



Beyond insurance!

AKSigorta

Annual Report 2024

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We bid farewell to a year of robust growth and strength gained through the administrative and strategic transformation projects that we undertook. Investments in the fields of sustainability and digitalization empowered us in improving our business processes while fulfilling our responsibilities towards people and the environment. We upheld our pioneering role in the sector this year by introducing innovative products and solutions that make our customers' lives easier. By means of our agile and dynamic team, we aim to always maintain customer satisfaction at the highest level, and we manage all our services with a holistic approach.

Strengthened by the support of Sabancı Holding and Ageas, we take firm steps into the future by leveraging our history and sectoral experience.

Aksigorta A.Ş. 2024 Ordinary General Assembly Agenda

- | | | |
|---|---|---|
| 1. Opening, and appointment of the Chairmanship Committee of the Meeting, | 6. Release of the Board of Directors from its responsibilities of business activities of 2024, | 11. Presentation of information to General Assembly on donations and grants made during 2024, |
| 2. Reading and discussion of the Board of Directors' Activity Report for 2024, | 7. Determination of use of 2024 profit and the rates of dividends and profit shares to be distributed, | 12. Determination of limits of donations to be made by the Company within 2025, |
| 3. Reading of the Auditor Reports for 2024, | 8. Determination of salaries and other rights of Directors such as remuneration, attendance fee and bonus, | 13. Authorization granted to Chairman and other members of the board for transactions stipulated in Article 395 and 396 of Turkish Commercial Code, |
| 4. Reading, discussion and approval of the financial statements issued for 2024, | 9. Election of auditor, | 14. Wishes and requests. |
| 5. Submission of the members elected to fill vacant Board Memberships during the period to the General Assembly for approval, | 10. Discussion and approval of authorizing Board of Directors for advance dividend distribution for 2025 accounting period, | |

Aksigorta in Figures

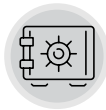
Aksigorta, which focuses on innovation with customer-oriented approach, had **TL 25.6 billion total assets as of end-2024.**



TL 25.6 Billion

Total Assets

Aksigorta, which focuses on innovation with customer-oriented approach, had TL 25.6 billion total assets as of end-2024.



TL 5.1 Billion

Shareholders' Equity

As of the end of 2024, Aksigorta's shareholders' equity has reached TL 5.1 billion.



TL 1.6 Billion

Paid-in Capital

As of the end of 2024, Aksigorta has TL 1.6 billion paid-in capital.



TL 34.9 Billion

Premium Production

Aksigorta's premium production increased by 28% compared to the previous year and amounted to TL 34,872 million.



TL 1.9 Billion

Net Profit

Aksigorta reached a net profit of TL 1.9 billion by the end of 2024.



4.8%

Market Share

Aksigorta recorded market share of 4.8% at end-2024.

About Aksigorta

Aksigorta continues to play a pioneering role in the insurance industry with its customer orientation and innovation approach.

Acting with a customer-focused and innovative vision since its establishment and continuing its journey through strong steps based on its experience and knowledge, Aksigorta offers an extensive service network to its retail and corporate customers. Aksigorta cooperates with 10 regional offices, 845 employees, over 3,400 independent agencies, 693 Akbank branches, 146 brokers, and nearly 6 thousand contracted institutions, prioritizing customer satisfaction, and continues its operations in compliance with national and international legal regulations in line with its vision, mission and corporate values.

Focusing its efforts on simple, understandable, and accessible products and services with the "Next-Generation Insurance" approach, the Company has increased its brand awareness following the partnership between Sabanci Holding and Belgian Ageas.

Aksigorta aims to offer a unique insurance experience to its customers, not only at the time of damage, but also as a lifetime risk companion. Aksigorta continues to play a pioneering role in the insurance industry by introducing a new perspective to insurance with its customer orientation and innovation approach.

The major shareholders of Aksigorta, whose shares are publicly traded on the BIST National Market under the AKGRT ticker, are H.Ö. Sabancı Holding (36% stake) and Ageas Insurance International N.V. (36% stake). Maintaining to achieve strong financial results in 2024, Aksigorta's total assets reached TL 25,556 million as of year-end and shareholders' equity has reached TL 5,092 million. Aksigorta recorded a total premium production of TL 34,872 million, 28% more compared to the same period last year. Aksigorta recorded market share of 4.8% at end-2024.



