined based on asset classes included in the investment portfolio, using calculation approaches and emission factors defined by PCAF.

During the reporting period, no fundamental changes were made to our measurement approach; the calculation-based methodology, reporting boundaries, and the emission factor selection hierarchy (priority given to national Tier 2 factors, with international Tier 1 used where necessary) have been maintained. However, as of this period, in line with TSRS/ISSB expectations and improvements in data availability, Scope 3 emissions have been incorporated into the inventory, thereby expanding the calculation scope. This expansion was undertaken to enable a more holistic management of indirect impact areas that are material for the Company, such as procurement expenditures, capital goods, WTT activities, waste, business travel, employee shuttles, and investments.

In addition, for currency and scientific alignment, certain emission factors and global warming potential sets have been updated to the most recent sources (e.g., DEFRA 2025, IPCC AR6). The base year remains as 2024, and in the event of any situation requiring recalculation—such as boundary changes or changes in methodology/factors—relevant revisions will be disclosed in the report with justification in accordance with the Greenhouse Gas Calculation Procedure. As we do not operate in a production-based field and conduct activities within the insurance sector, no carbon credits have been utilized. As Türkiye Sigorta, we will continue to regard environmental sustainability as an integral part of our business processes and to fulfill our commitments in this area.

GREENHOUSE GAS EMISSION FACTORS

In determining the carbon footprint arising from our Company's operations, internationally recognized methodologies and up-to-date emission factors are used. In order to ensure that the greenhouse gas inventory is prepared in a transparent, consistent, and verifiable manner, the technical details of the emission factors referenced in the calculation process are presented in the tables below:

SCOPE 1 Mobile Combustion / Stationary Combustion				
Emission Source	CO_2 (kg CO_2/TJ)	CH_4 (kg CH_4/TJ)	N_2O (kg N_2O/TJ)	Reference
Natural Gas	56,100	5	0.1	IPCC 2006, Volume 2, Chapter 2, Table 2.4
Generator – Diesel	74,100	10	0.6	IPCC 2006, Volume 2, Chapter 2, Table 2.4
Company Vehicles – Gasoline	69,300	25	8	IPCC 2006, Volume 2, Chapter 3, Table 3.2.1–3.2.2
Company Vehicles – Diesel	74,100	3.9	3.9	IPCC 2006, Volume 2, Chapter 3, Table 3.2.1–3.2.2
Company Vehicles – LPG	63,100	62	0.2	IPCC 2006, Volume 2, Chapter 3, Table 3.2.1–3.2.2

SCOPE 1 Refrigerant Gases			
Emission Source	Gas Type	GWP	Reference
Air Conditioning	R410A	2,256	IPCC Assessment Report 6
Air Conditioning	R22	1,960	IPCC Assessment Report 6
Air Conditioning	R134A	1,530	IPCC Assessment Report 6
Air Conditioning	R32	771	IPCC Assessment Report 6
Fire Extinguisher	CO_2	1	IPCC Assessment Report 6
Fire Extinguisher	HFC-236	8,690	IPCC Assessment Report 6
Refrigerator	R134A	1,530	IPCC Assessment Report 6
Refrigerator	R600A	0.06	IPCC Assessment Report 6
Chillers	R134A	1,530	IPCC Assessment Report 6
Circuit Breaker	SF_6	24,300	IPCC Assessment Report 6

WTT Sources		
Emission Source	CO_2e EF	Reference
Natural Gas	0.3366	DEFRA 2025
Generator – Diesel	0.61101	DEFRA 2025
Company Vehicles – Gasoline	0.60664	DEFRA 2025
Company Vehicles – Diesel	0.61101	DEFRA 2025
Company Vehicles – LPG	0.18551	DEFRA 2025
Service	0.02649	DEFRA 2025
Airplane (Domestic)	0.0335	DEFRA 2025
Airplane (Long haul)	0.03213	DEFRA 2025
Airplane (Short haul)	0.02286	DEFRA 2025

