

TSRS-COMPLIANT SUSTAINABILITY REPORT 2025



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1. INTRODUCTION AND ABOUT THE REPORT

ABOUT RAY SİGORTA

Established in 1958, Ray Sigorta A.Ş. is one of Türkiye's long-established insurance companies. With its extensive agency network, digital solutions and customer-centric approach, the Company holds a strong position in the sector and operates as part of Vienna Insurance Group.

Ray Sigorta regards its approach to sustainability as an integral part of its corporate strategy, risk management philosophy and long-term value creation model. In this context, it assesses developments in the environmental, social and governance (ESG) areas not merely in terms of regulatory compliance, but also as issues of strategic importance in relation to the future of its insurance operations, portfolio structure, customer needs, operational efficiency and financial resilience.

Sustainability-related risks and opportunities, particularly those associated with climate change, are considered in connection with Ray Sigorta's insurance operations, investment approach, operational processes and decision-making mechanisms. The Company aims to advance its work in these areas in line with the governance, strategy, risk management, metrics and targets framework set out in the Turkish Sustainability Reporting Standards.

ABOUT THE REPORT

This report has been prepared in accordance with the Turkish Sustainability Reporting Standards (TSRS 1 and TSRS 2) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK). Covering the calendar year from 1 January to 31 December 2025, the report presents, within an integrated framework, the Company's approach to sustainability, its management of climate-related risks and opportunities, the relevant performance indicators and developments during the reporting period.

The disclosures in this report cover the activities of Ray Sigorta A.Ş. during the reporting period. The data relates to the Company's physical operating locations, including its Head Office and Regional

Offices. The sustainability-related and climate-related disclosures in this report have been prepared for Ray Sigorta and should be read in conjunction with the relevant financial statements. The report covers the same period and reporting boundary as the financial statements for the year ended 31 December 2025.

Ray Sigorta's TSRS-compliant sustainability disclosures for 2025 are being published alongside the financial statements for the second quarter of 2026, in accordance with the applicable transition provisions. The relevant financial information will be available at www.raysigorta.com.tr. Unless otherwise stated, the financial indicators presented in the report are expressed in Turkish Lira (TL) in accordance with financial reporting standards.

The sector-specific guidance in TSRS 2, Supplementary Volume 17: Insurance, has also been followed.

In addition to TSRS 1 and TSRS 2, the GHG Protocol Corporate Accounting and Reporting Standard (2004) has been used as the basis for calculating greenhouse gas emissions. The report has also been prepared consistently with the definitions and application guidance in Appendices A and B to TSRS 2. Terminology has been applied consistently throughout the report to support clear and understandable climate-related disclosures.

The greenhouse gas inventory information in this report is based on 2025 data. The calculations follow the methodology of the GHG Protocol Corporate Accounting and Reporting Standard (2004). Scope 1 and Scope 2 emissions arising from Ray Sigorta's operations have been assessed using both location-based and market-based methods. The effect of I-REC-certified renewable electricity consumed during the reporting period has been taken into account in the market-based Scope 2 calculation. Scope 3 greenhouse gas emissions have not been included in this report under the applicable transitional reliefs.

Ray Sigorta's sustainability reports are available on the Company's corporate website under the **Investor Relations** section.

COMPLIANCE, REPORTING PERIOD AND COMPARATIVE INFORMATION

Through this report, Ray Sigorta states that it reports the disclosures required under TSRS 1, General Requirements for Disclosure of Sustainability-related Financial Information, and TSRS 2, Climate-related Disclosures, in accordance with the relevant regulations issued by the Public Oversight, Accounting and Auditing Standards Authority. This report has been prepared in accordance with the TSRS S1 and S2 Standards published by the KGK.

Pursuant to the Board Decision dated 25 December 2025 and published in Official Gazette No. 33123 on 30 December 2025, the transitional reliefs in paragraphs E4, E5 and E6(b) of TSRS 1, General Requirements for Disclosure of Sustainability-related Financial Information, were extended by one year.

TSRS 1 E4: The TSRS-compliant sustainability report for the period from 1 January to 31 December 2025 is published after the financial statements for that period, in accordance with the entity's interim general-purpose financial reporting obligations.

TSRS 1 E5: In accordance with TSRS 2, only disclosures relating to climate-related risks and opportunities have been included.

TSRS 1 E6(b): As the Company has applied the transitional relief in paragraph E5, it has not disclosed comparative information on sustainability-related matters other than climate-related risks and opportunities for the 2025 reporting period, its second year of application.

Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards – Transitional Provision 3: An entity is not required to disclose Scope 3 greenhouse gas emissions during the first two annual reporting periods in which it applies the TSRS. In accordance with paragraph C4

of TSRS 2, the Company has applied this relief for the current reporting period and has therefore not disclosed Scope 3 greenhouse gas emissions for 2025 or 2024, including Category 15 – Investments. The Company has also applied the transitional relief permitting sustainability-related financial disclosures for the 2025 reporting period to be presented after publication of the relevant financial statements. Accordingly, this report is published together with the financial statements for the second quarter of 2026.

Under the applicable transitional provisions, Ray Sigorta includes in this report only disclosures relating to climate-related risks and opportunities. Disclosures on governance, strategy and risk management have nevertheless been presented in a manner that explains how climate-related matters are connected with the Company's broader sustainability management and corporate decision-making mechanisms.

The transitional relief relating to the disclosure of Scope 3 greenhouse gas emissions has also been applied. Accordingly, the 2025 greenhouse gas inventory includes Scope 1 and Scope 2 emissions, while Scope 3 emissions are outside the scope of this report. The Company's methodological preparation and data-maturity work on Scope 3 emissions is intended to support an expansion of the disclosure scope in future reporting periods.

The report covers the period from 1 January to 31 December 2025, consistent with the period covered by Ray Sigorta's relevant financial statements. The presentation of comparative information reflects the applicable transitional provisions and the scope of the report. Where appropriate, certain operational and environmental performance indicators for 2024 are included to help users assess 2025 performance. Such information supplements and supports the completeness of the disclosures under the TSRS.

FAIR PRESENTATION AND MATERIALITY PRINCIPLE

The disclosures contained in this report have been prepared to present the climate-related risks and opportunities associated with Ray Sigorta’s operations in a manner that takes into account the information needs of the primary users of general-purpose financial reports. In preparing its disclosures, the Company has focused on information that could influence users’ economic decisions and has acted in accordance with the principles of fair presentation and materiality as defined in TSRS 1 and TSRS 2.

To support fair presentation, the Company has sought to ensure that the disclosures are complete, neutral, understandable and verifiable. The information presented is based on reasonable and supportable data available to the Company; relevant data sources, calculation boundaries, methods and assumptions are explained in the applicable sections. Particular attention has been paid to the consistency and traceability of the methodologies used to assess greenhouse gas emissions and the climate-related financial impacts.

Ray Sigorta’s materiality assessment considers the potential impacts of sustainability-related and climate-related risks and opportunities on the Company’s short-, medium- and long-term financial strength, cash flows, access to finance, cost of capital, technical profitability and operational resilience. Given the nature of the insurance sector, climate change is not confined to the environmental impacts of the Company’s own operations; it is treated as a strategic matter that may also affect claims frequency, claims severity, product pricing, underwriting processes, reinsurance planning, the investment approach and customer expectations.

Within this framework, the report explains how Ray Sigorta identifies, manages, monitors and tracks climate-related risks and opportunities through performance indicators. The aim is to present material information clearly, without obscuring it with unnecessary detail, in a manner that supports the decision-making of primary users.

CONNECTED INFORMATION AND INTEGRATED APPROACH

The disclosures in this report are structured to reflect Ray Sigorta’s approach to sustainability and climate change within a holistic framework. The disclosures are presented in a way that establishes links between the governance structure, strategic priorities, risk management processes, greenhouse gas emissions, climate change risk analyses, targets and indicators specific to the insurance sector.

Ray Sigorta recognises that financial information relating to sustainability should not be assessed as fragmented and disjointed disclosures, but rather as a cohesive whole linked to the Company’s decision-making mechanisms, risk management model and long-term value creation approach. Consequently, the topics addressed in the report are explained not merely within their own technical contexts, but in relation to the Company’s business model, financial performance, operational processes and resilience to climate change.

Risks and opportunities related to climate change have been linked to Ray Sigorta’s insurance portfolio, underwriting approach, claims management, use of reinsurance, investment processes and operational efficiency initiatives. Operational indicators, such as greenhouse gas emissions and resource usage, demonstrate the Company’s capacity to monitor, improve and manage its environmental performance in line with its long-term objectives.

This approach is intended to help users assess more clearly the connections between sustainability-related disclosures, financial information, strategic decisions and risk management practices. Ray Sigorta aims to further strengthen its TSRS reporting approach in future periods in terms of data quality, methodological depth and comparability.

Changes After the Reporting Period

Between the end of the reporting period on 31 December 2025 and the publication date of this report, there were no material transactions or changes in circumstances relating to the reporting period that could affect users’ assessments of, or decisions concerning, the Company.

2. GOVERNANCE

As one of the long-established institutions in the Turkish insurance sector and an important member of Vienna Insurance Group, Ray Sigorta does not view sustainable insurance as being limited to compliance with legal requirements. It treats sustainability as a core management priority linked to the Company’s strategic priorities, risk management framework, operational resilience and capacity for long-term value creation. Environmental, social and economic sustainability matters, particularly climate change, are considered within Ray Sigorta’s corporate governance and risk management frameworks.

SUSTAINABILITY GOVERNANCE

At Ray Sigorta, the sustainability approach is shaped under the oversight of the Board of Directors, the Company’s highest decision-making body. The Board is responsible for approving corporate sustainability

policies; reviewing priority matters and the risk and opportunity inventory; monitoring related action plans; overseeing the appropriateness of targets; and ensuring that sustainability performance is managed together with its operational and financial impacts. The Board’s oversight also covers the review and public disclosure of sustainability reports and decisions on participation in international sustainability organisations and initiatives.

The Sustainability Committee was established in 2023 to ensure that the strategic framework defined by the Board of Directors is translated into operational processes. In 2025, there were no changes to the Committee’s structure, terms of reference, sub-committees or reporting mechanisms; sustainability management continued to be carried out in accordance with the governance model established during the previous reporting period.

MAIN RESPONSIBILITIES OF THE SUSTAINABILITY COMMITTEE

- 1
- To assess the impacts of the Company’s operations, investments, products and services on the environment and climate, and the impacts of environmental and climate change on them, and to undertake operational and financial planning to reduce adverse impacts;
- 2
- To develop and implement operational and financial plans to transform the business model in line with sustainable insurance practices and support the low-carbon economy;
- 3
- To raise awareness of sustainability-related risks and opportunities, particularly those relating to climate change and the environment; identify the capabilities required by relevant managers and employees to fulfil their management and oversight responsibilities; and plan training programmes to strengthen their professional knowledge and skills;
- 4
- To conduct materiality analyses to determine Ray Sigorta’s sustainability priorities and, taking the United Nations Sustainable Development Goals into account, prepare operational and financial plans for measures and actions in the priority areas;
- 5
- To analyse performance results in priority areas and prepare the TSRS-compliant Sustainability Report for publication;
- 6
- To assess sustainability-related risk areas, particularly climate change, prepare the Ray Sigorta Sustainability Risk and Opportunity Matrix, and report the results annually to the Board of Directors and VIG;
- 7
- To report to the Board of Directors at least annually on sustainability activities, progress against prior-period targets, risk and opportunity planning, and targets and plans for future periods.