3,400+
Agencies



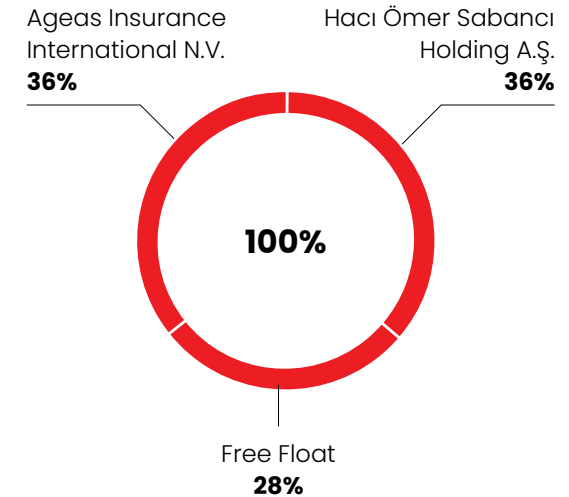
~6,000
Contracted Institutions



10
Regional Offices

Aksigorta Partnership Structure

Aksigorta continues its activities with a 36%-36% partnership between Sabancı Holding and Ageas Insurance International NV.



Registered Capital

Aksigorta A.Ş. changed to the registered (authorized) capital system pursuant to the provisions of Türkiye's Capital Market Law (Statute 2499) as of 9 March 1995 and holds license number 301 from the Capital Markets Board. The Company's authorized capital ceiling is TL 3,000 million, and its paid-in capital is TL 1,612 million as stated in the permit letter of The Ministry of Commerce General Directorate of Domestic Trade dated 29 July 2024 and numbered E-50035491-431.02-00076805481 and as stated in the permit letter of Capital Markets Board dated 1 July 2024 and numbered E-29833736-110.03-03-23502.

Capital Structure

No material changes have taken place in the capital structure of Aksigorta A.Ş., as shown in the table below. Both of the Company's major shareholders

purchased the same volume of Aksigorta shares traded on the Borsa Istanbul; as a result, their stake in the Company increased from 33.11% to 36% in 2012. None of the real partners have qualified share in the partnership structure.

Management Methodology

Aksigorta continues its activities as a joint venture company with a 36%-36% partnership between Sabancı Holding and Ageas Insurance International NV.

Shareholders that Control more than a 10% Stake in the Company's Issued Capital

The names and shareholding interests of shareholders who hold more than a 10% stake in the Company's issued capital are shown in the chart:

	December 31, 2023		December 31, 2022	
Shareholders	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Hacı Ömer Sabancı Holding A.Ş.	36	580,320,000	36	580,320,000
Ageas Insurance International N.V.	36	580,320,000	36	580,320,000
Free Float	28	451,360,000	28	451,360,000
Total	100	1,612,000,000	100	1,612,000,000

Our Purpose, Our Strategic Choices, Our Values

Our Purpose

For a sustainable life, we protect what is valuable together with next-generation solutions.

Our Strategic Choices

- **Creating a strategy and service model based on customer value**
- **Rethinking corporate UW strategy in the tightened reinsurance market**
- **Increasing distribution channel potential**
- **Accelerating “profitable growth” in selected products that contribute to capital adequacy ratio**
- **Developing new growth mechanisms**

Our Values

Result Orientation

With good planning, we find solutions without giving up, even under difficult conditions, and reach our goals. We push the limits of what we can do and do not hesitate to go beyond our area of responsibility. We inspire each other and the sector with our achievements.

Collaboration

We work as a team for a common purpose. We believe in the power of working together to shorten distances. We establish good relations for a perfect cooperation environment, ask questions to understand each other, and listen with open ears.

Continuous Development

We are curious to find better, and we develop ourselves to achieve better. We have the courage to change completely when necessary. We demand feedback and believe in lifelong learning by actively using all development channels.



Management's Assessment

As Aksigorta, we are proud to end the year 2024 by achieving our targets in terms of both economic figures and business processes.

Medisa aims to offer a holistic experience to its customers with the strategic collaboration, human resources, and future vision provided by Aksigorta.

Our Esteemed Stakeholders,

Until very recently, when drawing up annual assessments and communication texts, we were talking about the difficulty of forecasting the future in an almost-global environment of uncertainty and constant change, not just for us but for the entire business world.