SCOPE 2 EMISSION SOURCES		
Emission Source	tCO_2e/MWh	Reference
Grid Electricity Consumption	0.434	Ministry of Energy and Natural Resources

GREENHOUSE GAS EMISSIONS

SCOPE 3 EMISSION SOURCES / Purchased Goods – Capital Goods				
Emission Source	**Description**	**EF Unit**	**Emission Factor**	**Reference**
Purchased Goods and Services	IT Consumables	kg CO_2e / USD	0.143	EPA – 334118
Purchased Goods and Services	Stationery Expenses	kg CO_2e / USD	0.296	EPA – 322230
Purchased Goods and Services	Tea & Coffee Material Expenses	kg CO_2e / USD	0.353	EPA – 311920
Purchased Goods and Services	IT Software and Licenses	kg CO_2e / USD	0.143	EPA – 334118
Purchased Goods and Services	Printed Documents	kg CO_2e / USD	0.236	EPA – 323110
Purchased Goods and Services	Office Printing Services	kg CO_2e / USD	0.237	EPA – 323120
Purchased Goods and Services	Parking, Automatic Toll	kg CO_2e / USD	0.111	EPA – 812930
Purchased Goods and Services	Maintenance & Repair	kg CO_2e / USD	0.103	EPA – 811100
Purchased Goods and Services	Vehicle Rental	kg CO_2e / USD	0.11	EPA – 532100
Purchased Goods and Services	Credit Card Processing	kg CO_2e / USD	0.093	EPA – 518210
Purchased Goods and Services	Postal – Cargo – Courier Services	kg CO_2e / USD	0.074	EPA – 491000
Purchased Goods and Services	Non-operational Aid – Taxes	kg CO_2e / USD	0.033	EPA – 533000
Capital Goods	IT Equipment	kg CO_2e / USD	0.143	EPA – 334118
Capital Goods	Agency Signage	kg CO_2e / USD	0.205	EPA – 333118
Capital Goods	Small Fixtures	kg CO_2e / USD	0.115	EPA – 423830

SCOPE 3 EMISSION SOURCES / Commuting – Business Travel					
Emission Source	**Description**	**CO_2 (kg CO_2/TJ)**	**CH_4 (kg CH_4/TJ)**	**N_2O (kg N_2O/TJ)**	**Reference**
Commuting	Shuttle Service	0.27712	0.00000	0.00165	DEFRA 2025
Business Travel	Airplane (Domestic)	0.13552	0.00022	0.00134	DEFRA 2025
Business Travel	Airplane (Long haul)	0.08913	0.00001	0.00129	DEFRA 2025
Business Travel	Airplane (Short haul)	0.07466	0.00001	0.00092	DEFRA 2025
Business Travel	Taxi	0.566	0	0	EPA 2024
Business Travel	Hotel Accommodation	Country-specific emission factors are used.			DEFRA 2025
Business Travel	Waste Disposal and Recycling	Waste-based emission factors are used.			DEFRA 2025

TARGETS

Türkiye Sigorta's 2053 Net Zero Carbon target is a long-term commitment that covers not only operational processes but also financed and insured emissions. Within this roadmap, in the short term (2025–2028), strengthening data quality, expanding Scope 3 categories, and integrating climate risk–opportunity metrics into the system are planned. In the medium term (by 2030), priorities include reducing energy consumption by at least 15%, increasing the share of renewable electricity, lowering portfolio carbon intensity, and promoting sustainable products. In the long term (2033–2053), achieving net zero across all scopes and managing residual emissions through credible offsetting mechanisms are targeted. Performance is reviewed periodically through annual sustainability reports, TSRS disclosures, CDP submissions, and S&P Global CSA assessments.