The Sustainability Committee's terms of reference are set out in the Sustainability (ESG) Committee Activities Procedure. The Committee is responsible for identifying risks and opportunities relating to climate, the environment, social responsibility, governance, ethics and compliance; overseeing related strategies; supporting the alignment of the business model with sustainable insurance principles; and planning activities to strengthen employees' sustainability awareness and professional capabilities.

The Committee oversees the consideration of sustainability-related strategic priorities, risks and opportunities in major transaction and investment decisions. It also considers trade-offs between the short-, medium- and long-term impacts of different sustainability matters, supporting the integrated consideration of environmental, social and governance factors in decision-making.

The Sustainability Committee is chaired by the Deputy General Manager for Strategy. Its members include the Deputy General Managers for Finance, Talent and Culture, and Marketing and Customer Solutions; the Director of Risk and Control; the Director of Corporate Secretariat and Legal Affairs; the Corporate Strategy, Performance and Sustainability Manager; and the Assistant Manager for Investor Relations. Based on their professional backgrounds and areas of responsibility in the insurance sector, Committee members have the knowledge and experience required to assess the impacts of environmental, social and governance risks, particularly climate-related risks, on the Company's operations.

The Sustainability Committee meets regularly every two months and reports to the Board of Directors at least annually on sustainability activities, progress against prior-period targets, risk and opportunity planning, and targets for future periods. The Committee held six meetings in 2025. The corporate performance management system and the internal audit and control framework are used to monitor whether initiatives implemented in accordance with Committee decisions comply with Company policies and principles, and whether implementation methods and outcomes are aligned with the relevant targets. These processes are also reviewed by the Early Detection of Risk and Audit Committee and reported to the Board, providing a multi-layered oversight structure for sustainability management.

Sustainability management is integrated with Ray Sigorta's other internal functions. Internal audit and control functions monitor compliance with Company policies and principles and alignment with objectives, while the risk management function supports the incorporation of sustainability criteria into strategic planning, internal control and enterprise risk management processes. Operational units monitor metrics relating to performance improvements in identified sustainability priorities and track implementation and compliance. The Corporate Strategy, Performance and Sustainability Department, within the Strategy Department, works in coordination with the Sustainability Committee to support the management of the Company's environmental, social and governance agenda.

To enhance the efficiency of the Sustainability Committee's activities and ensure that the actions identified are followed up at the relevant business unit level, the Underwriting, Investment, Operations and Social Sub-Committees have been established. These sub-committees monitor the implementation status of initiatives carried out within their respective areas of responsibility, coordinate necessary actions with the relevant units, and support the Sustainability Committee's decision-making processes with operational information.

Progress made towards sustainability targets is taken into account in the performance appraisals of the relevant units and managers. In 2025, sustainability targets and the associated metrics continued to be used as a benchmark in the assessment of management performance. The relationship between sustainability indicators and the remuneration policy is addressed within the framework of the Company's performance management approach; the structure regarding the weighting of these indicators within the remuneration system is monitored as part of corporate performance management practices.

Thanks to this governance structure, Ray Sigorta assesses sustainability risks and opportunities not merely as topics addressed during reporting periods, but as an integral component of strategic decision-making, risk management, investment approach, product and service development, operational efficiency and corporate performance management.

CLIMATE CHANGE GOVERNANCE

At Ray Sigorta, climate change is treated as one of the most critical components of sustainability governance. Physical risks, transition risks and opportunities associated with climate change are assessed as strategic issues that, by the very nature of insurance activities, may impact underwriting, pricing, claims management, reinsurance planning, investment approach and operational processes.

The Corporate Strategy, Performance and Sustainability Department, which reports to the Deputy General Manager for Strategy, coordinates environmental sustainability processes. Climate and environmental matters are directed by the Sustainability Committee under the oversight of the Board of Directors. The Committee's chairmanship by the Deputy General Manager for Strategy, together with the active participation of Executive Committee members and relevant senior managers, supports the treatment of climate-related risks and opportunities not merely as technical reporting matters, but as strategic issues monitored by senior management and integrated into decision-making.

The Committee structure is supported by procedures that clearly define responsibilities. Its terms of reference explicitly cover the monitoring and assessment of environmental risks and their integration into strategic decisions. This structure enables climate-related matters to be monitored in connection with the Company's enterprise risk management, strategic planning, internal control, operational performance and reporting processes.

Ensuring that management teams have the necessary expertise in environmental and climate-related matters is an important element of Ray Sigorta's climate governance approach. The Corporate Strategy, Performance and Sustainability Manager, Committee members and relevant functional managers have the expertise required to assess the impacts of climate-related risks and opportunities on insurance operations, based on their responsibilities and sector experience. Where necessary, these capabilities are supported through internal briefings, training and development activities.

The Sustainability Committee regularly reviews climate change-related risks and opportunities and submits the relevant assessments to the Board of Directors. These assessments cover areas such as the impacts of climate change on the insurance portfolio, natural disaster risks, potential changes in the frequency and severity of claims, product and service opportunities linked to the transition to a low-carbon economy, the management of operational emissions, and the monitoring of climate change-related performance indicators.

Ray Sigorta views climate-related risks not only as threats, but also as a catalyst for building organisational capacity, reassessing the product portfolio in light of evolving climate conditions, strengthening risk engineering and claims management processes, and developing innovative ESG-related opportunities. This approach enables climate-related matters to be managed in connection with the Company's business model, value chain and long-term strategic direction.

Climate change-related targets and the performance indicators associated with these targets are monitored in conjunction with the relevant management processes. Progress recorded in sustainability metrics is taken into account when assessing management performance; the framework for integrating climate change-related indicators into performance and remuneration systems is evaluated within the context of the Company's corporate performance management approach.

Ray Sigorta's climate transition approach is considered in connection with its portfolio structure, investment policies, product strategies and operational transformation initiatives. In adapting to a low-carbon economy, the Company aims both to reduce the impacts of its own operations and, through its insurance activities, to help customers and stakeholders become more resilient to climate-related risks.



3. STRATEGY

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Ray Sigorta operates in an industry that is directly affected by climate change. The systematic management of climate-related risks and opportunities has therefore become a core component of the Company’s long-term strategy. Physical and transition risks may materially affect product structures, customer segmentation, pricing, claims management, reinsurance planning, reserving policies and capital adequacy in the insurance sector.

Ray Sigorta classifies each identified climate-related risk as either a physical risk or a transition risk. Physical risks include those that may increase claims frequency and claims severity as a result of extreme weather events, floods, hail, storms, heatwaves, droughts, frost, wildfires and long-term changes in meteorological conditions. Transition risks are considered in connection with regulatory developments, market transformation, technological change, customer expectations, paperless insurance practices and the development of new products and services for climate adaptation during the transition to a low-carbon economy. These matters are considered not only as threats, but also as a catalyst for building organisational capacity, reshaping the product portfolio, strengthening risk-modelling capabilities and developing innovative ESG-related opportunities.

Ray Sigorta defines the time horizons over which the impacts of climate-related risks and opportunities can reasonably be expected to materialise in a manner consistent with the annual policy cycle, reinsurance renewal periods, the strategic planning horizon and risk-modelling processes. The Company defines the short term as up to one year, the medium

term as more than one year but less than five years, and the long term as five years or more.

In the physical climate risk calculation model used for the 2025 reporting period, 2026 was selected as the quantitative projection point for short-term operational and acute impacts, while 2030 was selected for long-term systemic impacts and changes in frequency and severity. Although the medium term was not modelled as a separate quantitative scenario year, periods of more than one year and less than five years were not excluded from the assessment. The medium term is considered qualitatively in strategic planning, underwriting, pricing, reinsurance, digitalisation, operational efficiency and the implementation of the transition plan.

Accordingly, the 2025 report presents quantitative climate-related financial impact projections using short- and long-term reference years. The medium term is considered within risk and opportunity management and strategic planning processes rather than as a separate quantitative outcome year. In identifying climate-related risks and opportunities, Ray Sigorta considers the specific insurance lines in which it operates. Fire, engineering, agriculture, marine, aviation and motor own damage lines are particularly exposed to both physical and transition risks. Gross written premiums in these lines increased from 16,111,079,630 TL in 2024 to 21,631,419,720 TL in 2025, while Ray Sigorta’s total gross written premiums increased from 31,362,012,105 TL to 43,506,455,505 TL. The share of climate-sensitive lines in total gross written premiums therefore declined from 51.37% in 2024 to 49.72% in 2025. Although the nominal amount of exposed premiums increased, their share of the total portfolio decreased by 1.65 percentage points.

Indicator	2024	2025
Gross premiums written in lines of business sensitive to the impacts of climate change	16,111,079,630 TL	21,631,419,720 TL
Total gross written premiums	31,362,012,105 TL	43,506,455,505 TL
Share of exposed lines of business in total gross written premiums	51.37%	49.72%

The principal risk parameters and thresholds used by Ray Sigorta to assess climate-related risks and opportunities have been maintained consistently with the previous reporting period. Risks and opportunities are assessed based on the magnitude of their financial impacts, likelihood of occurrence, position in the value chain, management approach and residual risk value after mitigation measures.