But uncertainty is now our new normal and, in 2024, we learned how to conduct business amid uncertainty. Tensions and conflicts persisted in many areas of the world, affecting, in particular, international relations and the economy. Eastern Europe and the Middle East continued to be beset with humanitarian crises, with civilians –yet again– suffering the most severe consequences.

In the past year, protectionist economic measures, including especially those implemented by China and the US towards each other, set the tone of economic relations between countries. Inflationary pressures, however, eased the pressure on global economies, even if the expected interest rate cuts did not materialize.

In this global landscape, the Turkish economy saw a positive impact, continuing its recovery in the first six months of 2024, and growing by 5.7% and 2.5% during the first and second quarters, respectively. According to IMF estimates, the economy is expected to grow by 3.1% and 3.2% in 2024 and 2025, respectively.

The past year has also been a positive one for our industry. The Insurance Association of Türkiye (TSB) announced that the industry's premium production increased by 72.5% in 2024, reaching TL 838.4 billion. As Aksigorta, we are proud to end the year 2024 by achieving our targets in terms of both economic figures and business processes. While our market share was 4.8%, our premium production increased by 28% compared to the previous year, reaching TL 35 billion.

In 2024, the Aksigorta Family went through a key changeover in management. Our valued friend Uğur Gülen, who had served as the General Manager of Aksigorta for nearly 15 years, handed over his duties to Firat

Kuruca. We thank Mr. Gülen, who acts as a Board Member at Sabancı Holding Group companies AgeSA Hayat ve Emeklilik A.Ş., Medisa A.Ş. and Aksigorta, once again for his many contributions and his hard work during his successful term of office.

We are confident that Firat Kuruca, who has now assumed the role of Aksigorta General Manager in addition to his role as AgeSA General Manager, which he has held since the beginning of 2017, will further reinforce the strong position of both companies and deepen their synergy areas.

Another important development this year came from Sabancı Ageas Sağlık Sigorta A.Ş., established in August 2022. Having completed the branding process, the company will continue its operations under the name Medisa. Medisa aims to offer a holistic experience to its customers by combining telemedicine, healthy living, and disease management –among the most important components of health insurance– with the strategic collaboration, human resources, and future vision provided by Aksigorta.



4.8%

Market Share



This year, we further strengthened our customer experience-focused approach, reaffirming the importance of providing insurance solutions tailored to the unique needs of each individual. At Aksigorta, our goal is to simplify life for our customers by making insurance processes faster and more efficient. Through our Talking Policy app, we made home insurance more understandable and accessible. Additionally, we quickly adapted to our customers' evolving needs in the new world with e-kasko, Türkiye's first MOD insurance designed specifically for electric vehicles, and with branded MOD insurances, another industry first. With Pati Plus VetAmerikan, launched this year with the vision of delivering the best insurance for pet owners, we introduced one of the most comprehensive coverage products in the sector.

Customer-orientation, digitalization, and sustainability were again on our agenda this past year. We are extremely proud to see that these items, which are now part of our corporate DNA, are not viewed as separate areas but, rather, as ways of creating a social benefit under one concept at Aksigorta.

As the Aksigorta Family, we aim to achieve sustainable improvement in terms of the social, economic, and environmental impact of our operational processes, products, and services, and to address our efforts in all these areas in our third Sustainability Report. Our sustainability-focused work in environmental, social and management areas continued throughout the year.

Artificial intelligence is, without a doubt, one of the most talked about, thought-provoking and heavily debated topics around the world. However, one element of AI becomes clearer with each passing day - the key role of human resources.

Even as processes become increasingly digitalized, an organization's true success is still dependent on its human resources and talents. Therefore, Aksigorta, in addition to supporting talent development, also designs and implements valuable programs to attract new talents and build the future of the Company.

It appears that there are considerable challenges ahead. Good insurers show their capabilities in situations like these.

Consistently anticipating, calculating, and preparing for risks, Aksigorta confidently advances into the future.

We would like to thank all our shareholders, including our main shareholders Sabancı Holding and Ageas, as well as all the stakeholders who support us on this journey.

Kind regards,

Haluk Dinçer
Chairman of the Board of Directors

Mustafa Fırat Kuruca
Board Member and General Manager

Financial Highlights

As of the end of 2024, Aksigorta's total assets has reached TL 25.6 billion.