For operational emissions, 2024 has been designated as the base year in accordance with the Greenhouse Gas Protocol Corporate Standard; Scope 1 and Scope 2 emissions for the Head Office and 25 Regional Directorates have been calculated on a full-scope basis for the first time. While 2024 is accepted as the baseline year for financed emissions (Scope 3 Category 15), it is targeted to expand the scope in 2025 by fully aligning the methodology with PCAF and the GHG Protocol. Pilot calculations of insurance-related emissions have also been initiated in selected lines of business, with plans to gradually expand the process. Progress will be reported on a year-on-year comparative basis using quantitative metrics such as tCO_2e values, emission intensity per employee and per policy, energy and water consumption indicators, and the share of the sustainable investment portfolio.

The main metrics used within this scope include Scope 1, 2, and 3 emissions in accordance with the GHG Protocol, PCAF-aligned financed emission intensity, "insured emissions" related to insured assets, efficiency indicators targeting a 15% reduction in energy consumption by 2030, and water use intensity. In addition, the share of sustainable insurance products and green investment instruments within the portfolio, as well as external rating results such as CDP and the BIST Sustainability Index, are monitored as complementary metrics. The Company aims to achieve absolute reductions in Scope 1 and 2 emissions, systematically reduce emissions across the value chain, increase water efficiency, and contribute to the transition to a low-carbon economy by leveraging climate-related opportunities.

The net zero vision covers all units and the entire value chain within a holistic framework, from head office buildings to the supply chain, from the investment portfolio to selected insurance products. The targets include both absolute and intensity-based elements; while absolute targets define the long-term direction, intensity metrics (per employee, per square meter, or per premium production) are used to measure interim improvements. Türkiye Sigorta's strategy is aligned with the Paris Climate Agreement, Türkiye's nationally determined contribution, and the TSRS S2 "Climate-related Disclosures" standard. Company policies have been updated in line with international best practices and local regulations, thereby ensuring an accountability-based approach.

TARGET SETTING, MONITORING, AND REVIEW PROCESSES

In the journey toward achieving sustainability targets, the determination of targets and the monitoring of progress toward these targets are of critical importance. In this context, Türkiye Sigorta's approach to setting and reviewing targets forms the foundation of the Company's sustainability commitment. Sustainability-focused risks are subjected to a comparative analysis using the same methodological framework as the strategic, financial, and operational risk categories included in the Corporate Risk Inventory. Calculation approaches aligned with international standards are applied each year in accordance with consistent principles, and retrospective data updates are reported transparently. The review of targets is carried out periodically by the Company's sustainability committees, risk management, and relevant business units. The Annual Integrated Annual Report, TSRS Report, CDP climate disclosure, ESG rating feedback, sustainability performance indicators, and environmental impact analyses are evaluated together within this process.

Sustainability teams reporting to the Board of Directors monitor actual performance in operational, financed, and insurance-related emissions, assess alignment with targets, and update interim targets and action plans when necessary. During the review process, the level of achievement of carbon reduction and energy efficiency projects, the use of renewable electricity, and the effectiveness of indicators such as the share of sustainable products and investments and water efficiency are analyzed, and revision decisions are taken in line with strategic alignment.

The Company's greenhouse gas inventory and target-setting methodology are verified at a limited assurance level by an accredited, independent verification body in accordance with the GHG Protocol standard within the scope of the TSRS Report. The verification process covers Scope 1, Scope 2, Scope 3 operational emissions, and, as of the 2025 reporting period, Scope 3 Category 15 (Investments) financed emissions. The targets and related methodology are reviewed to ensure alignment with CDP reporting, S&P Global CSA, and BIST Sustainability Index criteria, and verification outcomes are reported to the Board of Directors.

Progress toward targets is monitored through quantitative metrics such as total greenhouse gas emissions, emission intensity indicators, energy consumption, the share of renewable electricity use, energy efficiency ratios, financed emissions, insurance-related emission indicators, the share of sustainable products and investments, waste recycling rates, and water efficiency indicators. These metrics are reported on a comparative basis against the 2024 base year for operational emissions and energy efficiency, and against the 2025 base year for financed emissions and insurance-related emissions, with progress toward targets monitored on a periodic basis.

