Natural Catastrophes Insurance Cover
Individual System Summary Updates

As of [June 2026]

1	**The name of the Cover**	**Turkish Catastrophe Insurance Pool (TCIP)**
2	**Cover Purchase / Distribution Channels**	The compulsory earthquake insurance coverage is provided under the Turkish Catastrophe Insurance Pool (TCIP). Mandatory earthquake insurance policies are issued by authorized insurance companies on behalf of TCIP and distributed through insurance agencies, banks and brokers throughout Türkiye. The coverage is mandatory for residential buildings (only household policies commercial and industrial property insurance policies is not included) registered in the land registry within municipal boundaries. In practice, banks require valid compulsory earthquake insurance policies for mortgage lending. In addition, compulsory earthquake insurance is required for certain utility subscription procedures, including electricity and water service subscriptions. TCIP works as a first loss policy and over TCIP EQ coverage household property coverage needs to be purchased on top of TCIP.
3	**Coverage** (incl. perils, sum insured & premium etc.)	1) The compulsory earthquake insurance coverage provided under the Turkish Catastrophe Insurance Pool (TCIP) covers direct material damages to insured residential buildings caused by earthquakes and earthquake-related events such as fire, explosion, tsunami, and landslide resulting from an earthquake. Coverage applies to residential buildings within municipal boundaries in Türkiye and includes the main structure, foundations, load-bearing walls, common areas, roofs, staircases, elevators, and other integral parts of the building. The policy covers the building structure and does not cover household contents, personal belongings, business interruption, or liability losses. 2) The sum insured is determined by TCIP based on unit reconstruction costs, construction type, and the gross surface area of the dwelling, subject to maximum coverage limits announced by TCIP (The policies is not issued by the client's declaration of dwelling square meter, correct square meter is integrated from title deed system automatically). Coverage is provided on a replacement / reconstruction cost basis within the applicable policy limits. In line with inflation and changes in reconstruction costs, the maximum sum insured amounts are updated periodically on a monthly basis. The maximum sum insured amounts and unit construction costs are updated monthly based on the Domestic Producer Price Index (PPI).

4	**Claim Criteria / Loss Trigger**	Claims are triggered by direct physical damage to insured residential buildings resulting from an earthquake and earthquake-related perils covered under the policy, including fire, explosion, tsunami, and landslide caused by an earthquake. TCIP is integrated with the Disaster and Emergency Management Authority (AFAD) Earthquake Event Service. Through this integration, earthquake event information, including location, magnitude, depth, and other relevant parameters, is received automatically and used to support event verification and claims management processes. To be eligible for compensation, the insured property must be covered by a valid TCIP policy in force at the time of the event. Claims are assessed based on reported damage and loss-adjustment procedures conducted by authorized experts.
5	**Current Risk Assuming and Transferring structure** (see following diagram)	TCIP operates as a national catastrophe insurance pool and retains risk through its accumulated EQ reserves and premium income. The risk financing structure is based on a excess of loss treaty approach combining TCIP's own capital resources with a comprehensive international reinsurance program. Catastrophe risk is transferred to global reinsurance markets. The risk transfer strategy is reviewed regularly in line with portfolio growth, exposure accumulation, market conditions, and catastrophe risk assessments. As one of the largest earthquake insurance pools in Europe in terms of exposure and risk-bearing capacity, TCIP adopts a prudent and conservative risk management strategy. Reinsurance protection is purchased based on detailed catastrophe modelling results, including RMS analyses, and is regularly reviewed in line with portfolio growth and exposure accumulation indexed via PPI inflation. In addition to securing substantial capacity from international reinsurance markets, TCIP maintains a significant level of risk retention through its own fund resources and accumulated reserves, reflecting its strong pool position and long-term commitment to sustainable catastrophe risk management also maintaining the strategic global reinsurance partners around the globe. For confidentiality reasons, TCIP's reinsurance capacity structure and capacity figures are not disclosed in this presentation.

6	**Recent Loss events**	**06 February 2023 Kahramanmaras Earthquake Mw 7.7 and 7.6*** Total number of paid claim files: 527.863 Total claim payments: 39.1 Billion TRY **23 April 2025 Istanbul Earthquake Mw 6.2** Total number of claim notifications: 10.814 Total claim payments: 173.3 Million TRY **10 August 2025 Balıkesir Earthquake Mw 6.1** Total number of claim notifications notification: 1.191 Total claim payments: 56.7 Million TRY **4 April 2026 Van Earthquake Mw 5.2** Total number of claim notifications notification: 239 Total claim payments: 4.5 Million TRY **20 May 2026 Malatya Earthquake Mw 5.6*** Total number of claim notifications notification: 10.070 Total claim payments: 368.894TRY As of 01.06.2026 *The two fault lines are triggered; The 6 February 2023 Kahramanmaraş Earthquake sequence consisted of two major strike-slip earthquakes occurring on separate fault segments within approximately nine hours of each other. The first event (Mw 7.8) occurred at 04:17 TRT on the Pazarcık segment of the East Anatolian Fault Zone, while the second event (Mw 7.5) occurred at 13:24 TRT on the Çardak–Sürgü Fault system. The first rupture transferred stress to adjacent fault segments, contributing to the triggering of the second earthquake. Due to their close temporal and tectonic relationship, both earthquakes were treated as a single catastrophe event for insurance and reinsurance purposes because there is hours clause for loss occurrence: The duration and extent, however, of any "Loss Occurrence" so defined shall be limited to: 72 consecutive hours as regards Earthquake.) Other than Maraş Earthquake, the other losses are paid from pool's retention.
7	**Latest take-up rate** (Penetration rate)	As of June 2026, the number of active compulsory earthquake insurance policies in force is approximately 11.6 million overall Türkiye.
8	**Current Accumulate reserves** (fund)	As of June 2026, TCIP's EPI (including funding) amount to approximately TRY 24.5 Billion.
9	**Website/ annual report Linkage**	https://dask.gov.tr/en https://dask.gov.tr/en/annual-reports
10	**Others**	