Financial Indicators (TL Million)	2023	2024
Premium Production	27,299	34,872
Incurred Claims	6,622	8,889
Technical Profit (Technical Part Balance)	1,691	2,106
Profit Before Tax	1,333	2,014
Net Profit	1,185	1,857
Capital	1,612	1,612
Shareholders' Equity	3,276	5,092
Total Assets	21,132	25,556
Capital Solvency Ratios		
Written Premiums/Shareholders' Equity	833%	685%
Shareholders' Equity/Total Assets	16%	20%
Solvency Ratio	108%	158%

Operational Ratios (Non-Life)	2023	2024
Retention Ratio	36%	32%
Loss Ratio (Net)	86%	86%
Combined Ratio (Net)	116%	122%
Profitability Ratios		
Technical Profit (Technical Part Balance)/ Written Premiums	6%	6%
Profit Before Tax/Written Premiums	5%	6%
Net Profit/Written Premiums	4%	5%
Number of Employees	743	845

Premium Production (TL million)

2023	27,299
2024	34,872

increase **28%**

Shareholders' Equity (TL million)

2023	3,276
2024	5,092

increase **55%**

Total Assets (TL million)

2023	21,132
2024	25,556

increase **21%**

Average Number of Employees

2023	743
2024	845

increase **14%**

Net Profit (TL million)

2023	1,185
2024	1,857

increase **57%**

Capital Adequacy Ratio (%)

2023	108
2024	158

increase **50%**

Our Customer-Oriented Vision

The Customer First Team plays an important role in adopting a customer-oriented perspective as a culture within the Company.

Principles of Experience

Aksigorta has an approach that aims to provide customers with a reliable and easy experience whenever they contact the Company. To this end, it has adopted three basic principles of experience: Trust, Simplicity, Companionship.

Aksigorta strives to accompany all its customers on their journey with the Company, to simplify their lives, and also aims to instill a sense of trust in them by being transparent in all business processes. It designs all of its processes, channels of customer contact, and customer journeys in accordance with principles of experience.

Customer First Team

The Customer First Team is a unit operating in line with Aksigorta's goal of providing customers with a reliable and easy complaint resolution experience. Acting in line with the principles of experience, the team guides customers through all insurance processes, building trust and providing a seamless experience that simplifies their lives.

The team not only provides support to customers during the complaint and demand processes but also analyzes the processes in detail to identify insights and customer issues. By compiling and publishing customer stories, they use the learnings from

these stories to engage with business units and third-party service providers and design new processes that align with customer expectations and experience principles. The team also analyzes customer NPS data and takes actions to increase satisfaction.

The Customer First Team plays an important role in adopting a customer-oriented perspective as a culture within the Company. The team acts as the advocate of a customer-oriented culture, creating a common language and being the biggest supporter of customers.





An Adventure that Dates Back to 1960

In 2024, Fırat Kuruca has been appointed as **General Manager at Aksigorta** in addition to his role of General Manager at AgeSA.

The first online policy in Türkiye was issued by Aksigorta and online connections were set up with approximately 150 agencies.

1960s

First policy

The first policy was issued by Aksigorta in 1961.

First insurance agency

Lami Teymen opened the first Aksigorta agency in Adana in 1960s.

1980s

Beginning of bancassurance

Aksigorta issued the first insurance policy through an online connection in 1983.

1990s

Public offering of Aksigorta

Aksigorta shares were offered to the public in 1994, and the shareholder base of the Company was broadened.

Opening of the Fire and Earthquake Training Center

In 1996, Aksigorta opened the Fire and Earthquake Training Center, which was built entirely with technological infrastructure developed in Türkiye.

First website

In 1996, Aksigorta's first website was launched.

First online policy

The first online policy in Türkiye was issued by Aksigorta and online connections were set up with approximately 150 agencies.

Aksigorta established the quality assurance system modeled on ISO 9001:1994 standards and was also awarded BS EN 9001:1994 Quality Standard Certification.

2000s

The certificate of authorization in the health branch

Aiming to increase diversity in its service portfolio, Aksigorta obtained a certificate of authorization for the health branch and began to issue health insurance policies in 2002, extending its line of business.