Türkiye Sigorta's 2053 Net Zero Emissions target and its target to reduce energy consumption by 15% by 2030 are maintained, and no step back or weakening has been made in the overall level of these targets. Updates made in the 2024 and 2025 periods focus on expanding the scope of the targets and further detailing the measurement methodology. Accordingly, 2024 has been fixed as the base year for operational emissions and energy efficiency, and performance in 2023 and 2024 has continued to be monitored against this base year. For financed emissions, Scope 3 Category 15 calculations were initiated in 2024, and in 2025 the methodology was expanded and updated to cover a broader range of asset classes and issuers. For insurance-related emissions, pilot calculations were carried out in priority lines of business in 2024, and in 2025 the methodology was clarified and planned to be linked to medium-term reduction and intensity targets. The target set has been realigned and its scope expanded within the framework of the Environmental and Climate Change Policy and the Water Efficiency Policy, taking into account CDP reporting, inclusion in the BIST Sustainability Index, and performance feedback from ESG indices such as S&P Global. These changes strengthen the quantitative scope of the targets and the monitoring methodology, enabling the Company's net zero and energy efficiency commitments to be managed in a more holistic manner across operational, financial, and insurance activities. While Türkiye Sigorta continues to move forward with determination toward achieving its sustainability targets, it embraces the principles of transparency and accountability. The Company's target-setting, monitoring, and review processes reflect not only an effort to reduce environmental impacts but also a vision of long-term value creation and building a sustainable future for all stakeholders.

Sustainability Investments

In 2025, our sustainability-linked investments amounted to TRY 1.320 billion, representing a 1.7% share of total investments. In 2025, Türkiye Sigorta's investments aligned with sustainability increased by 40.6% compared to 2024.

Remuneration

Members of the Board of Directors and Senior Executives demonstrate their performance in line with ESG targets determined annually and aligned with the Company's sustainability strategies. These targets include concrete sustainability initiatives such as reducing the carbon footprint, increasing energy efficiency, and contributing to social responsibility projects. In year-end performance evaluations, the achievement of these ESG criteria is taken into account alongside individual and corporate performance.

The fixed remuneration of senior executives is determined in line with market conditions, the scale of Türkiye Sigorta, and sustainable growth objectives. Variable remuneration (bonuses, incentives, etc.) is structured based on the achievement of ESG criteria and individual performance, thereby aiming to incentivize ESG performance. The amount and level of attendance fees, remuneration, bonuses, and incentives to be paid to Board members are determined by the decision of the General Assembly. Through this system, it is aimed to ensure the achievement of sustainability targets by the Board of Directors and Senior Executives and to reward strategic success.