Climate Change-Related Risks¹

Item	Description
Climate-related Risk Driver	Increase in the frequency and severity of extreme weather events such as hurricanes, typhoons, floods, flash floods, hail and similar events, as well as rural and forest fires
Risk Description	A potential increase in the frequency and severity of extreme weather events may increase claims payments and premium rates; and may place pressure on net profit and, through its implications for reinsurance, on capital adequacy. Such events may affect claims frequency and claims severity, particularly in climate-sensitive lines of business.
Likelihood	Very rare
Magnitude of Financial Impact	Very high
Risk Rating	High
Risk Type	Acute physical risk
Financial Effect	After reinsurance protection, net climate-related risk is estimated at 3.24-16.18 million TL in the short term and 91.56-150.88 million TL in the long term under the SSP1-2.6 and SSP5-8.5 scenarios. If these risks were to materialise, they would likely have a negative impact on net profit.
Time Horizon	Long term
Position in the Value Chain	Direct operations
Risk Response	Digital analysis and forecasting tools are used to identify risks more accurately and support loss prevention. Acute-risk monitoring, early-warning and loss-prevention measures, underwriting assessments, reinsurance protection and capital-adequacy monitoring are managed together.
Cost of Risk Response	Investment in risk-modelling technologies: 3.3 million TL in the short term and 16.5 million TL in the long term
Residual Risk Rating	Medium

Item	Description
Climate-related Risk Driver	Changes in precipitation patterns and weather models, and extreme variability in air temperatures
Risk Description	If accurate risk analyses cannot be carried out, extreme volatility in rainfall and temperature patterns may result in incorrect pricing and higher-than-expected claims, leading to an increase in the frequency of natural disasters and routine claims. This, in turn, could put downward pressure on net profit. Furthermore, losses falling outside the scope of reinsurance could affect capital adequacy. This risk could affect the technical balance of insurance operations due to its impact on loss frequency and severity. Similar risks may also arise in agricultural insurance, for example regarding participation rates in the TARSİM pool.
Likelihood	Very rare
Magnitude of Financial Effect	Very high
Time Horizon	Long term
Risk Rating	High
Risk Type	Chronic physical risk
Financial Effect	This category is presented separately to highlight the effects of long-term changes in climate-related events on claims performance. After reinsurance protection, net climate-related risk is estimated at 3.24-16.18 million TL in the short term and 91.56-150.88 million TL in the long term under the SSP1-2.6 and SSP5-8.5 scenarios. If these risks were to materialise, they would likely have a negative impact on net profit.
Position in the Value Chain	Direct operations
Risk Response	Risk-identification technologies are used to mitigate climate-related uncertainty. Measures include more effective consideration of climate-related risks in underwriting and pricing, reassessment of reinsurance arrangements in light of climate-related uncertainty and protection of capital adequacy.
Cost of Risk Response	Investment in risk-modelling technologies: 3.3 million TL in the short term and 16.5 million TL in the long term
Residual Risk Rating	Medium

¹You can find explanations of the parameters used to prioritise risks and opportunities under the “Risk Management” heading.

Risk categories are presented separately to make visible the different climate-related triggers and impact pathways that may lead to the same or similar claims outcomes in Ray Sigorta's insurance portfolio. They should not therefore be treated as wholly independent risks whose financial impacts can be aggregated. Floods, hailstorms, storms, extreme rainfall, heatwaves and similar events may have different climatic drivers, but from an insurance perspective may increase both claims frequency and claims severity within the same coverage groups. Ray Sigorta manages these risks on an integrated basis through its underwriting, pricing, reinsurance, claims management, risk modelling and capital adequacy processes. Risk responses, mitigation measures and related costs are therefore assessed within a common risk management framework.

Climate-Related Opportunities²

Item	Description
Climate-related Opportunity Driver	Developing Insurance Solutions Focused on Climate Adaptation and Resilience
Opportunity Description	The development of new products and services focused on climate adaptation and resilience – particularly specialised comprehensive insurance solutions for electric vehicles – could enable Ray Sigorta to take a pioneering position in the sector. Leadership in this area may provide a competitive advantage in climate-related insurance and enable the Company to respond early to emerging market needs, supporting growth in gross written premiums.
Opportunity Rating	Very high
Opportunity Type	Transition
Financial Effect	It is estimated that realising this opportunity could lead to an increase in premiums generated in the motor own damage and MPTL insurance lines of business of 1 per cent in the short term, amounting to 194.2 million TL, and 10 per cent in the long term, amounting to 1.94 billion TL. Realising these opportunities is expected to have a positive impact on net profit.
Position in the Value Chain	Direct operations
Opportunity Response	The aim is to develop insurance products and cover solutions tailored to evolving customer needs associated with electric vehicles and low-carbon transport technologies. Rather than replacing existing motor insurance operations, this approach aims to increase portfolio diversification, develop products suited to new risk profiles, and offer bespoke solutions for sustainable consumer segments. Furthermore, it will be possible to offer additional services designed to reduce the level of claims through the warning solutions to be provided via the Ray Connect app.
Cost of Opportunity Response	As a result of the significant increase in electric vehicle insurance premiums, in addition to potential claims payments, the specific cost of damage arising from the characteristics of electric vehicles ³ is estimated at 9.32 million TL in the short term and 93.21 million TL in the long term. On the other hand, the alert services to be provided via Ray Connect are likely to incur additional user costs of 1.15 million TL in the short term and 5.7 million TL in the long term. As a result of this activity, the total cost of realising the opportunity is expected to amount to 10.47 million TL in the short term and 98.91 million TL in the long term.

²You can find explanations of the parameters used in prioritising risks and opportunities under the **‘Risk Management’** heading.

³According to research based on market values, the level of damage to electric vehicles is 25.5 per cent higher than that of petrol and diesel vehicles. (Thatcham Research: Impact of BEV Adoption on the Repair and Insurance Sectors)

Item	Explanation
Climate-related Opportunity Driver	Improvement in ratings in sustainability/ESG indices
Opportunity Description	Progress in rating systems for sustainability and ESG performance could enhance the Company's financial outlook, investor interest and brand reputation. Development in this area could strengthen Ray Sigorta's visibility in the capital markets and the perception of its sustainability performance.
Opportunity Rating	Medium
Opportunity Type	Transition
Financial Effect	Not quantifiable ⁴
Position in the Value Chain	Direct operations
Opportunity Response	Priority actions to improve sustainability scores will be identified and implemented. Professional services will also be procured to support compliance with ESG index requirements and strengthen sustainability performance.
Cost of Opportunity Response	The management costs associated with the opportunity to improve performance in sustainability/ESG indices and rating processes include: the costs of applying for inclusion in indices or ratings; the development of the infrastructure required to report the necessary data; compliance analyses against ESG rating and index methodologies; gap analysis studies; the engagement of external consultants for these purposes; and the preparation of reported information for audit or assurance processes. These costs represent the managerial, operational and technical preparation costs required for Ray Sigorta to manage its ESG performance in a way that is measurable, trackable and comparable to external stakeholders, rather than direct payments to a single organisation. It is expected that the number of indices and rating systems with which the company complies will increase over the years. To capitalise on this opportunity, operational costs of 5 million TL are projected in the short term and 30 million TL in the long term.

Item	Description
Climate-related Opportunity Driver	Paperless insurance practices
Opportunity Description	Paperless insurance can generate environmental and financial benefits by reducing emissions associated with paper, postage and logistics, while lowering operating costs through digital process transformation.
Opportunity Rating	Low
Opportunity Type	Transition
Financial Effect	Short-term: 23,000 TL – Long-term: 230,000 TL
Position in the Value Chain	Direct operations
Opportunity Response	Digital solutions are planned to support the wider implementation of paperless insurance processes.
Cost of Opportunity Response	No additional cost is expected.

The identified opportunities demonstrate Ray Sigorta's potential to strengthen its value-creation capacity in sustainable insurance while managing climate-related risks. Their financial implications have been assessed in the context of the Company's growth expectations, product-development potential, market dynamics and relevant management actions. Further information on the financial impacts of risks and opportunities is provided under **“Financial Position, Financial Performance and Cash Flows”**.

⁴The idea is emerging that this opportunity item could have a clear positive financial impact, based on a reasonable assessment; however, due to uncertainties in its components, a precise financial impact value cannot be calculated.

BUSINESS MODEL AND VALUE CHAIN

Climate-related risks and opportunities affect several layers of Ray Sigorta’s business model. Given the nature of insurance operations, these impacts are not limited to the Company’s own operations; they extend across the value chain, including product design, underwriting, pricing, claims management, reinsurance planning, customer relationships, investment approach and procurement.

For Ray Sigorta, the most significant climate-related area of impact is the pressure that extreme weather events and long-term climatic changes may place on claims frequency and claims severity. These impacts are particularly relevant to the fire, engineering, agriculture, marine, aviation and motor own damage lines of business. Gross written premiums in these lines amounted to 21,631,419,720 TL in 2025, representing 49.72% of total gross written premiums. This ratio demonstrates that the Company’s exposure to climate-related risks remains strategically significant despite the year-on-year decline.

The impacts of climate-related risks on the business model are most evident in technical underwriting processes. The increasing frequency of extreme weather events and natural disasters requires more detailed analysis of risk selection, coverage structures, pricing assumptions, claims estimates and reinsurance needs. Ray Sigorta therefore regards the more effective incorporation of climate-related risks into underwriting and pricing, together with the integrated assessment of claims data, portfolio composition and climate-related trends, as priority development areas.

Claims management is also one of the areas of the value chain where the impacts of climate change are most pronounced. Floods, hailstorms, storms, extreme rainfall, heatwaves and similar events can lead to a surge in claims notifications during certain periods and place additional strain on operational capacity. Consequently, early warning mechanisms, the digitalisation of claims processes, strengthening customer communication and

enhancing operational response capacity are among the key areas Ray Sigorta prioritises in terms of climate resilience.

Reinsurance planning plays an important role in managing the financial impacts of climate-related risks. The potential impacts of physical climate risks on claims frequency and claims severity require regular review of risk-transfer strategies and reinsurance arrangements. Ray Sigorta considers reinsurance protection, capital adequacy and the maintenance of technical balance together when assessing climate-related uncertainty.

Opportunities related to climate change, meanwhile, are linked to the Company’s capacity for product and service development. Adaptation and resilience solutions to climate change, alongside emerging insurance needs in areas such as electric vehicles and low-carbon technologies, present an opportunity for Ray Sigorta to develop its product portfolio and offer bespoke solutions to different customer segments. In this context, the Company views climate change not only from a risk management perspective but also as an area of transformation that will strengthen its sustainable insurance approach.

In terms of the operational value chain, the impacts associated with climate change are managed through energy consumption, resource usage, supplier relationships, digitalisation and paperless insurance practices. Ray Sigorta is developing energy efficiency, renewable electricity usage, digital process transformation and resource efficiency initiatives to reduce the environmental impact arising from its own operations. These initiatives contribute to the Company’s management of its operational emissions and support its transition towards a low-carbon economy.

The key areas across Ray Sigorta’s value chain where climate change-related risks and opportunities are concentrated are assessed as follows:

Value-chain process	Position in the value chain	Climate-related impact
Product and policy design	Downstream	Emergence of new coverage and product needs relating to climate-related risks
Underwriting and pricing	Downstream	Effects of claims frequency, claims severity and regional risk variation on technical assessment processes
Claims management	Downstream	Effects of severe weather events on operational capacity, claims processes and customer experience
Reinsurance	Upstream	Effects of natural-catastrophe risks on reinsurance costs and risk-transfer strategies
Investment management	Downstream	Effects of environmental, social and governance factors on investment decisions and the portfolio risk profile
Operations	Direct operations	Energy consumption, resource usage, digitalisation, paperless processes and the management of greenhouse gas emissions

Within this framework, climate change is addressed by Ray Sigorta not merely as an environmental risk factor, but as a strategic issue that could affect the resilience of its business model, its technical underwriting capabilities, its customer value proposition, operational efficiency and long-term financial performance.

STRATEGY AND DECISION-MAKING

Ray Sigorta treats climate-related risks and opportunities as a core component of strategic decision-making. Because the insurance sector includes lines of business that may be directly affected by climate-related changes, physical risks, transition risks and climate-related opportunities are considered alongside portfolio management, underwriting, pricing, claims management, reinsurance planning, the investment approach, product development and operational transformation.