Opening of the Aksigorta Service Center

Aksigorta opened the Aksigorta Service Center providing services on a 24/7 basis in 2002.

Transition to regional management

Renewing itself constantly in line with market conditions and demand, Aksigorta shifted its management strategy from central management to regional management in 2006 through revising its business and decision-making processes.

Merger between Ak Emeklilik and Aviva Hayat ve Emeklilik

Ak Emeklilik A.Ş., a subsidiary of Aksigorta, merged with Aviva Hayat ve Emeklilik A.Ş. in 2007. The Company carried out its operations under the name AvivaSA Emeklilik ve Hayat A.Ş. following the merger.

Harmonization with new legislation

Aksigorta became the leading company on KalDer's (Turkish Quality Association) Turkish Customer Satisfaction List. During the same year, Tüketici Dergisi (Consumer Magazine) named Aksigorta the "Most Reliable Insurance Company for Quality" for the fourth consecutive year.

"Most Reliable Insurance Company"

Aksigorta was chosen by consumers as the "Most Reliable Insurance Company" in a research study conducted by AC Nielsen in 2009.

In a bid to achieve capital optimization and unlock the hidden value of its core insurance business, Aksigorta entered a spinoff process and transferred its participation portfolio to Sabancı Holding in 2010.

2010

Keep Living Türkiye

Hosted by the Chairman of the Board of Directors, Güler Sabancı, and managers at Sabancı Holding, Aksigorta celebrated its 50th anniversary with an event

**Aksigorta launched
ADA – a first-of-its-kind
artificial intelligence
application in the
sector.**

attended by members of leading circles in business and society. At this event, artists who contributed to Aksigorta's "Risk and Trust"-themed art project were presented their awards and the "Keep Living Türkiye" project, initiated in cooperation with AKUT to raise awareness about natural disasters such as earthquakes, floods, or fires across Türkiye among 5 million people in 5 years, was also introduced.

Joining forces with Ageas

Ageas, a Belgium based international insurance company, became a strategic shareholder of Aksigorta in July 2011 as Sabancı Holding, which held a 62% stake in Aksigorta at the time, sold 31% of the shares to Ageas for USD 220 million to forge a strategic alliance for Aksigorta.

Aksigorta's new office

As of October 20, 2014, Aksigorta continues its operations at a new office, Buyaka Ofis Kuleleri, located in Ümraniye Tepeüstü.

2017

New regional structure

Geographical coverage and the organizational structures of the new regions were determined based on criteria such as profitability, production, location, and potential. Accordingly, the Company closed 16 agencies and 3 regional bank offices and instead established 10 regional retail sales offices.

2018

Ongoing investments in technology

In line with its digitalization strategy, Aksigorta launched ADA (Aksigorta Digital Assistant) – a first-of-its-kind artificial intelligence application in the sector.

Aksigorta Goes "Beyond"

Aksigorta shifted its focus from the product to the customer. Aksigorta adopted the slogan "Beyond" to communicate its primary aim of closely supporting its customers and responding to their changing needs while expanding the boundaries of the insurance industry.

2019

WhatsApp Business

Aksigorta broke new ground in the sector with its WhatsApp Official Business Account in 2019.

2020

60th Founding Anniversary

Aksigorta celebrated its 60th anniversary in the digital environment due to the Covid-19 pandemic.

Green Office Program

The Green Office Program, launched by Aksigorta to ensure a greener world, was completed during the year. Thanks to its exceptional results in reducing natural resource use by conservation and best practices, Aksigorta was granted Green Office certification by WWF Türkiye.

Aksigorta Digital Security Platform

Aksigorta established the Digital Security Platform to prepare the society against the risks of the digital world of the future. Free online digital security trainings, informative videos and news can be found in this platform with the collaboration of Boğaziçi University.

2021

United Nations Women's Empowerment Principles

Aksigorta signed the United Nations Women's Empowerment Principles (WEPs) convention as part of its ongoing efforts toward achieving gender equality.

"Beyond" Insurance Academy

Aksigorta, in cooperation with Bilgi University, conducted a 6-month intensive learning program on insurance related issues. The program covered a wide range of topics, including risk engineering, tax law, digital marketing, sales techniques in the new world, and customer relations for distance selling, in addition to various products, such as health, fire, transportation, receivables and cyber insurance. At the Academy, 20 different trainings were administered to nearly 9,000 participants during the year.