PERFORMANCE INDICATORS

Performance Indicator	Metric	Base Year	Target	2024 Actual	2025 Actual	SDG Linkage
Total Carbon Emissions (Scope 1, 2 and Scope 3)	tCO_2e	2024	Ensuring a downward emission reduction trend in line with the 2053 Net Zero Target	Scope 1: 1,474 Scope 2: 94 Scope 3: 4,659	Scope 1: 1,525 Scope 2: 88 Scope 3: 309,598	7, 12, 13
Financed Emissions (Investment Portfolio)	tCO_2e	2024	Gradual reduction of portfolio carbon intensity and alignment with the net zero vision	2,297	307,836	7, 9, 13
Energy Consumption and Energy Efficiency	GJ	2024	≥15% reduction in total energy consumption by 2030 and continuous improvement in the long term	21,703	21,955	7, 12, 13
Use of Renewable Energy	%	2024	≥60% annual share of renewable electricity usage	86	84	7, 13
Share of sustainable insurance products	%	2024	Increasing the share of sustainable insurance products and strengthening portfolio contribution in the green transition	1.18	0.46	7, 9, 13
Share of sustainable investment portfolio	%	2024	Increasing the share of low-carbon and sustainable investments in the portfolio	1.7	1.7	7, 9, 13
Index and rating performance	CDP, S&P CSA, BIST	2024	Improvement in CDP, S&P CSA, and BIST performance indicators	BIST: 67 S&P: 32	BIST: 76 S&P CSA: 42 CDP: C	12, 13
Expansion of the Scope 3 emissions scope	Qualitative	2024	Expansion of Category 15 calculations, inclusion of additional asset classes, and maintenance of a PCAF-aligned methodology	Financed emissions were calculated for the first time to cover sustainability investments only.	Scope 3.15 calculations were expanded in 2025.	12, 13
Emissions from operational travel and fleet	tCO_2e	2024	Reducing carbon emissions from fleet and employee mobility	2,160	1,660	11
Supply chain ESG assessments	Qualitative	2024	Expanding and strengthening sustainable supply chain assessments	Supplier ESG survey conducted for the first time in 2024.	Supplier ESG surveys have been conducted annually since 2024.	8

APPENDICES

APPENDIX-1: Monitoring Indicators for Sustainability and Climate Targets

Category	Monitoring Indicator for Sustainability and Climate Targets	Indicator Description
Emissions Management	Gross greenhouse gas emissions (tCO_2e)	Refers to total greenhouse gas emissions arising from Türkiye Sigorta's operations. Includes Scope 1, Scope 2, and Scope 3 emissions.
	Gross emissions per employee (tCO_2e/employee)	Calculated by dividing total gross emissions by the number of employees. Enables monitoring of operational efficiency and carbon reduction performance.
	Carbon emissions avoided through renewable energy use (tCO_2e)	Represents the amount of carbon avoided by reducing fossil fuel consumption through the use of YEK-G and renewable energy.
	Investment-related emissions	Represents indirect emissions arising from portfolio investments. The PCAF methodology is applied.
Energy Management	Share of electricity procured via YEK-G (%)	Indicates the proportion of total electricity consumption supplied from YEK-G–certified renewable sources.
	Total energy consumption (GJ)	Shows the total amount of energy consumed in operations.
	Energy consumption per employee (GJ/employee)	Indicates the ratio of energy consumption to the number of employees. Measures the impact of the energy efficiency strategy.
Circular Economy & Waste Management	Waste recycling rate (%)	Indicates the proportion of total waste that is recycled. Monitors circular economy performance.
	Amount of recycled waste (tons)	Refers to the total tonnage of waste sent for recycling.
Water Management	Total water consumption (m^3)	Shows the total amount of water used in operations.
	Water consumption per employee (m^3/employee)	Indicates the ratio of water consumption to the number of employees Measures the performance of efficiency and conservation policies.
Sustainable Products & Finance	Sustainable Investment Ratio (%)	Shows the investment amount allocated to assets compliant with ESG criteria and its share within the total portfolio.
	Green Insurance Product Portfolio (TRY)	Represents total premium income generated from products such as renewable energy projects, environmentally friendly products, and green motor insurance.
	Share of Green Insurance Products (%)	The proportion of the sustainable product portfolio within total premium production.
Sustainable Supply Chain	Supplier ESG Survey Participation Rate (%)	The ratio of suppliers responding to the ESG assessment survey to total suppliers.
	Supplier ESG Assessment Score (%)	The average performance score suppliers receive based on ESG criteria.
Digitalization	AI-supported transaction rate (%)	The proportion of transactions completed using artificial intelligence.
	Digital transaction rate (%)	The share of transactions conducted through online/digital platforms.