Ray Sigorta’s climate change strategy is shaped around the objectives of adapting to a low-carbon economy, mitigating the impacts of climate change-related risks, enhancing the resilience of the insurance portfolio against changing risk profiles, and capitalising on opportunities in the field of sustainable insurance. This approach aims not only to reduce the Company’s own operational environmental impacts but also to help its customers and stakeholders become more resilient to climate change-related risks.

In 2025, there was no structural change in Ray Sigorta’s strategy and decision-making approach regarding climate change compared to the previous reporting period. The Company has continued to monitor climate-related risks and opportunities in conjunction with portfolio management, technical underwriting processes, reinsurance assessments, its investment approach and operational efficiency

initiatives, whilst maintaining the strategic framework established in 2024.

Ray Sigorta’s transition plan follows a phased, data-driven approach that prioritises business continuity rather than abrupt, one-off transformation. Structured around short-, medium- and long-term objectives and the Company’s priority impact areas, the plan aims to strengthen organisational resilience across areas ranging from portfolio structure and investment policies to product strategy and operational transformation. The transition plan is integrated with Ray Sigorta’s sustainability governance, enterprise risk management, financial planning and performance-monitoring processes.

Implementation of the transition plan is coordinated between the Sustainability Committee, the Corporate Strategy, Performance and Sustainability Department, the relevant sub-committees and business units. Actions relating to climate-related risks and opportunities are assessed by considering the likelihood of occurrence, magnitude of financial impacts, position in the value chain, management approach, resource requirements and cost of mitigation measures. These assessments are connected with sustainability governance and enterprise risk management processes conducted under the oversight of the Board of Directors.

Ray Sigorta’s climate change transition plan and strategic responses focus on the following key areas:

Strategic area	Response in decision-making
Portfolio structure	Monitoring the share of climate-sensitive lines of business within the portfolio, assessing risk concentration, and tracking the impacts of climate change on the frequency and severity of claims
Underwriting and pricing	Incorporating claims frequency, claims severity, geographic risk variation and climate-related trends into technical assessment processes; developing methodologies to integrate climate-related risks more effectively into underwriting
Claims management	Strengthening operational response capacity, digital claims processes and customer communication following severe weather events
Reinsurance planning	Assessing the impact on the risk transfer structure and capital adequacy, taking into account natural disaster risks and uncertainties arising from climate change
Product and service development	Monitoring emerging insurance needs in areas such as climate adaptation, resilience, low-carbon technologies and electric vehicles
Investment approach	Taking into account the impact of environmental, social and governance factors on investment decisions and the portfolio risk profile
Operational emissions reduction	Reducing operational emission sources, assessing plans for the transition to electric/hybrid vehicles, implementing green office initiatives, and developing energy and resource efficiency measures
Renewable energy	Maintaining the use of certified renewable electricity, reducing market-based Scope 2 emissions, and evaluating appropriate reduction/offset mechanisms for unavoidable emissions
Digitalisation and paperless processes	Reducing resource consumption and operational environmental impact through paperless insurance, digital policies, digital claims and the transformation of operational processes
Supply chain and value chain	Incorporating environmental and social factors into supplier assessment criteria; mainstreaming sustainability expectations across the entire value chain

Operational emissions reduction is an important component of Ray Sigorta's transition plan. The Company regards the measurement, monitoring and reduction of greenhouse gas emissions from its own activities as a key element of its climate strategy. Reduction and efficiency opportunities are pursued in areas including energy consumption, Company vehicles, office operations, digitalisation and resource use. Greenhouse gas inventory work supports the systematic monitoring of operational emission sources and the data-driven planning of future reduction measures.

The use of renewable energy is another component of Ray Sigorta's approach to the transition to a low-carbon economy. Although feasibility studies have previously been conducted on renewable energy generation opportunities, current regulations governing insurance activities do not appear to allow the Company to participate in incentivised activities such as licensed renewable energy generation and sale to the grid. The Company monitors technically and financially viable renewable energy solutions for self-consumption and will assess whether renewable generation options can be incorporated into its transition plan if the legal framework changes. Ray Sigorta therefore regards certified renewable electricity as an important means of managing Scope 2 emissions and monitors the effect of renewable electricity certificates on market-based emissions.

In line with its Climate Change Strategy Policy, Ray Sigorta continues its approach of not providing insurance services to sectors involved in coal production and coal-fired power generation. Under this policy, no commercial relationships are established with potential customers in these sectors. Whilst this decision may have a limiting effect on premium generation in the short term, it aims to reduce the impact of climate change-related risks on the portfolio, lower the emissions intensity of the insurance portfolio and strengthen the Company's financial resilience in the medium and long term. This trade-off between the objective of reducing environmental risks and commercial growth, as identified during the decision-making process, is regarded as a strategic component of Ray Sigorta's corporate adaptation approach to climate change.

As part of its product and service strategy, Ray Sigorta monitors insurance needs associated with climate adaptation and resilience. New risks arising from climate change, electric vehicles, low-carbon technologies, disaster-resilient assets and emerging location requirements create opportunities for both risk management and product development. The Company therefore views climate change not only as a risk that may place pressure on claims frequency and technical profitability, but also as a strategic area of transformation through which it can develop sustainable insurance products, strengthen the customer value proposition and respond to emerging market needs.

In strategic planning efforts relating to climate change, the cost planning for actions addressing risks and opportunities is assessed alongside financial projections. In assessments that take into account the scale of planned actions, the implementation timeframe and the Company's resource capacity, the fact that a significant portion of digitalisation and operational efficiency initiatives can be carried out in a manner compatible with existing processes represents an advantage for Ray Sigorta. This approach supports the implementation of the transition plan in a phased and manageable manner without compromising financial resilience.

Ray Sigorta addresses direct mitigation and adaptation efforts, indirect impact areas and financial planning processes collectively to achieve its climate change targets. Direct mitigation initiatives are being carried out in areas such as energy efficiency, the use of renewable electricity, the potential for transforming the vehicle fleet, green office practices and digitalisation. Indirect mitigation and adaptation efforts, meanwhile, are supported through product development, customer awareness campaigns, risk engineering, supplier assessment criteria and the integration of sustainability expectations into the value chain.

Ray Sigorta's transition plan is structured as a framework that can be updated and refined in each reporting period. The Company aims to strengthen its climate-related risk and opportunity assessments in future periods through more advanced scenario analyses⁵, more comprehensive risk and opportunity matrices, portfolio-based assessments and financial impact simulations. Improvements made to the climate change risk calculation work carried out in 2025 have brought the risk calculation model into closer alignment with the Company's internal performance indicators. With this new approach, it has been observed that climate risks and opportunities are now more closely linked to the Company's financial performance.

Within this framework, Ray Sigorta's strategy and decision-making approach regarding climate change is maintained as an integrated structure that takes into account the objectives of financial resilience, technical profitability, customer expectations, risk transfer, operational efficiency, adaptation to a low-carbon economy and long-term value creation.

⁵Explanations regarding scenario analyses can be found under the **'Risk Management'** heading.

FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS

For Ray Sigorta, the most significant potential financial impact of climate change is the pressure that acute and chronic impacts from extreme weather and climate-related disasters may place on the technical balance by increasing claims frequency and claims severity. These impacts are not confined to external environmental conditions; they are concentrated across several layers of the Company's business model.

Fire, engineering, agriculture, marine, aviation and motor own damage lines are particularly exposed to physical and transition risks. The share of gross written premiums in these lines in total gross written premiums is a key indicator used to monitor Ray Sigorta's portfolio-level exposure to climate-related financial risks.

Exposed Lines of Business	2024 Gross Premiums Written (TL)	2025 Gross Premiums Written (TL)
Fire	7,787,696,734	9,576,323,707
Engineering	2,121,453,324	2,976,330,800
Marine	785,134,777	972,421,261
Agriculture	759,519,005	1,607,648,028
Aviation	8,690,390	116,332,242
Motor own damage	4,648,585,400	6,382,363,682
Total exposed lines of business	16,111,079,630	21,631,419,720
Total gross written premiums	31,362,012,105	43,506,455,505
Exposure ratio	51.37%	49.72%



In 2025, gross written premiums in lines of business sensitive to climate change increased in nominal terms, while their share of total gross written premiums declined from 51.37% to 49.72%. The exposed portfolio therefore increased in absolute terms, but its weight within the total portfolio fell by 1.65 percentage points. This ratio confirms that Ray Sigorta’s financial exposure to climate-related risks remains strategically significant and that changes in portfolio composition should be monitored regularly together with claims experience and the reinsurance structure.

Climate-related risks may affect financial performance through claims payments, technical profitability, reinsurance costs, pricing adequacy, capital adequacy and the timing of cash flows. Acute weather events may cause claims notifications to be concentrated in particular periods, while chronic climatic changes may require risk profiles, claims expectations and pricing assumptions to be reassessed over the long term.

During the 2025 reporting period, Ray Sigorta refined the methodology used to assess the financial impacts of physical climate risks. As the forward-looking estimates disclosed in the previous reporting period were based on different assumptions and methods, they are not directly comparable with the new model used in 2025. The 2025 disclosures are therefore based on the 2025 base year and the short- and long-term scenario results produced under the revised calculation model.

The revised approach uses data relating to climate-related insurance coverage and focuses on measuring the incremental impact of climate change relative to a business-as-usual scenario. By isolating impacts arising from premium growth and market fluctuations, the model is intended to provide a more consistent assessment of additional climate-related financial vulnerability.

The amounts disclosed in this analysis do not represent provisions or liabilities recognised directly in the financial statements. They are forward-looking risk projections of the potential financial impacts that physical climate risks may create under specified scenario assumptions. As the risk categories are presented separately to show different climate-related drivers that may lead to the same or similar claims outcomes, their financial impacts should not be treated as independent amounts that can be aggregated. Ray Sigorta manages these risks on an integrated basis through underwriting, pricing, reinsurance, claims management, risk modelling and capital adequacy processes.

The results of the physical climate risk analysis conducted in 2025 are presented below. The table shows scenario results for the short term (2026) and the long term (2030).

Period / scenario ⁶	Gross financial impact	Net financial impact
Short term – low-emission scenario	11.89 million TL	3.24 million TL
Short term – high-emission scenario	59.46 million TL	16.18 million TL
Long term – low-emission scenario	256.08 million TL	91.56 million TL
Long term – high-emission scenario	422.01 million TL	150.88 million TL

⁶The financial impact figures presented in the table do not represent the individual loss expectation for a single risk category; rather, they illustrate the total portfolio-level scenario impact of physical climate change risks arising from climate-related event cover in Ray Sigorta’s climate-sensitive lines of business. In this context, the gross financial impact represents the potential additional loss impact that could arise under the relevant scenario before the reinsurance effect is taken into account; the net financial impact, on the other hand, represents the potential additional financial impact expected to remain with the Company following its standard pro-rata reinsurance cover. These figures are the outputs of a joint scenario analysis linked to the headings ‘acute physical risk’, ‘chronic physical risk’ and ‘increase in the frequency of natural disasters’ included in the risk table. These risk headings are presented separately to highlight different climate change drivers and impact pathways that could result in the same or similar loss outcomes. Consequently, the financial impact ranges shown in the table should not be interpreted as independent figures calculated and aggregated separately for each risk heading; rather, they represent the combined financial impact range at portfolio level, where the relevant physical risk headings are managed collectively.