Support for biodiversity from Aksigorta

Aksigorta donated 1,500 saplings to TEMA due to forest fires in the summer of 2021. In order to regain the forest quality of our damaged forests and to protect our natural habitats, forests and biodiversity, which are a part of common life, Sabancı Group commits to;

- Rehabilitation and reforestation of 500 hectares of land,
- Bringing a total of 1 million saplings to our country over the next 5 years, together with the areas deemed appropriate and prepared by the Forestry Directorates,
- Adding 3 water supply vehicles to the fleet so that it can be fought more easily when forest fires, which we wish not to repeat, are encountered.

Aksigorta will also contribute to these commitments for five years.

An Adventure that Dates Back to 1960

Aksigorta won the ‘Excellent Customer Satisfaction’ award at the ninth edition of the A.C.E. Awards organized by Sikayetvar.com.

With its earthquake risk transfer responsibility project called “Hayata Devam Türkiye (Keep Living Türkiye),” Aksigorta raises insurance awareness.

2022

BIST Sustainability Index

Increasing its sustainability score, Aksigorta was recently included in the BIST Sustainability Index, where companies are evaluated according to international sustainability criteria on environmental, social, corporate governance, human and employee rights, and transparency.

Certificate of Equality for Women at Work

Aksigorta, of which 51% of its employees are women, was awarded the Equality for Women at Work Certificate following an independent audit conducted in cooperation with the Sustainability Academy and the British audit company Intertek.

Aksigorta Shared Its First Sustainability Report

Focusing on people and the future of the planet with its next-generation insurance approach, Aksigorta shared its efforts in this direction via the

Company’s first Sustainability Report. The Report, prepared in accordance with the Global Reporting Initiative (GRI) standards core option, covers the related activities between January 1-December 31, 2021. The Report includes the management approach and goals regarding the social, economic, and environmental impacts arising from the Company’s activities, as well as the performance results achieved and Aksigorta’s contributions to the Sustainable Development Goals accepted by the United Nations.

2023

‘Excellent Customer Experience’ from Aksigorta

Aksigorta received the Excellent Customer Satisfaction award at the eighth edition of the A.C.E. Awards. The competition was organized by Sikayetvar.com, Türkiye’s first and only platform measuring customer satisfaction.

First Specialized MOD Insurance for Electric Vehicles

Aksigorta launched e-kasko, the first and most comprehensive MOD insurance policy designed exclusively for electric vehicles. The policy offers numerous special guarantees for electric vehicle owners.

Keep Living Türkiye Project

With its earthquake risk transfer responsibility project called “Hayata Devam Türkiye (Keep Living Türkiye),” Aksigorta not only raises insurance awareness but also explains that the risks we face can be learned from experts, that the community can be supported in taking precautions against earthquakes, and why potential risks should be transferred to an insurance institution. Aksigorta also established an aid fund for the victims of the February 6 earthquake in cooperation with Needs Map.

Second Sustainability Report Published

Aksigorta’s second Sustainability Report has been published. In addition to covering management approaches and goals for social, economic and environmental impacts arising from the Company’s activities between January 1 and December 31, 2022, the report also summarizes Aksigorta’s contribution to the Sustainable Development Goals accepted by the United Nations.

Opening of Aksigorta Memorial Forests in Manisa and İzmit

In May, Aksigorta donated 10,000 saplings to the Aegean Forest Foundation on behalf of each of its employees to create the Aksigorta Memorial Forest in İzmit Taşköprü afforestation area. Most recently, 10,000 saplings were donated in Manisa to create an Aksigorta Memorial

Forest in Manisa Yunt Mountain. Aksigorta employees and the İzmir and Manisa agencies attended the opening of Aksigorta's Memorial Forest in Manisa, as did Burak Yüzgöl, Aksigorta's Assistant General Manager for Human Resources and Sustainability, and Perihan Öztürk, Board Member of the Aegean Forest Foundation.

2024

Aksigorta Employees Are "Beyonders"

Aksigorta employees are making many breakthroughs to fulfill their "Beyond Insurance" promise, contributing to the leadership of Aksigorta in the sector. In 2024, Aksigorta determined its employer brand identity as "Beyonders," inspired by its employees who each has very unique talents. With its new employer brand identity called "Beyonders," Aksigorta offers a completely different career path to both its existing and prospective employees.