APPENDIX-2: Sectoral Metrics

Topic	Metric	Category	Unit of Measure	Code	Response
Integration of Environmental, Social and Governance Factors into Investment Management	Definition of the approach to integrating environmental, social and governance (ESG) factors into investment management processes and strategies	Discussion and Analysis	None	FN-IN-410.a.2	As Türkiye Sigorta, we adopt a holistic ESG-focused approach in our investment management processes and strategic decision-making mechanisms. Within this scope, climate-related risks and opportunities are evaluated as a key element in line with our long-term value creation objectives. Our Corporate Governance and Sustainability Committee regularly reviews climate risks within the framework of long-term strategies; in parallel with changing market conditions, we periodically reassess our activities. Climate-related risks are addressed under key risk categories such as insurance, credit and market risks; we implement sustainability-oriented risk management principles that form the basis of large-scale transactions, investment decisions and risk management policies. In addition, we ensure compliance with climate-related regulations and systematically integrate policy and strategy recommendations related to ESG factors into our investment and business processes through a governance-based approach.
Policies Designed to Encourage Responsible Behavior	Net written premiums related to energy efficiency and low-carbon technology	Quantitative	Presentation currency	FN-IN-410.b.1	Within the scope of insuring electric vehicles (Green Casco, T-Casco), gross premium production amounting to TRY 507.6 million was achieved; additionally, gross premium production of TRY 904.1 million was generated from the insurance of renewable energy projects.
	Discussion of product features or product characteristics that encourage actions or behaviors sensitive to health, safety or the environment	Discussion and Analysis	None	FN-IN-410.b.2	As Türkiye Sigorta, we design our product and service portfolio in a way that encourages actions and behaviors supporting health, safety, and environmental sustainability. In order to promote environmentally friendly transportation, we encourage the use of low-carbon vehicles through Green Casco applications within our motor insurance portfolio and special coverages for electric and hybrid vehicles. We enhance ease of use by offering towing services to the nearest charging station in the event that an electric vehicle runs out of charge. Through Extended Warranty Insurance, we support extending the lifespan of electronic devices, thereby contributing to the circular economy and waste reduction. In the field of health, we increase access to healthcare services and support a preventive healthcare approach through Complementary Health Insurance, Diabetes Support Health Insurance, and Online Doctor services.
Exposure to Physical Risk	Expected Loss from Natural Catastrophes (PML) related to insured products due to weather conditions	Quantitative	Presentation currency	FN-IN-450.a.1	Due to the unpredictability of potential disasters and their possible impacts in future periods, no calculation has been performed under this study.
	Total monetary loss attributable to insurance payments arising from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by event type and geographic region (net and gross of reinsurance)	Quantitative	Presentation currency	FN-IN-450.a.2	In order to effectively manage natural disaster risks, our Company conducts risk analyses and modeling studies based on event types (e.g., earthquake, flood, storm, etc.) and geographic regions. Accordingly, for reporting purposes, quantitative analyses are carried out to assess potential insurance payment amounts attributable to different event types and regions, both gross and net of reinsurance, using risk management and scenario assessment tools.
	Description of the approach to incorporating environmental risks into (1) underwriting processes for individual contracts and (2) the management of portfolio-level risks and capital adequacy	Discussion and Analysis	None	FN-IN-450.a.3	Environmental risks are addressed within the scope of our corporate risk management approach and evaluated together with insurance, credit, market and operational risks. Climate-related risks and opportunities form an integral part of our strategic decision-making processes. Our Corporate Governance and Sustainability Committee regularly reviews relevant policies and strategies. While assessing our activities in parallel with market conditions, we adopt a holistic approach to evaluating the impacts of environmental risks on the Company's operations and overall risk profile. Within this framework, environmental risks are monitored as part of our enterprise risk management structure and governance processes.

Activity Metric	Category	Unit of Measure	Code	Response
Number of policies in force by segment: (1) property & casualty, (2) life, (3) assumed reinsurance	Quantitative	Count	FN-IN-000.A	As of the end of 2025, the total number of policies in force is 12,298,668. Of these policies, 1,402,730 were health policies and 1,667,914 were personal accident policies.