The analysis indicates that, after standard proportional reinsurance protection, the incremental financial impact of climate change on claims development could range from 3.24 million TL to 16.18 million TL in the short term and from 91.56 million TL to 150.88 million TL in the long term. These results suggest that the incremental impact may remain manageable in the short term, but could become more strategically significant over the long term in relation to claims frequency, claims severity, reinsurance planning and technical pricing.

Ray Sigorta's annual reinsurance programme also provides non-proportional, per-event excess-of-loss (XOL) protection for catastrophe-level events. Applying a conservative assumption, the net risk calculations assume that expected claims occur across multiple loss events. If the projected aggregate net climate-related claims were instead to arise through one or more catastrophe-level events, XOL protection would be expected to respond and significantly reduce the risk retained by the Company. The net financial impact attributable to climate change would therefore also be expected to decline materially.

The financial impacts of climate-related risks are not limited to claims amounts. During periods in which climate-related events intensify, financial performance may also be affected by claims-management capacity, customer communications, loss-adjustment processes, the timing of cash outflows, reinsurance recoveries and operational response capacity. Ray Sigorta therefore considers both technical insurance indicators and operational response capacity when assessing potential climate-related financial impacts.

No material and separately identifiable impact arising from climate-related risks occurred or was directly reflected in the Company's financial statements during the 2025 reporting period. No separate provision or liability was recognised for climate-related risks, and there were no developments affecting capital adequacy, reinsurance costs or financial performance that required separate disclosure. Nor was any separate climate-related investment or expenditure item recognised during the period. Ray Sigorta nevertheless continues to monitor potential financial impacts through its portfolio composition, claims experience, technical profitability, reinsurance planning and risk-modelling processes.

Climate-related opportunities may support Ray Sigorta's financial performance. Key areas include cost advantages from paperless insurance and a more efficient operating model; the development of electric-vehicle, low-carbon technology and climate-adapted product and service solutions; the emergence of new asset classes and locations requiring insurance coverage; and the reputational benefits associated with strong climate-adaptation and sustainability performance. The aggregate financial benefit from these opportunities is estimated at 194.22 million TL in the short term and 1.94 billion TL in the long term.

To realise a reasonable proportion of these opportunities, Ray Sigorta estimates that investment and expenditure of 15.47 million TL will be required in the short term and approximately 129 million TL in the long term. These amounts are forward-looking projections of the resources needed to capture the opportunities; they do not represent separate climate-related investments or expenditure incurred in 2025. The financial impacts have been assessed with reference to the Company's growth and premium expectations, product-development potential, market dynamics and relevant management actions. Detailed growth and premium assumptions are not disclosed because Ray Sigorta is a publicly listed company and the information is commercially sensitive. Nevertheless, the balance of expected costs and benefits indicates that it is reasonable to expect the Company to be able to capitalise on these opportunities.

Ray Sigorta aims to monitor the impacts of climate change-related risks and opportunities on its financial position, financial performance and cash flows in greater detail in future reporting periods, using more advanced data sets, line-of-business-specific loss analyses, comparable scenario results, portfolio-level risk indicators and financial outcomes relating to areas of opportunity. The climate change risk scenario and calculation approach developed in 2025 is regarded as a significant step towards establishing a structure that is more data-driven on the risk side and more closely linked to decision-making processes.

Financial projections regarding opportunities also highlight Ray Sigorta's long-term value creation potential in the areas of product development, operational efficiency and sustainable insurance.

CLIMATE RESILIENCE

Ray Sigorta assesses the resilience of its strategy and business model to physical and transition risks by considering its portfolio structure, underwriting processes, pricing approach, claims management, reinsurance protection, operational processes, greenhouse gas emissions management and product-development capacity. For the Company, climate resilience encompasses not only risk mitigation, but also the capacity to adapt to changing climatic conditions, assess potential financial impacts in advance and capitalise on climate-related opportunities.

There was no structural change in Ray Sigorta's climate-resilience approach in 2025 compared with the previous reporting period. The methodology used to assess the financial impacts of climate-related risks was, however, refined to incorporate the Company's portfolio data, claims experience relating to climate-related coverage, a business-as-usual scenario and low- and high-emission scenarios. This enhancement strengthened Ray Sigorta's capacity to assess climate-related risks on a more data-driven basis.

The 2025 analysis indicates that the incremental financial impact of climate change on business-as-usual claims development may remain manageable in the short term, but may require more careful and systematic monitoring over the long term in relation to claims frequency, claims severity, reinsurance planning and technical pricing. The findings highlight the importance of strengthening forward-looking scenario analysis, risk projections and portfolio-based assessments in managing physical climate risks.

Reinsurance protection is a key component of Ray Sigorta's climate-resilience approach. In assessing potential increases in climate-related claims frequency and claims severity, the Company considers its reinsurance structure, XOL protection, capital adequacy and the maintenance of technical balance together. The trigger threshold for XOL reinsurance protection in the 2025 reporting period is 138 million TL. This structure reinforces the role of risk-transfer mechanisms in supporting financial resilience under high-impact loss scenarios.

The continued development of risk assessment and scenario modelling also supports Ray Sigorta's climate resilience. Enhancements to forecasting models help distinguish incremental climate-related financial impacts from business-as-usual claims development and integrate those risks more effectively with underwriting, pricing, claims management and reinsurance. The Company is thereby developing a more resilient decision-making framework that monitors climate-related uncertainty through forward-looking scenario analysis as well as historical claims experience.

In terms of operational resilience, Ray Sigorta continues its efforts to measure, monitor and reduce greenhouse gas emissions. In 2025, Scope 1 and Scope 2 emissions were calculated; process identification studies were carried out to assess Scope 3 emissions in future reporting periods. This work represents a significant preparatory step, particularly in terms of gaining a better understanding of indirect impacts arising from the insurance portfolio and value chain, refining data collection processes, and developing a more comprehensive transition plan for future periods.

Opportunities related to climate change are also assessed as part of Ray Sigorta's resilience capacity. Climate adaptation and resilience solutions, insurance needs related to low-carbon technologies, electric vehicles, new insurable assets and locations, and paperless insurance applications support the Company in developing a structure that not only mitigates risks in the face of climate change but also adapts to changing market conditions and identifies new areas for value creation. The capacity to capitalise on these opportunities is among the factors strengthening Ray Sigorta's strategic flexibility and long-term financial resilience.

Based on the work conducted in 2025, Ray Sigorta's resilience to climate-related risks is considered to be supported by reinsurance protection, an enhanced risk-assessment and scenario-modelling approach, regular monitoring of portfolio composition, operational emissions management and the monitoring of opportunity areas. In future reporting periods, the Company aims to strengthen its assessments through more advanced data sets, comparable scenario analysis, Scope 3 preparatory work and portfolio-based metrics.

4. RISK MANAGEMENT

By the nature of their operations, insurance companies require more comprehensive and multi-layered risk management frameworks than many other sectors. This requirement arises not only from the laws and regulations governing insurance activities, but also from a responsible and sustainable management approach. Ray Sigorta fulfils its risk management responsibilities in accordance with applicable regulation and internationally recognised practices and principles.

Given the nature of its business, Ray Sigorta takes a broad approach to risk management. In addition to generally recognised enterprise risks and opportunities, the risk management system covers technical insurance risks, actuarial assessments, line-of-business-specific claims dynamics, reinsurance arrangements, operational continuity and climate-related risks and opportunities. Risk management is not confined to the Risk Management Unit; it is implemented on an integrated basis with contributions from Actuarial, Underwriting, Claims, Reinsurance, Strategy, Sustainability and the relevant business units.

The enterprise risk and crisis management process is conducted in accordance with the Risk Management Policy and is integrated with existing functions and processes across the organisation. Its principal objective is to identify, assess, prioritise, monitor and manage strategic, financial, operational and technical insurance risks in a timely manner. The risk portfolio is defined in coordination with the relevant risk owners, and identified risks are assessed using generally accepted methodologies, stress testing, scenario analysis and limits established within the risk appetite framework.

The Risk Management Unit consolidates the outputs of these processes to maintain the risk inventory, identify potential crisis factors before risks materialise, activate effective crisis-management processes and minimise potential losses. Limits aligned with risk appetite, early-warning indicators and preventive actions are among the principal tools used in the risk management process.

Sustainability-related risks and opportunities, particularly those associated with climate change, are assessed both through the risk processes of technical insurance functions and across the

different components of the enterprise risk portfolio. The Environmental and Social Management System (ESMS) and the ESG Risk Assessment Process have been integrated into Ray Sigorta's risk management system. Climate-related risks are therefore considered not only in technical insurance assessments, but also in connection with investment decisions, product development, procurement, operational efficiency and corporate strategy.

When identifying climate-related risks and opportunities, Ray Sigorta distinguishes between existing climatic, weather-related and natural-catastrophe risks inherent in insurance operations and the additional exposures that climate change may create above the business-as-usual risk baseline. The Company does not seek to redefine all climatic and meteorological risks already managed through its insurance activities; rather, it seeks to better understand, monitor and manage the incremental impacts of climate change on claims frequency, claims severity, reinsurance needs, pricing assumptions, portfolio composition and capital adequacy.

During the reporting period, climate-related risks and opportunities were assessed with input from the Enterprise Risk Management Unit, the Corporate Strategy, Performance and Sustainability Department and the relevant business units. Rather than preparing a new risk and opportunity inventory in 2025, Ray Sigorta used the inventory and materiality results developed in 2024 based on thresholds for financial impacts and recurrence frequency. For the 2025 reporting period, the inventory was reassessed in light of the current portfolio structure, financial-impact indicators, the physical climate risk calculation, reinsurance arrangements, strategic priorities and significant indicators of change during the period. The 2024 inventory and materiality exercise and relevant stages of the 2025 model-development and review process were supported by specialist advisers.

When assessing the financial-impact level of sustainability-related and climate-related risks and opportunities, Ray Sigorta uses the size of its equity and the financial-impact scale in the VIG Risk Management Policy. Thresholds set at approximately 1% of equity and aligned with the VIG methodology are used to prioritise risks and opportunities.

These thresholds classify financial impacts from “very low” to “very high” and provide a consistent basis for prioritisation. Under the VIG Risk Management Policy, 2.5% of equity is treated as a critical upper threshold representing a risk level above the Company’s acceptable risk appetite and potentially requiring the relevant activity to be suspended or declined. The scale based on 1% of equity is therefore used for prioritisation, while the 2.5% threshold acts as an upper limit in the risk-appetite and acceptability assessment.