Change of Management at Aksigorta

Having worked at Sabancı Group since 2004 and serving as General Manager of Aksigorta since 2009, Uğur Gülen resigned from his position on May 31, 2024.

In line with the integration efforts in Sabancı Holding Financial Services Group, Firat Kuruca, has been appointed as General Manager at Aksigorta in addition to his role of General Manager at AgeSA. While maintaining his current position as the President of the Insurance Association of Türkiye, Uğur Gülen will also continue to serve as a

Board Member at AgeSA, Aksigorta and Medisa companies -Sabancı Holding Financial Services Group companies- from June 1, 2024 onwards.

Aksigorta Wins the 'Excellent Customer Experience' Award for the 9th Time

Aksigorta won, just like the last year, the 'Excellent Customer Satisfaction' award at the ninth edition of the A.C.E. Awards organized by Sikayetvar.com.

New Player of the Healthcare Ecosystem: Medisa

Established as part of strategic healthcare investments by Sabancı Group and Ageas, Medisa started its operations by completing the technological infrastructure investments and system developments that it had been making continuously for the last 2 years. Medisa is preparing to launch a "personalized healthcare system" in Türkiye that brings together digital health and insurance competencies, and continues its work to offer a 360-degree healthcare experience to policyholders. Focusing on sustainability and digitalization, which are the primary focus areas of Sabancı Group, Medisa has put its technology applications live in less than two years. The company has launched the first-ever insurance application in Türkiye developed with cloud-based, next generation technologies, and aims to differentiate itself with its strong technological infrastructure and expert organization. While the company enables its customers to complete their transactions quickly and securely

via the Medisa mobile application throughout their entire healthcare journey, it also offers the opportunity to speak with experts and access useful information. The company has started developing an AI-assisted digital healthcare application and will offer personalized insurance and services to its customers through all channels. Aiming to position itself as a healthcare company rather than being viewed merely as an insurance company, Medisa will bring together insurance, preventive and protective healthcare services, and digital healthcare applications with the 'personalized healthcare system' that it plans to create.

Thanks to the strategic collaboration, Aksigorta Supplementary Health Insurance and Private Health Insurance policyholders can benefit from all privileged physical and digital services by joining in this personalized healthcare system. Medisa aims to expand its ecosystem, support individuals at every step of their healthcare journey, and contribute to all its stakeholders through new collaborations.

Third Sustainability Report Published

Acting with a completely different insurance approach and the aim of protecting what is valuable, Aksigorta shared details of the activities that it carried out in line with this purpose in its third Sustainability Report. The Report, prepared in accordance with the Global Reporting Initiative (GRI) standards core option, covers the related activities

between January 1- December 31, 2023. The Report includes the management approach and goals regarding the social, economic, and environmental impacts arising from the Company's activities, as well as the performance results achieved and Aksigorta's contributions to the Sustainable Development Goals (SDGs) accepted by the United Nations.

The insurance company that understands pets best: Pati Plus VetAmerikan

Aksigorta has introduced the "Aksigorta Pati Plus VetAmerikan" insurance alongside the Pati and Pati Plus products, which are based on the needs of our furry friends. Aksigorta Pati Plus VetAmerikan, a special health insurance product for pets, offers insurance coverage with the highest outpatient and inpatient treatment limits in the industry for cats and dogs ranging from TL 25 thousand to TL 150 thousand. With this product, which can be redeemed at VetAmerikan Animal Hospital in Istanbul, pets have the opportunity to receive treatment at Türkiye's largest and most comprehensive private animal hospital and benefit from the advantages of Pati Plus VetAmerikan.

Achievements Crowned with Awards



January

Special "Innovation" Award to e-kasko

Aksigorta won the 'Innovation Special Award' in the Best Digital Customer Experience category at the 6th CX Awards Türkiye - Türkiye's first-ever customer experience awards platform-organized by Nice Medya, with its e-kasko insurance specially designed for electric vehicles which represents a first-in-class product in Türkiye. With e-kasko, Aksigorta customers have many coverage options only available in e-kasko, such as incorrect charging, unlimited distance towing to the service where the vehicle will be repaired, theft of charging equipment, battery guarantee, and support against battery depletion. Aksigorta customers can also benefit from a 10% discount on Eşarj service.



