AGESA HAYAT VE EMEKLİLİK A.Ş.
NATURE COMMITMENT

Our Nature-Based Approach

While the climate crisis is having significant impacts on global ecosystems, we recognize that these impacts are not limited to carbon emissions alone. As AgeSA, we take a holistic approach to understanding the impact of nature on our business model and place nature-based solutions at the core of our strategy.

We are committed to developing nature-positive business models, protecting biodiversity, and supporting the circular economy for a sustainable future. In this context, our nature-based approach is translated into concrete practices across five key areas:

1. **Decarbonization Initiatives**
2. **Water Management**
3. **Biodiversity**
4. **Circular Economy**
5. **Responsible and Sustainable Business Models**

ESG Risk Analysis and the Use of Artificial Intelligence

Within the scope of our Responsible Investment Statement, we conduct risk reporting based on ESG criteria by utilizing artificial intelligence and publicly available information (news articles, reports). Where publicly available information is not accessible, ESG risk assessments are carried out using artificial intelligence based on sectoral and country-specific risks. Identified risks are categorized, their sources are determined, and action plans are developed accordingly.

Beyond risk identification, we also assess the alignment of our investment portfolio and customer relationships with these criteria. This approach is supported by the actions defined in our Responsible Investment Statement. Our compliance assessments from an environmental sustainability perspective are conducted under four main thematic areas: Decarbonization Initiatives, Water Management, Biodiversity, and Circular Economy. Each thematic area aims to comprehensively analyze companies' policies and practices.

This commitment is not merely a vision, but also a responsibility. By integrating nature into every aspect of our business, we commit to establishing medium- and long-term targets that are aligned with global sustainability frameworks and encourage transformative change.

Decarbonization Initiatives

Greenhouse Gas Emissions

Performance (tCO_2e)

Scope 1&2 Emissions	Base Year	Performance (tCO_2e)			Target	
	2019	2022	2023	2024	2030	2050
Scope 1	858	958	1,062	1,255	462	Net Zero
Scope 2 (market-based)	1,029	181	0	0	0	Net Zero
Greenhouse Gas Emissions (Scope 1+2)	1,887	1,139	1,062	1,255	462	Net Zero

Targets for Scope 1 and Scope 2 emissions by 2030 have been established in line with the SBTi 1.5°C methodology, and market-based emissions have been included in the calculation of Scope 2 emissions.

Performance (tCO_2e)

Scope 3 Emissions Categories	2023	2024
Category 1: Purchased Goods and Services	23,006	13,601
Category 5: Waste	28	17
Category 6: Business Travel	450	240
Category 7: Employee Commuting	43	0
Category 15: Investments	1,185,974	1,234,351
Total	**1,209,502**	**1,248,209**

1. **Scope 1 and Scope 2 emissions:** Our target of reducing emissions by 69% by 2030 compared to the 2019 base year was revised to 75% following the assessment conducted in 2024.
2. **Investment portfolio-related Scope 3 emissions:** Compared to the 2022 base year, we commit to ensuring that at least 47% of our total investment portfolio

consists of companies with science-based targets by 2030, and that our entire portfolio consists of companies with science-based targets by 2040.

Our investment portfolio targets have been determined using the Portfolio Coverage methodology, one of the approaches recommended by SBTi for the financial services sector. Within this scope, we analyze the alignment of each company in our portfolio with SBTi commitments. Companies in which we invest are expected to become target-setting companies within two years.

To ensure the full alignment of our investment portfolio with SBTi targets by 2040, we have established a three-stage roadmap:

1. Engage with priority companies identified through analysis results to encourage them to adopt SBTi targets.
2. Use ESG criteria as a core assessment metric for both existing and new investments.
3. Consider excluding companies that do not have SBTi targets from future investments.

In line with our portfolio decarbonization strategy, we aim to direct our investments primarily toward publicly listed companies that are more willing to adopt SBTi targets due to higher stakeholder expectations. Local companies are among our priorities, as closer and more effective engagement can be established with them. We also aim to prioritize companies with a high value within our portfolio due to their significant influence on transition processes. In addition, we plan to prioritize companies operating in sectors for which SBTi has published sector-specific guidance, as these companies have access to a clearer roadmap. Companies that have not yet committed to SBTi but demonstrate strong transformation potential also constitute an important part of our prioritization strategy.

Through this prioritization approach, we aim to direct our resources toward areas with the highest impact potential and accelerate the decarbonization of our portfolio. Additionally, as of 2022, we no longer include companies that generate electricity from coal or engage in coal mining* in our investment portfolio for new investment transactions. By strengthening sustainability-focused dialogue with the companies in which we invest, we aim to establish long-term relationships that take into account not only financial outcomes but also environmental and social impacts.

* The definition of “new investment” includes companies that had not yet obtained licenses as of 2022.

Renewable Energy

Performance (%)	**Base Year**				**Target (%)**	
	2019	**2022**	**2023**	**2024**	**2030**	**2050**
Renewable Electricity Consumption	0	0	100	100	≥100	-

Water Management

Performance (m^3)	**2022**	**2023**	**2024**
Water Consumption	1,850	2,649	3,331
Water Consumption per Employee	1.08	1.44	1.59

Our science-based target related to water management will be evaluated in line with operational conditions following our relocation to the new office.