Ray Sigorta defines the timeframes within which the impacts of climate change-related risks and opportunities can reasonably be expected to materialise in a manner consistent with the annual policy cycle of its insurance operations, the reinsurance renewal period, the strategic planning horizon and risk modelling processes. In this context, the short term refers to the one-year period following the reporting period; the medium term refers to periods longer than one year but shorter than five years; and the long term refers to periods of five years or more. In the climate change risk calculation model used for the 2025 reporting period, the quantitative projection points have been set as 2026 to represent short-term operational and acute impacts, and 2030 to represent long-term systemic impacts and changes in frequency and severity. Although the medium term has not been modelled as a separate quantitative scenario year, it has not been excluded from the assessment of periods longer than one year and shorter than five years. This period is taken into account in the qualitative assessment process in terms of strategic planning, underwriting, pricing, reinsurance, digitalisation, operational efficiency and the implementation of transition plans. Consequently, in the 2025 report, quantitative financial impact projections relating to climate change are presented using the short- and long-term reference years; the medium term, however, is assessed not as a separate quantitative outcome year, but within the context of risk and opportunity management and strategic planning processes.

Risk-Opportunity Assessment Parameters

Magnitude of Financial Effect	Financial-impact Rating
More than 90 million TL in one year	Very high
Between 9 million TL and 90 million TL in one year	High
Between 900,000 TL and 9 million TL in one year	Medium
Between 90,000 TL and 900,000 TL in one year	Low
Less than 90,000 TL in one year	Very low

Likelihood	Frequency
Very frequent	More than 100 times a year
Frequent	10–100 times a year
Occasional	1–10 times a year
Rare	Once every 1–10 years
Very rare	Less than once every 10 years

SCENARIO ANALYSIS APPROACH

Ray Sigorta used scenario analysis during the 2025 reporting period to assess the financial impacts of physical climate risks. The analysis evaluates, under different emissions pathways and over short- and long-term horizons, potential financial impacts in addition to business-as-usual claims development in the Company’s climate-sensitive insurance portfolio.

Compared with the previous reporting period, the 2025 scenario analysis is more data-driven and Company-specific. The 2024 pilot scaled global impacts to Company level using macroeconomic assumptions, including global climate-related economic losses, Türkiye’s share of the global economy, insurance penetration rates globally and in Türkiye, and Ray Sigorta’s market share. This provided an important first application of scenario analysis and helped identify areas for improvement.

In 2025, the methodology shifted from a top-down approach based on global assumptions to a bottom-up approach using Ray Sigorta’s own portfolio and claims data. Portfolio and claims information relating to coverage for hail, storms, floods and inundation was used. The hypothetical climate filter applied previously was removed, and a more disaggregated methodology based directly on climate-related coverage data was adopted.

The analysis uses the RCP 2.6 / SSP1-2.6 pathway as the low-emission scenario and the RCP 8.5 / SSP5-8.5 pathway as the high-emission scenario. The low-emission scenario assumes more limited climate impacts and a lower increase in the frequency of weather-related disasters. The high-emission scenario assumes persistently high emissions and potentially more pronounced increases in the frequency and severity of climate-related events.

Data on the frequency of weather-related disasters published by the Turkish State Meteorological Service for 2015–2025 was used

to establish the business-as-usual baseline for future projections. The baseline scenario uses 2026 as the short-term reference year and 2030 as the long-term reference year.

A differentiated approach was used for the short and long terms. Because of the uncertainty involved in statistically isolating the incremental impact of climate change over a single year, conservative sensitivity shocks were applied in the short-term low- and high-emission scenarios to avoid blind spots in the assessment of risk. Generic shocks of 1% and 5% were applied to the low- and high-emission scenarios, respectively.

For the long term, scenario ratios were derived from the underlying trend in weather-related disaster frequency and the marginal impacts that low- and high-emission pathways may have on natural-catastrophe frequency and severity. The long-term analysis therefore uses multipliers based on changes in natural-catastrophe rates and differentiates between the emissions scenarios, rather than applying a single general prudential factor.

The base-period premium volume was held constant to isolate impacts that might otherwise arise from premium growth or market fluctuations. The calculation therefore focuses on incremental climate-related financial vulnerability rather than portfolio growth. Results were assessed on both a gross basis and a net basis after reinsurance protection; the short- and long-term financial-impact ranges disclosed in the report are based on these results.

This analysis does not calculate a provision or liability recognised in the financial statements. It is a forward-looking risk projection of the potential financial impacts of physical climate risks under specified scenario assumptions. As data quality, portfolio-level analysis and modelling capabilities improve, Ray Sigorta aims to make its scenario analysis more comparable and more closely integrated with decision-making processes.

Risk categories are presented separately to show the different climate-related triggers and impact channels within Ray Sigorta’s insurance portfolio that may lead to the same or similar claims outcomes. They should not be regarded as wholly independent risks, and their financial impacts should not be aggregated mechanically. The Company manages these risks on an integrated basis through underwriting, pricing, reinsurance, claims management, risk modelling and capital adequacy processes. Risk responses, mitigation measures and related costs are assessed within a common risk management framework.

Reinsurance is an important risk-management tool supporting Ray Sigorta’s financial resilience to physical climate risks. The Company considers the role of risk-transfer mechanisms under high-impact loss scenarios and assesses XOL reinsurance protection, capital adequacy and the maintenance of technical balance together. The XOL trigger threshold for the 2025 reporting period is 138 million TL. This threshold is an important reference point in assessing when reinsurance protection would respond to a high-impact loss event.

Transition risks and opportunities related to climate change are also monitored as part of the risk management process. The transition to a low-carbon economy, changes in customer expectations, new insurance needs linked to electric vehicles and low-carbon technologies, paperless insurance practices, the enhancement of sustainability/ESG performance, and the approach of not providing insurance services to sectors involved in coal production and coal-fired power generation, are among the key areas considered in Ray Sigorta’s risk and opportunity assessment. These areas are monitored by the Sustainability Committee, relevant sub-committees and business units, both in terms of risk mitigation and the potential to create new value.

As part of its management of operational climate risks, Ray Sigorta treats the measurement, monitoring and reduction of greenhouse gas emissions as a complementary element of its risk management approach. Scope 1 and Scope 2 emissions were calculated for 2025, and process-mapping work was undertaken to support the assessment of Scope 3 emissions in future reporting periods. Data-maturity and methodological preparation for Scope 3 are important to understanding indirect impacts arising from the insurance portfolio and value chain and to enabling more comprehensive assessment of transition risks in future periods.

Climate-related risks and opportunities are monitored in connection with Ray Sigorta’s sustainability governance and enterprise risk management framework. Assessment results are considered by the Sustainability Committee and the relevant work is reported to the Board of Directors at least annually. Risk management and internal control processes are also reviewed by the Early Detection of Risk and Audit Committee, providing multi-layered oversight of sustainability-related and climate-related risks.

There was no structural change in Ray Sigorta’s enterprise risk management framework in 2025 compared with the previous reporting period. The enhancement of the model used to assess the financial impacts of physical climate risks nevertheless strengthened the risk management process in terms of data quality, scenario analysis, traceability and connectivity with financial impacts. In future reporting periods, the Company aims to further develop its assessments using more advanced data sets, comparable scenario analysis, portfolio-based metrics, Scope 3 preparatory work and performance indicators integrated into risk management processes.

5. TARGETS AND METRICS

SUSTAINABILITY TARGETS

Priority Matters	Indicator and Initiatives	2024 Performance	2025 Performance	Target by 2026	Target by 2030
Reducing the emissions intensity of operations ⁷	Operational emissions per employee: (Scope 1 + Scope 2) / number of employees	1.25 ⁷	1.15 tonnes CO ₂ e per employee	1.15 tonnes CO ₂ e per employee	0.88 tonnes CO ₂ e per employee
Reducing the emissions intensity of operations	Operational emissions per gross written premiums: (Scope 1 + Scope 2) / Total gross written premiums (thousand TL)	17.3 ⁸	13.03 g CO ₂ e/1,000 TL	13.03 g CO ₂ e/1,000 TL	12.11 g CO ₂ e per 1,000 TL
Reducing the emissions intensity of operations	Reducing portfolio-related emissions (Scope 3)	-	Process identification studies have been carried out to assess Scope 3 emissions in future reporting periods.	Calculation of Scope 3 emissions, including portfolio emission intensity	-
Management of products' ESG impacts	Integration of ESG criteria into underwriting processes	-	The concept study has been completed.	Development of cover against climate risks for specific products and generation of premium amount	Achieving full integration
Supporting responsible investment	Increasing the proportion of 'responsible investment' in the investment portfolio	1.84%	2.56%	2.6%	3%
Improving natural-catastrophe risk management processes	Establishing underwriting acceptance, pricing and claims processes aligned with natural-hazard modelling	-	A calculation model has been developed to assess the financial impact of physical climate change risks; a more differentiated risk assessment approach based on climate-related cover has been adopted.	Preparing a natural-catastrophe tariff for flood, inundation, storm and hail Reviewing and updating flood, inundation, storm and hail clauses	Transitioning to location-based pricing for natural catastrophes
Expanding paperless insurance practices	Continuing the implementation of paperless insurance practices	The use of printed policy forms has been completely phased out.	Digitalisation initiatives have been carried out in newly developed processes. The need for paper consumption has been minimised in core processes.	Making newly developed processes paperless	-
Developing digital insurance applications	Digitalising claims processes	Online claims-file enquiries were introduced for all retail claims. Online first notification of loss (FNOL) was introduced for motor third-party liability claims. Online usage rate for motor third-party liability claims notifications: 32%.	Home insurance FNOL, diminution-in-value applications, motor third-party liability claims notifications, and motor own damage claims notifications and tracking are available through web and mobile channels.	Increasing online usage for home insurance claims notifications to 40% Increasing online usage for motor third-party liability claims notifications to 45% Implementing an AI-assisted application to estimate motor claims costs from accident photographs Introducing online FNOL for motor own damage insurance	Migrating all claims processes to mobile channels
Developing digital insurance applications	Digitalising sales processes	-	The customer mobile app has been launched. Three products are now available for sale via the mobile channel.	Making one further product available for sale via the customer mobile app	Making all retail products available for sale via the mobile app

⁷Although Ray Sigorta's emission reduction targets set for 2030 have not yet been aligned with the SBTi framework as of the reporting period, they have been formulated in line with the sector-specific decarbonisation pathways defined within VIG's sustainability strategy, taking into account decarbonisation methods specific to the insurance sector. The base year used for absolute emissions calculations and the relative emissions targets derived from these calculations is 2024, the year in which these efforts were first undertaken within the company. The targets have been set in terms of intensity, based on market-based emissions. The emission values for these targets include the main greenhouse gases such as CO₂, CH₄ N₂O.

