

ANADOLU SİGORTA

ENVIRONMENT AND CLIMATE CHANGE POLICY

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1. PURPOSE AND SCOPE

Anadolu Sigorta considers matters concerning the environment and climate change as essential elements of its sustainability program; it assesses and manages the risks arising from these matters by means of implementing an integrated approach.

The purpose for publishing of this policy comprises of identifying the strategic approach of Anadolu Sigorta towards the environment and climate change, orienting the dimensions of product and service processes in relations with these matters and duly informing our stakeholders to this effect.

2. CONTEXT

Overview of Anadolu Sigorta towards matters involving the environment and climate change are shaped by two main criteria:

1. **Impacts arising from operational processes:** At several points of the company's operations, there might possibly be generated impacts arising from water consumption, material consumption consisting mainly of paper, energy consumption and solid waste, air and greenhouse gas emissions originating from such consumption.
2. **Impacts arising from products and services:** Our primary duty as an insurance company comprises of ensuring that our customers take place as a business partner in the risk management processes and voiding and thus avoiding any damage to be suffered by the same. Yet another main aspect of the strategic tendency regarding this matter consists of becoming solution partners in our customers managing environmental and climate change related risks by supplementing our products and services with risk models we have developed under highlights of scientific studies and providing support to the transition to low-carbon economy.

To this effect, Anadolu Sigorta assesses protection of the environment and climate as an integral part of its decision-making and implementation processes so as to cover its entire operational activities, product and service development efforts, investment actions and social responsibility applications as well as an area for continuous improvement. It commits reduction of any negative influences on the environment and the climate. To this end, any environmental and climate change related risks are assessed under the relevant processes; applications and measures to improve company's performance in these areas are put into practice; corporate performance is monitored and reported.

3. MANAGEMENT AND COMPLIANCE

1. Anadolu Sigorta manages the matters related to the environment and climate change under full compliance with the legal regulations it is subject to. Whereas in circumstances not regulated by these legislations, adopts internationally recognized and accepted management principles.
2. Anadolu Sigorta puts into practice its management, measurement, evaluation and reporting system generated in respect of the operations actualized in the field of environmental protection and combating climate change in accordance with the principles prescribed under international standards.
3. Anadolu Sigorta Sustainability Committee is the fundamental management body responsible for determining the risks and opportunities, policies and strategies, business targets, management and application norms to arise from matters related to the environment and climate change, integration of the same with corporate strategic plans, monitoring of the application and performance as well as reporting of the foregoing to the Senior Management and the stakeholders. Sustainability Committee evaluates and assesses the investment requirements towards improving performance in the field of environment and climate change and makes recommendations therefor to the Senior Management.

Environment, Energy and Climate Change Work Group formed under this Committee where all relevant business units are represented is responsible for the following matters:

- Transforming into business plans such strategies determined and set forth by the Committee, putting the same into practice by the relevant business units concerned and thereby arriving at and achieving the business targets;
- Assessing the relevant performance and reporting to the Committee.

Any and all business units operating throughout the company in general, determine and stipulate every year the environment and climate change risks towards their own fields of responsibility, including any opportunities which might be benefited therefrom. Transmits its recommendations in respect of eliminating such risks and assessment of opportunities to the relevant units concerned as well as to the Sustainability Committee through Environment, Energy and Climate Change Work Group.

4. Works conducted and realized in parallel to rational, time-dependent business targets referencing a specific performance are carried out and performed by subjecting the same to internal control and independent audit processes as and when required.
5. Anadolu Sigorta supports any national as well as international initiatives operating in the field of environment and climate change; follows-up any recent developments in Turkey and worldwide in communication with various stakeholders, particularly non-government organizations, universities and public entities. It integrates these development into its work.

4. FOCAL AREAS OF APPLICATION

4.1. CLIMATE CHANGE AND ENERGY

Phenomenon of climate change, expressly stipulated as a result of scientific researches as well and mainly perceived by means of its environmental aspect, is being identified as a global problem through its social and economic impacts. It is foreseen and predicted that the risks originating from climate change would be having impacts and influences both direct as well as otherwise, on social, economic and commercial life, public health, natural assets and lives of living creatures. Taking this as granted, combat against climate change is under joint responsibility of all relevant states concerned and international organizations as well as non-government organizations. Each and every one of the relevant actors concerned should look out for and claim a share in such liability under its realm of influence.

As described under the section titled Context, Anadolu Sigorta is conducting the following activities in parallel to a two-dimensional perspective regarding climate change:

- 1- It is determined the causes for origination of greenhouse gas emissions constituting the main reason for climate change in the course of operations conducted by the company and quantities thereof are calculated.
- 2- In order to reduce greenhouse gas emissions, it is implemented any and all practices for enhancing efficiency throughout our operations in general for using energy sources in a more rational manner.
- 3- For energy required throughout the operations in general, it is preferred such sources like solar energy, wind energy, natural gas and the like that do not emit greenhouse gases and/or referred to as cleaner energy sources. Clean energy production works are being supported.
- 4- While making decisions in respect of purchasing tools and equipment, it is kept in consideration energy consumption/efficiency levels.
- 5- By means of the products and services developed upon integrating tools developed and devised via scientific data into our risk determination systems, it is provided support to our customers managing climatic risks.

4.2. MATERIAL USAGE AND WASTE MANAGEMENT

One of the most important fields assessed by Anadolu Sigorta under environmental management is material usage and waste management. Paper is the most specific material used in our operations. A substantial

quantity of such consumption comprises of the policies printed out, whereas the rest corresponds to the contracts and correspondence generated as a result of the character of our sector.

Anadolu Sigorta very closely follows-up the contemporary digitalization technologies and conducts its paper-free operations as far as permitted by the laws in its operational processes. By means of such operations conducted under the principle of “Paper-Free Insurance”, it is targeted to minimize paper consumption.

Anadolu Sigorta also targets to separate at source any and all other domestic and packaging wastes and provide for the recycling of the same, although these are not at quantities compared to the paper wastes generated in their operating offices.

4.3. OTHER ENVIRONMENTAL IMPACTS

Although not generating any specific operational impact due to the character of the sector, it is also assessed under scope of environmental management such matters like preserving water sources as well as keeping under control the polluting chimney gases as a consequence of both the integrated approach to environmental management as well as the essence of the same concerning the society.

To this effect, Anadolu Sigorta adopts any necessary measures for efficiency towards reducing domestic water consumption at its office buildings. In heating the building it prefers fuels with low level of pollution characteristics, whereas in its fleets, vehicles with low level of emission.

Similarly in several product groups, particularly engineering insurance, matters related to water resources are assessed as an element of risk and included in the product and service range.