APPENDICES

APPENDIX-3: Cross-Sector Metrics

No	Metrics	Description / Values
1	Greenhouse gas emissions	Greenhouse gas emissions are calculated and reported as Scope 1, Scope 2, and Scope 3. Detailed information is provided in the **Greenhouse Gas Emissions** section of the report.
2	Assets vulnerable to climate-related physical risks and their percentage	Assessments regarding the amount and percentage of assets vulnerable to climate-related transition and physical risks are conducted based on multiple assumptions and long-term projections.
3	Assets vulnerable to climate-related transition risks and their percentage	Assessments regarding the amount and percentage of assets sensitive to climate-related transition and physical risks are conducted based on multiple assumptions and long-term projections.
4	Climate-related opportunities	Detailed information is provided in the **Climate-Related Risk and Opportunity Assessment Matrix** section of the report.
5	Capital allocation	Detailed information is provided in the **Sustainable Investments** section of the report.
6	Internal Carbon Pricing	As of the reporting period, no internal carbon pricing mechanism is implemented.
7	Remuneration	Remuneration and performance incentive mechanisms are structured to include sustainability and climate-related performance criteria, alongside financial indicators and environmental, social, and governance (ESG) factors. Within this scope, sustainability goals are integrated into performance evaluation and incentive processes in line with the ESG Remuneration Policy. Detailed information is provided in the **Remuneration** section of the report.

TSRS INDEX

TSRS 1: General Provisions for the Disclosure of Sustainability-Related Financial Information

Core Content	Standard Article Code	Section in Which the Relevant Disclosure Appears in the Report
Governance	27 a-b	Governance
Strategy	29	Strategy
	30	
	32	
	33	
	34 a-b	
	35 a-d	
	36	
	37	
	38	
Risk Management	44 a-c	Risk Management
Metrics and Targets	46	Metrics and Targets
	51 a-g	

TSRS 2: Climate-Related Disclosures

Core Content	Standard Article Code	Section in Which the Relevant Disclosure Appears in the Report
Governance	6 a-b	Governance
Strategy	9 a-e	Strategy
	10 a-d	
	13 a-b	
	14 a-c	
	15 a-b	
	16 a-d	
	21 a-c	
Climate Resilience	22 a-b	
Risk Management	25 a-c	Risk Management
Metrics and Targets	28 a-c	Metrics and Targets
	29 a-g	
	33 a-h	
	34 a-d	
	36 a-e	