⁸These values, which were calculated in 2024 using location-based emission figures, are now calculated using market-based emission figures, covering the 2025 report from this year onwards. To enable comparison, the figures for 2024 have also been recalculated and added to the table. For this reason, the relevant figure differs from that published in the 2024 report. The 'operational emissions per 1,000 TL of gross written premium' indicator is calculated on the basis of the Company's total gross written premium, rather than the number of policies or the average policy premium. As there is no physical unit of production in the insurance sector, this indicator is a widely used intensity indicator designed to monitor the relationship between operational emissions and the volume of financial activity.

GREENHOUSE GAS EMISSIONS

Measuring, monitoring and reducing greenhouse gas emissions is a key element of action to address climate change. Accordingly, Ray Sigorta calculated the greenhouse gas emissions arising from its operations for the 2025 reporting period in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

The 2025 GHG inventory has been prepared to cover Ray Sigorta's operations under its direct financial control. The aim in adopting this approach was to ensure that sustainability disclosures are prepared in line with the scope of financial reporting and that emissions arising from activities over which the Company has the authority to direct its financial and operational policies are comprehensively included in the inventory. Furthermore, given Ray Sigorta's current operational structure and organisational boundaries, there is no difference between the financial control approach and the operational control approach that would affect the results of the greenhouse gas inventory. In this context, the reporting scope covers the Company's activities under its financial control, including the Head Office and Regional Offices. The entities in which the Company holds a minority stake and over which it has no financial control – Tarım Sigortaları Havuz İşletmesi A.Ş. and Risk Ekspert Risk ve Hasar Danışmanlık Hizmetleri Ltd. Şti. – have not been included in the Scope 1 and Scope 2 emission categories of the greenhouse gas emissions inventory study.

In the greenhouse gas emissions calculations, both Scope 1 and Scope 2 emissions have been taken into account. Scope 1 emissions consist of stationary combustion, mobile combustion and fugitive emission sources under Ray Sigorta's direct control. Scope 2 emissions, on the other hand, cover indirect emissions arising from purchased electricity consumption. Scope 2 emissions have been calculated using both location-based and market-based methods.

Emission factors appropriate to the nature of the activity data were applied to each source in the 2025 greenhouse gas inventory. IPCC⁹ methodologies and IPCC AR6 global warming potential values were used for Scope 1 fuel consumption and fugitive emissions. For location-based Scope 2 electricity emissions, Türkiye's electricity generation and point-of-consumption emission factors published by the Ministry of Energy and Natural Resources¹⁰ were used.

In 2025, Ray Sigorta's operations generated 551.36 tonnes of CO₂e in Scope 1 and 138.71 tonnes of CO₂e in location-based Scope 2 emissions. After taking into account I-REC-certified renewable electricity consumed during the period, market-based Scope 2 emissions were 15.75 tonnes of CO₂e. Total emissions were therefore 690.07 tonnes of CO₂e on a location-based basis and 567.11 tonnes of CO₂e on a market-based basis.

Greenhouse Gas Emissions ¹¹	2024	2025
Scope 1 emissions	518.54 tonnes CO ₂ e	551.36 tonnes CO ₂ e
Scope 2 emissions – location-based	134.55 tonnes CO ₂ e	138.71 tonnes CO ₂ e
Scope 2 emissions – market-based	24.05 tonnes CO ₂ e	15.75 tonnes CO ₂ e
Total emissions – location-based	653.09 tonnes CO ₂ e	690.07 tonnes CO ₂ e
Total emissions – market-based	542.54 tonnes CO ₂ e	567.11 tonnes CO ₂ e

Total market-based emissions increased in 2025 compared with 2024. However, taking account of the growth in total gross written premiums, operational emissions intensity per unit of premium improved. Operational emissions intensity declined from 17.3 grams of CO₂e per 1,000 TL of premiums in 2024 to 13.03 grams in 2025. Operational emissions per employee also declined, from 1.25 tonnes of CO₂e per employee in 2024 to 1.15 tonnes in 2025.

⁹The primary source for the emission factors used in Scope 1 emission calculations is the tables in IPCC 2006, Chapters 1, 2, 3 and 7.
¹⁰https://enerji.gov.tr/Media/Dizin/EVCED/tr/ÇevreVeİklim/İklimDeğişikliği/EmisyonFaktörleri/2023_Türkiye_Elektrik_UretimveElektrik_Tuketim_Noktası_Emisyon_Faktörleri.pdf
¹¹Ray Sigorta did not use carbon credits, carbon removal or offsetting during the 2025 reporting period. Consequently, the location-based and market-based emission figures are not net figures following offsetting, but rather gross figures for Scope 2 emissions presented according to different calculation methods.

Emissions Intensity Metrics	2024	2025
Operational emissions per employee	1.25 tonnes CO ₂ e per employee	1.15 tonnes CO ₂ e per employee
Operational emissions per 1,000 TL of gross written premiums	17.3 g CO ₂ e per 1,000 TL	13.03 g CO ₂ e per 1,000 TL

The 2024 intensity indicators were originally calculated using location-based values, whereas the 2025 indicators use total market-based Scope 1 and Scope 2 emissions. To ensure comparability, the prior-year figures presented in this report have also been recalculated using market-based values. The market-based figures reflect the impact of I-REC-certified renewable electricity on Scope 2 emissions.

Ray Sigorta consumed 319.6 MWh of electricity during the 2025 reporting period. Of this amount, 283.3 MWh was matched with I-REC-certified renewable electricity, while the remaining 36.3 MWh was used in the market-based Scope 2 calculation. This practice contributed to reducing the Company's market-based Scope 2 emissions.

Scope 3 greenhouse gas emissions were not included in the 2025 report under the applicable transitional reliefs. Ray Sigorta nevertheless carried out process-mapping work to support the assessment of Scope 3 emissions in future reporting periods. This work is intended to improve understanding of indirect impacts arising from the insurance portfolio and value chain, strengthen data-collection processes and support expansion of the disclosure scope in future periods.

In line with VIG's emissions targets and the Republic of Türkiye's objectives for controlling greenhouse gas emissions, Ray Sigorta maintains its target of achieving net zero by 2050. The Company has selected 2024 as its base year and aims to reduce emissions intensity by 2030. The target covers Scope 1 and Scope 2 emissions. As emissions calculations become more comprehensive and Scope 3 preparation matures, the Company may consider aligning its targets more closely with a science-based target framework.

Ray Sigorta did not apply a formally defined internal carbon price in investment, pricing, scenario analysis or other decision-making processes during 2025. The Company has, however, undertaken methodological preparation to assess emissions associated with its insurance portfolio and underwritten policies in future periods. This work supports future Scope 3 calculations and development of the climate transition plan. The Company also aims to integrate climate-related risks into underwriting, measure portfolio-related emissions and assess their reduction potential. As the relevant methodologies, data sets and emissions inventory mature, Ray Sigorta will consider how internal carbon pricing could be used as a supporting decision-making tool.

RESOURCE AND OPERATIONAL EFFICIENCY

Ray Sigorta supports its approach to combating climate change and adapting to a low-carbon economy not only at the strategic planning level but also through its day-to-day operational decisions and practices. Reducing resource consumption, enhancing operational efficiency through digitalisation, promoting paperless insurance practices, utilising renewable electricity, and raising employees’ environmental awareness are among the key components of this approach.

Ray Sigorta continued to apply the operational-efficiency framework established in the previous reporting period. In 2025, the Company monitored energy and electricity consumption, paper use, process digitalisation and paperless insurance practices with the aim of reducing the environmental impacts of its operations.

Ray Sigorta’s total electricity consumption was 319.6 MWh in 2025. Of this amount, 283.3 MWh was matched with I-REC-certified renewable electricity; the remaining 36.3 MWh formed the basis of the market-based Scope 2 calculation. I-REC-certified renewable electricity therefore represented approximately 88.65% of total electricity consumption.

Electricity Consumption and Renewable Electricity Use	2024	2025
Total electricity consumption	1,096 GJ	1,150.6 GJ
I-REC-certified renewable electricity	900 GJ	1,020.0 GJ
Share of I-REC-certified renewable electricity	82.1%	88.65%

Total electricity consumption increased only slightly in 2025 compared with 2024, while the share matched with I-REC-certified renewable electricity increased. This helped Ray Sigorta maintain a low level of market-based Scope 2 emissions. The increase in electricity consumption is considered in light of growth in the Company’s operating scale and workforce, while renewable electricity remains a key component of its low-carbon operational approach.

Ray Sigorta assesses operational energy performance using both absolute consumption indicators and intensity metrics that reflect the scale of operations. Taking account of growth in total gross written premiums, operational emissions intensity improved in 2025. The indicator declined

from 17.30 grams of CO₂e per 1,000 TL of premiums in 2024 to 13.03 grams in 2025, a reduction of 24.7% despite the increase in operating volume.

Paperless insurance is a key element of Ray Sigorta’s resource-efficiency approach. In 2025, the Company continued its work to eliminate printed policy forms. Paperless principles were incorporated into newly developed processes, while digital policies, digital document management and digital customer communications remained important tools supporting operational efficiency.

As part of the 2025 greenhouse gas inventory, A4 copy paper used in office operations was also monitored as an operational data point. During the reporting period, 380 reams were purchased, equivalent to 948.1 kg of paper based on standard technical assumptions. This information was used to monitor office paper consumption separately from printed policy forms.

Digitalisation remains a priority for Ray Sigorta in improving both operational efficiency and customer experience. In 2025, 45% of traffic insurance claims notifications were submitted online, supporting the transfer of claims notification and tracking processes to digital channels.

As part of the digitalisation of sales processes, the Company increased the number of products available through the mobile application to three in 2025. The application represents an important step towards migrating retail products to digital channels, providing customers with faster and more accessible services while minimising resource use.

Ray Sigorta’s digitalisation and paperless insurance initiatives contribute not only to reducing direct resource consumption but also to accelerating operational processes, enhancing the customer experience and reducing the need for physical documents, post and archiving. In this respect, digital transformation initiatives support the Company’s objectives of both operational efficiency and reducing its environmental impact.

Resource efficiency and operational efficiency initiatives are directly linked to Ray Sigorta’s climate change transition plan and its operational reduction strategy. The use of renewable electricity, paperless insurance, digitalisation, monitoring of office-related paper consumption and the reduction of operational emissions intensity are among the key initiatives supporting the Company’s transition to a low-carbon economy. Ray Sigorta aims to monitor its performance in these areas in future reporting periods using more advanced data sets, intensity indicators and process-based efficiency metrics.

DISCLOSURES ON INSURANCE INDUSTRY-SPECIFIC METRICS

In accordance with TSRS 2 requirements, and in order to better reflect the insurance sector’s business model, operational structure and exposure to risks and opportunities linked to climate change, responses are also provided to certain indicators defined for the insurance sector in TSRS 2 Supplementary Volume 17 - Insurance. The information presented below demonstrates the extent to which Ray Sigorta’s current practices address these indicators and highlights the links to the relevant sections of the report.

FN-IN-410A.2

In developing its investment-management strategies, Ray Sigorta prioritises both financial returns and long-term sustainable value creation. Environmental, social and governance factors are therefore integrated into investment decision-making.

