

AGESA HAYAT VE EMEKLİLİK A.Ş. TAX PRACTICES



Purpose and Approach

Our Company considers tax compliance to be an integral part of its corporate governance framework, ethical business culture, and sustainable value creation approach. We manage our tax processes in accordance with the principles of transparency, accountability, legal compliance, and responsible tax management. We view taxation not merely as a financial obligation, but also as an important contribution to the economic and social development of the countries in which we operate.

Tax Transparency and Responsible Tax Approach

We conduct our activities in compliance with applicable tax legislation and fulfill our tax obligations accurately, completely, and in a timely manner. Our relationships with tax authorities and relevant public institutions are based on the principles of openness, cooperation, and mutual trust.

We regularly review our tax practices, monitor legislative developments, and implement control processes aimed at the timely identification and management of tax risks.

In our financial reporting, we provide transparent tax-related disclosures in accordance with applicable legislation and relevant financial reporting standards.

Paying Taxes Where Value Is Created

We base our tax approach on the principle that taxation should occur where economic value is created and revenue-generating activities are undertaken. We make our tax planning decisions in line with commercial rationale, economic reality, and the economic substance of our activities.

We refrain from practices aimed at eroding the tax base or artificially shifting profits to different jurisdictions. We do not utilize structures or arrangements that lack commercial rationale and economic substance and are designed solely to obtain tax advantages. Transactions with related parties are conducted in accordance with applicable national legislation and relevant international regulations.

In our transfer pricing practices, we adopt the arm's length principle set out in the OECD Transfer Pricing Guidelines and ensure that transactions are priced in a manner consistent with economic reality, the functions performed, the assets employed, and the risks assumed. In applying the OECD arm's length principle, we use internationally recognized approaches for pricing cross-border transactions between related enterprises.

Responsible Taxation

Our Company takes into account not only compliance with applicable tax legislation, but also the principles of transparency, accountability, and economic substance in all tax-related practices. We aim to fulfill our tax obligations accurately, completely, and on time in every jurisdiction where we operate.

Tax decisions are made in consideration of the nature of our business activities, their economic substance, and our long-term sustainability approach. We avoid artificial arrangements that lack commercial or economic justification and whose primary purpose is to secure a tax

advantage. Our tax approach is assessed within the broader framework of corporate responsibility, reputation management, and accountability to our stakeholders.

Tax Governance

We consider tax risks to be an integral component of our corporate risk management framework. Accordingly, we implement processes for identifying, assessing, monitoring, controlling, and taking appropriate action regarding tax risks.

Ultimate oversight of tax governance rests with the Board of Directors. Risk management activities are carried out by designated risk owners, while the administrative responsibility for the effective management of tax practices and tax risks across the Company is led by the Chief Financial Officer (CFO). Relevant business units and designated risk owners are responsible for ensuring that tax processes are conducted in compliance with applicable legislation and the Company's policies and procedures.

Tax risks are assessed with consideration given to their likelihood, financial impact, regulatory impact, and reputational consequences. Identified risks are regularly monitored against the Company's risk appetite and tolerance levels. Where risks exceed defined tolerance levels, the relevant business units develop and implement risk mitigation action plans and monitor their effectiveness.

Significant tax risks and the status of actions taken to address them are reported to Senior Management through the Operational Risk Committee and the Early Detection of Risk Committee as part of the Company's corporate risk reporting processes.

Audit Committee

As part of its audit activities, the Internal Audit Department evaluates whether audited processes are conducted in compliance with applicable legislation and reviews significant tax and legal compliance risks, as well as the effectiveness of related control mechanisms.

Where audits identify practices that may be inconsistent with tax legislation or give rise to tax-related risks, the relevant findings and assessments are communicated to Senior Management and reported to the Board of Directors through the Audit Committee.

Actions required to address identified tax or legal non-compliance issues are implemented by the relevant process owners, while the effectiveness of such actions in mitigating the associated risks is monitored and evaluated by the Internal Audit Department. The results of these evaluations are presented to the Audit Committee and reported regularly to the Board of Directors.

Within this framework, the Audit Committee is responsible, under the authority granted by the Internal Systems Regulation issued pursuant to the Insurance Law, for overseeing the assessment of all internal system functions with respect to their compliance with tax legislation.