GLOSSARY OF TECHNICAL TERMS AND ABBREVIATIONS

Abbreviation / Term	Description / Definition
AR6 (IPCC AR6)	The Sixth Assessment Report published by the Intergovernmental Panel on Climate Change (IPCC). It includes up-to-date climate science data and global warming potential (GWP) coefficients used in the calculation of greenhouse gas emissions.
BIST (Borsa Istanbul)	It refers to Borsa İstanbul, the central exchange that manages Türkiye's capital markets, where company shares and other securities are traded.
IT (Information Technologies)	The Information Technologies unit covering corporate data management, information processing processes, and all technological infrastructure through which these operations are carried out.
CDP (Carbon Disclosure Project)	A comprehensive, investor-focused global environmental disclosure platform where companies report their environmental impacts (climate change, water security, and forestry).
CSA (S&P Global CSA)	The Corporate Sustainability Assessment conducted by S&P Global. It is a methodology that analyzes and compares companies' ESG performance on a sectoral basis.
ESG (Environmental, Social, Governance)	A fundamental assessment framework used to evaluate institutions' financial performance alongside sustainability-related risks and opportunities.
DEFRA (Department for Environment, Food & Rural Affairs)	A UK-based institution that publishes internationally recognized official emission factor datasets used in greenhouse gas emission reporting.
EPA (Environmental Protection Agency)	A United States–based institution recognized as a global reference source in setting environmental standards, publishing emission factors, and overseeing environmental policies.
GDS (Assurance Standards)	Standards defining the framework for assurance engagements conducted on non-financial matters (e.g., sustainability reports, internal control systems, or greenhouse gas statements) outside the scope of traditional financial statement audits.
GDS 3000	A "catch-all" standard used for the assurance and verification of almost all types of information other than a company's historical financial statements (balance sheet, income statement, etc.).
GDS 3410	A standard that governs assurance engagements conducted to verify the accuracy of an entity's statements regarding its greenhouse gas emissions (carbon footprint).
GHG (Greenhouse Gas)	Refers to natural and anthropogenic gaseous components that absorb infrared radiation in the atmosphere and cause global warming.
GHG Protocol	The most widely used international standard and methodology globally for the inventorying, calculation, and reporting of greenhouse gas emissions.
GWP (Global Warming Potential)	Coefficients that normalize the warming effects of different greenhouse gases in terms of carbon dioxide equivalence, enabling comparison on a per-unit-mass basis.
IPCC (Intergovernmental Panel on Climate Change)	A United Nations body that provides comprehensive scientific assessments on the causes, impacts, and mitigation pathways of climate change.
ISSB (International Sustainability Standards Board)	The board that develops global sustainability-related financial reporting standards (such as IFRS S1 and S2) to support investors' decision-making processes.
OHS (Occupational Health and Safety)	A holistic approach and set of practices aimed at identifying physical, chemical, biological, ergonomic, and psychosocial risks that employees may be exposed to in the workplace and ensuring a safe and healthy working environment.
KPI (Key Performance Indicator)	Concrete and measurable metrics used to assess success in achieving strategic objectives and to monitor corporate performance.
PDPL (Law on the Protection of Personal Data)	The legal framework regulating the processing, storage, and transfer of personal data in order to protect individuals' fundamental rights and freedoms.
NDC (Nationally Determined Contribution)	Official national plans submitted by countries under the Paris Agreement, outlining their commitments to emission reduction and climate adaptation efforts.
NGFS (Network of Central Banks and Supervisors for Greening the Financial System)	An international network composed of central banks and supervisory authorities that provides guidance to manage climate risks in the financial sector and to promote sustainable finance.
PCAF (Partnership for Carbon Accounting Financials)	A global methodology developed to measure and disclose greenhouse gas emissions originating from financial institutions' loan and investment portfolios.
RCP 4.5 / RCP 6.0 (Representative Concentration Pathways)	Radiative forcing scenarios that describe possible climate change trajectories based on future greenhouse gas concentration levels.
SASB (Sustainability Accounting Standards Board)	An organization that develops sector-specific standards enabling companies to disclose financially material sustainability information to investors.
SBTi (Science Based Targets initiative)	A global partnership that validates corporate emission reduction targets to ensure alignment with the goals of the Paris Agreement and climate science.
SDGs (Sustainable Development Goals)	A framework consisting of 17 global goals established under the United Nations 2030 Agenda, adopted in 2015.
TCFD (Task Force on Climate-related Financial Disclosures)	A global initiative providing a framework for reporting climate-related financial risks and opportunities to stakeholders.
Tier 1 / Tier 2	Classification levels defining data quality and accuracy in emission calculations. Tier 1 relies on general and global default factors, while Tier 2 uses country-specific or more detailed emission factors, providing higher accuracy.
TS EN ISO 14064-1	An international standard governing the calculation, reporting, and verification of organization-level greenhouse gas emissions and removals, forming the core framework for corporate carbon footprint management.
WTT (Well-to-Tank)	A life-cycle analysis phase covering indirect emissions generated from fuel extraction, processing, transportation, and storage up to delivery to the vehicle or facility.
YEK-G (Renewable Energy Source Guarantee System)	An official certification system that documents electricity consumption generated from renewable energy sources, ensuring traceability and tradability.

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