In constructing its investment portfolio, the Company closely monitors high-emitting sectors and activities with adverse environmental or social impacts. It also reflects in its investment processes the strategic decision not to provide insurance services to coal-mining and coal-fired power-generation sectors. The environmental performance of investee assets is assessed, and the Company pursues targets to increase the proportion of responsible investments.

The proportion of assets classified as responsible investments in Ray Sigorta’s investment portfolio stood at 2.56% in 2025. This figure is regarded as a key indicator of the Company’s approach to incorporating sustainability and ESG criteria into its investment processes. Ray Sigorta aims to strengthen its responsible investment approach in the coming periods in line with portfolio composition, the risk-return balance, market conditions and developments in sustainable finance practices.

FN-IN-410B.1

Premiums generated in the low-carbon electric-vehicle category amounted to 9.74 million TL in 2023, 24.99 million TL in 2024 and 79.20 million TL in 2025. This is an important indicator of growth in insurance products linked to low-carbon transport technologies within Ray Sigorta’s portfolio.

FN-IN-410B.2

As Ray Sigorta expands its range of products and services, the company considers initiatives that encourage policyholders to adopt safe, environmentally friendly and risk-mitigating behaviour. This approach is particularly evident in areas such as low-carbon transport technologies, electric vehicles, climate change adaptation and resilience solutions, and the digitalisation of claims processes.

The company monitors insurance needs relating to electric vehicles and low-carbon transport technologies, and evaluates its product and cover solutions in this area in line with changing customer expectations and new risk profiles. In this context, encouraging the use of low-carbon vehicles through insurance products is considered one of the ways to promote environmentally responsible behaviour.

Ray Sigorta also helps policyholders manage their risks more effectively by improving claims management, customer communication, and digital processes. Digital policies, digital claims reporting and paperless processes generate environmental and operational benefits by reducing resource consumption, speeding up processes, and making insurance services more accessible to customers.

In view of the growing importance of climate change-related risks, Ray Sigorta aims to assess environmental risks and risk-mitigating behaviours more systematically within its product development, underwriting, pricing and claims management processes. This approach is in line with the company’s philosophy of sustainable insurance and aims to raise customers’ risk awareness while supporting low-carbon and resilient economic activities.

**FN-IN-450A.1**

Explanations of the response to this indicator can be found under the headings ‘Risks and opportunities related to climate change’, ‘Financial position, financial performance and cash flows’, ‘Climate resilience’ and ‘Risk management’.

FN-IN-450A.2

Ray Sigorta assesses physical risks associated with climate change and the impacts of weather-related natural disasters within the scope of its risk management processes. Factors considered include line of business, cover structure, portfolio composition, claims experience, geographical exposure and reinsurance structure. In the physical climate change risk study conducted during the 2025 reporting period, data from the portfolio and claims arising from cover for climatic events such as hail, storms, floods and flash floods were utilised, and projections of the gross and net financial impacts, both pre- and post-reinsurance, were produced under low and high emission scenarios.

However, during the relevant reporting period, the total monetary losses attributable to insurance payments arising from modelled and unmodelled natural disasters were not calculated in a separate table on a gross and net of reinsurance basis, broken down by event type and geographical region.

These analyses were primarily used for risk management, reinsurance assessment, scenario analysis and monitoring the potential financial impacts of climate change in 2025. As Ray Sigorta’s capacity to monitor losses improves in future reporting periods with regard to data quality, event type and geographical breakdown, it will consider reporting this indicator in a more detailed and comparable manner.

FN-IN-450A.3

As part of its corporate risk management approach, Ray Sigorta addresses environmental risks and physical and transition risks associated with climate change. These risks are assessed alongside underwriting, pricing, claims management, reinsurance planning, capital adequacy, the investment approach and business continuity processes, in line with the nature of its insurance operations.

At the level of individual policies, environmental risks are assessed during the underwriting and pricing processes. Factors such as line of business, cover structure, geographical location, claims history, sensitivity to climatic events and reinsurance cover are taken into account.

At company level, risks associated with climate change are monitored in terms of their potential impact on portfolio composition, technical profitability, claims frequency and severity, the reinsurance structure, and capital adequacy.

These processes are carried out with the contribution of the Corporate Risk Management Unit, the relevant technical and operational units, the Corporate Strategy & Performance and Sustainability Directorate, and the Sustainability Committee. Any necessary assessments are addressed within the governance structure under the supervision of the Board of Directors.

Ray Sigorta continues to develop its processes for managing environmental risks, aiming to identify, monitor and integrate climate change-related risks and opportunities into decision-making processes.

FN-IN-000.A

The total number of policies issued during the reporting period was 2,120,825.

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INDEPENDENT AUDITOR’S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY INFORMATION OF RAY SİGORTA A.Ş. PRESENTED IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

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

We were engaged by Ray Sigorta Anonim Şirketi (“the Company” or “Ray Sigorta”) to provide limited assurance on information (“Sustainability Information”) for the year ended 31 December 2025 has been prepared in accordance with TSRS 1 General Requirements for Disclosure of Sustainability Related Financial Information, TSRS 2 Climate-related Disclosures and the “Board Decision on the Scope of Application of TSRS” (collectively referred to as “TSRS”), as published by the Public Oversight Accounting and Auditing Standards Authority (“POA”).

Our limited assurance engagement does not cover information relating to previous periods other than climate-related risks and opportunities, nor does it cover other information included in the 2025 Integrated Annual Report, or other information associated with the Sustainability Information or the 2025 Integrated Annual Report (including any images, audio files, documents linked on websites, or embedded videos).

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, as summarized under the heading “Summary of Work Performed as a Basis for the Assurance Conclusion,” nothing has come to our attention that causes us to believe that the Company’s Sustainability Information for the year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the TSRS.

We do not express an assurance conclusion on previous -period information other than climate-related risks and opportunities, nor on other information associated with the Sustainability Information (including any images, audio files, documents linked on websites, or embedded videos).

Emphasis of Matter

As disclosed in “About the Report” the TSRS-Compliant Sustainability Report, the Company’s TSRS-Compliant Sustainability Report for 2025 only disclosed information on climate-related risks and opportunities in the second annual reporting period, taking into account the exemption provided by the POA Board Decision dated December 25, 2025, published in the Official Gazette No. 33123 dated December 30, 2025. However, our conclusion is not modified in respect of this matter.

As disclosed in “About the Report” of the TSRS-Compliant Sustainability Report, the Company has utilized the exemption from disclosing Scope 3 greenhouse gas emissions, which is valid for the first two years, in accordance with Provisional Article 3 of the Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS) published in the Official Gazette dated 29 December 2023 and numbered 32414. Therefore, the Company has not disclosed Scope 3 greenhouse gas emissions. However, our conclusion is not modified in respect of this matter.



Inherent limitations in the preparation of the Sustainability Information

Sustainability Information contains climate-related scenario-based information that is subject to inherent uncertainty due to incomplete scientific and economic knowledge regarding the likelihood, timing, or effects of possible future physical and transitional climate-related events.

In addition, the quantification of greenhouse gases is also subject to inherent uncertainty due to the lack of sufficient scientific knowledge required to determine the values used for emission factors and to combine different gas emissions.

Responsibilities of Management and Those Charged with Governance for Sustainability Information

- The Company’s management is responsible for the following:
- The preparation of the Sustainability Information in accordance with the TSRS;
- The design, implementation, and maintenance of internal control as deemed necessary to ensure that the Sustainability Information is prepared free from material misstatement, whether due to fraud or error;
- Additionally, the Company’s management is also responsible for selecting and applying appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate to the circumstances.

Those charged with governance are responsible for overseeing the Company’s sustainability reporting process.

Auditor's Responsibilities for the Limited Assurance Engagement on Sustainability Information

We are responsible for the following:

- To plan and perform the engagement to obtain limited assurance about whether the Sustainability Information contains material misstatements, whether due to fraud or error.
- To reach an independent conclusion based on the evidence obtained and the procedures performed; and
- To communicate our conclusion to the management of Ray Sigorta.

As we are responsible for expressing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information, as such involvement could compromise our independence.

Application of Professional Standards

Our limited assurance engagement was conducted in accordance with Assurance Engagement Standard 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” and Assurance Engagement Standard 3410 “Assurance Engagements on Greenhouse Gas Statements” as issued by the Public Oversight, Accounting and Auditing Standards Authority (POA). Our responsibilities under these assurance standards are described in detail in the “Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information” section of our report.

We believe that the evidence we have obtained during our assurance engagement provides a sufficient and appropriate basis for our conclusion.



Independence and Quality Management

We have complied with the independence requirements and other ethical provisions of the Code of Ethics for Independent Auditors (including Independence Standards) issued by the Public Oversight, Accounting and Auditing Standards Authority (“POA”), which is built upon the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

KPMG is responsible for implementing the provisions of Quality Management Standard 1 (“QMS 1”) Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and for maintaining a comprehensive quality management system, including written policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our work was carried out by an independent, multidisciplinary team consisting of auditors, engineers, and environmental scientists. We specifically used the work of environmental scientists to help determine the reasonableness of Ray Sigorta's climate-related scenarios. We are solely responsible for the assurance conclusion we provide.

Summary of Work Performed as a Basis for the Assurance Conclusion

We are required to plan and perform our work to address areas where we have identified a higher risk of material misstatement in the Sustainability Information. The procedures we apply are based on our professional judgment. In conducting our limited assurance engagement on the Sustainability Information:

The following section is provided for guidance purposes and the example procedures are not intended to represent a complete list of the type or scope of procedures that may be important for users’ understanding of the work performed. They should be considered specifically in the context of a limited assurance engagement.

- Interviews were conducted with key senior personnel of the Company to understand the processes in place for the preparation of the Sustainability Information for the reporting period;
- The Company’s internal documentation was used to evaluate and review the sustainability-related information;
- An evaluation of the disclosure and presentation of the sustainability-related information has been performed
- Through inquiries, an understanding was obtained regarding the Company’s control environment related to the preparation of the Sustainability Information. However, the design of specific control activities was not evaluated, no evidence was obtained regarding their implementation, and their operating effectiveness was not tested.
- The appropriateness of the Company’s estimation methodologies and their consistent application have been evaluated. However, our procedures did not include testing the data on which the estimates are based or developing our own estimates to assess those made by the Company.
- The selection of quantification methodologies and reporting policies for greenhouse gases has been evaluated.
- The processes for identifying risks and opportunities deemed financially significant in conjunction with the Company’s sustainability reporting processes have been understood.
- We performed analytical assurance procedures and related inquiries on a sample basis, recalculated figures, reviewed documentation, and tested data collection processes to assess the accuracy of the Company sustainability statement.



The procedures performed in a limited assurance engagement differ in nature and timing from those performed in a reasonable assurance engagement, and the scope of these procedures is also more limited. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained had a reasonable assurance engagement been performed.


Ali Tuğrul Uzun, SMMM
Partner

4 August 2026
Istanbul, Türkiye

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