We manage our operations and investment portfolio in accordance with the RAMSAR Convention, which aims to ensure the conservation and sustainable use of wetlands.

For companies within our investment portfolio, we analyze water stress risk, water consumption intensity, and water recycling rates using WRI Aqueduct.

Biodiversity

Performance

Planted Saplings / Seed Balls Distributed	**Location**
2023 – 10,000 saplings	Sivas
2024 – 110,000 seed balls	Muğla
2025 – 10,000 saplings	Kocaeli

Recognizing our responsibility to mitigate the impacts of annual forest fires, we regard sapling donations as part of our sustainability approach and aim to continue this contribution on a regular basis every year.

We manage our operations and investment portfolio in alignment with the Alliance for Zero Extinction (AZE), the International Union for Conservation of Nature (IUCN), and the Convention on International Trade in Endangered Species of Wild Fauna and Flora

(CITES), which aim to identify and effectively protect the most critical areas for preventing global species extinction.

To strengthen our commitment to biodiversity, we aim to exclude from our investment portfolio companies that:

- Produce or trade products that are illegal under national laws, regulations, international conventions, or agreements and/or are subject to international bans, including pharmaceuticals, pesticides/herbicides, ozone-depleting substances, and PCBs.
- Engage in fishing practices that are considered illegal or excessive, including the use of drift nets exceeding 2.5 km in length.
- Produce or trade timber and other forestry products derived from unsustainably managed forestry operations.
- Conduct commercial activities that negatively affect tropical rainforest areas.
- Engage in the extraction, processing, sale, or import of any form of asbestos; the import or sale of products containing asbestos; or the production, processing, or trade of asbestos products or products containing added asbestos.
- Engage in, or are understood to be engaged in, the production and/or trade of radioactive materials.

Circular Economy

Performance (tons)	**2022**	**2023**	**2024**
Non-Hazardous Waste	45	29	15.5
Hazardous Waste	0	0.02	0.3
Total Waste	**45**	**29**	**16**
Reused or Recycled Waste	43	5	0.6
Paper Consumption Avoided Through Digitalization	128	134	205
Total Plastic Consumption	-	0.2	0.4
Single-Use Plastic Consumption	0	0	0

As our paper consumption has significantly decreased through digitalization, the volume of recycled waste has also declined. Following our relocation to the new office, our target-setting process will be reviewed in accordance with operational conditions.

For companies within our investment portfolio, we carefully assess waste management practices within the framework of the circular economy approach. In this process, we examine whether companies have Waste Management Policies covering the disposal of hazardous and non-hazardous waste, their compliance with legal requirements, and any penalties incurred in the past. Our aim is to identify areas for improvement and promote the implementation of circular economy practices.

Responsible and Sustainable Business Models

Harnessing the financial strength of the insurance sector for sustainability is of critical importance. As AgeSA, we develop products and services aligned with the Sustainable Development Goals (SDGs), integrate environmental, social, and governance (ESG) criteria into our investment processes, and support sustainable finance instruments.

Responsible Investment

We place ESG criteria at the center of our investment processes and manage our portfolio in line with sustainability principles through a responsible investment approach. This approach has been shaped in accordance with Sabancı Holding's Responsible Investment Policy and AgeSA's Responsible Investment Statement.

Based on the Ten Principles of the UN Global Compact, ESG risk analyses were conducted according to country and sector, and the sustainability performance of companies within our investment portfolio was thoroughly assessed.

In line with the action plan developed following our evaluation of ESG risk analysis results:

1. By the end of 2025, we aim to divest all companies included in the prohibited sectors, companies, and activities list from our investment portfolio.
2. By the end of 2030, we will adopt a proactive engagement approach with companies classified as high risk and share improvement areas to support the enhancement of their ESG performance.
3. We will continue to regularly monitor and assess the ESG performance of companies classified as medium and low risk.

We continue to support companies within our investment portfolio throughout their sustainability journeys, monitor their ESG performance, and take actions to improve it.

This approach enables us to maintain an investment strategy aligned with our climate goals while promoting low-carbon and socially responsible investments.

SDG-Linked Products and Services

As AgeSA, we develop SDG-linked products and services to accelerate the transition to a low-carbon economy and enhance social well-being. While our SDG-linked products and services support our transition toward a more resilient and responsible business model, they also strengthen the value proposition we offer to our customers.

Performance (%)

	2022	2023	2024
SDG-Linked Products and Services	25	31	47

In this context, the targets we have established internally are:

1. Development of new SDG-linked products/services/applications every year.
2. Expansion of the Sustainability Fund and growth in fund size.

We do not yet have a science-based target for SDG-linked products and services. However, as relevant standards continue to evolve, we are considering setting long-term targets in this area.

Performance (%)

	2022	2023	2024
Share of SDG-Linked R&D and Innovation Investments	-	50	100

We view digitalization and innovation as the key enablers of our sustainability performance, bringing together human talent and technology. We do not limit innovation solely to technology investments; rather, we consider it a cornerstone of our vision for sustainable growth, social impact, and customer centricity. Within the framework of our “Sustainable Innovation” approach, throughout 2024 we strengthened our SDG-linked R&D and Innovation investments through both internal transformation projects and collaborations established with the entrepreneurship ecosystem.