February

Aksigorta's Podcast Featuring Nikola Tesla Exploring e-kasko Won an Award from Martech Awards

The podcast "There Are Famous People I Know Too" prepared by Sinan Sülün with Aksigorta's sponsorship features Nikola Tesla as an AI-assisted guest, having a conversation about the first-ever e-kasko insurance product specifically designed for electric vehicles in Türkiye with customer insights. With this podcast project, Aksigorta won the "Best Use of Technology on Social Platforms" category award at the Martech Awards. Conversations are powered by advanced AI tools, such as ChatGPT and Stable Diffusion, and come alive with voice technology from Eleven Labs. With the e-kasko product also mentioned by Nikola Tesla in the podcast "There Are Famous People I Know Too," Aksigorta customers have many coverage options only available in e-kasko, such as incorrect charging, unlimited distance towing to service locations, theft of charging equipment, battery guarantee, and assistance in case of battery depletion. Aksigorta customers can also benefit from a 10% discount on Eşarj service.

'Excellent Customer Experience' Award

Aksigorta won the 'Excellent Customer Satisfaction' award at the ninth edition of the A.C.E. Awards organized by Sikayetvar.com. Aksigorta won the Diamond award in the 'Excellent Customer Satisfaction-Elementary Insurance A Category' at the A.C.E. Awards organized by Şikayetvar, a solution platform in Türkiye that measures customer satisfaction, where 194 thousand brands, 11.2 million individual members and an average of 28 million monthly visitors come together.



March

CIO of the Year Award to Kaan Konak

Kaan Konak, CIO of Aksigorta, won the CIO of the Year award at the Future of CIO Awards ceremony, which is held to recognize corporate innovation and digital transformation projects of IT leaders. Expressing his gratitude for being deemed worthy of the CIO of the Year award, Aksigorta CIO Konak said, "As Aksigorta, we are proud to reshape the insurance sector through digitalization. The main focus of our team is to create added value for our company and all our stakeholders by actively using next generation technologies, as well as contributing to customer satisfaction through digitalization of our existing processes. We will continue to contribute to both positive differentiation in the sector and to improve customer experience by making insurance easy, simple and accessible with digital business processes."

Aksigorta Wins at Horizon Interactive Awards

Aksigorta's e-kasko 3D project won the Silver award in the Motion Graphics / Effects category at the Horizon Interactive Awards, which has been held internationally for 22 years to recognize works that make a difference in the field of creative media.



April

Burak Yüzgöl Featured in the Innovative HR Leaders List

The fourth edition of Fast Company magazine's research and ranking on innovative companies' human resources practices has been completed. Burak Yüzgöl, Assistant General Manager of Human Resources and Sustainability at Aksigorta, was listed among the 50 Most Innovative HR Leaders.



June

Smart Scoring with AI Wins First Prize in the EMEA Region

Developing its products and services with the next generation insurance approach, Aksigorta won first prize in the Europe, Middle East and Africa (EMEA) Region at the IDC CIO Summit event with its "Smart Scoring with AI" project. The first place award was received by Aksigorta's CIO Kaan Konak on behalf of Aksigorta at the event held to recognize organizations that carry their business to the future with digital transformation and artificial intelligence.

The award-winning Smart Scoring with AI project establishes an end-to-end smart scoring structure by location on a per customer basis by combining business knowledge and experience with artificial intelligence models for catastrophic risks. The scoring structure created for all catastrophic risks is powered by artificial intelligence. With this project which reduces authority dependence of agencies, Aksigorta further strengthens its accurate risk calculation and ideal pricing approach thanks to advanced risk analyses on a local level.



Global Award for Innovation to Aksigorta

Offering a customer-oriented insurance experience with the power it derives from digital transformation, Aksigorta won the bronze award with its "Embedded Card Debt Insurance" project in the "Re-imagining the Customer Experience" category at the Qorus Innovation in Insurance Awards 2024 event organized by Qorus in Lisbon, the capital of Portugal, on June 6. This year, 288 applications from 44 countries were submitted to the 9th Qorus Innovation in Insurance Awards 2024.

Achievements Crowned with Awards



July

Aksigorta is Among the Best Workplaces for Innovators

Fast Company magazine's global Best Workplaces for Innovators Survey was evaluated by a jury of Türkiye's leading business people. Aksigorta was ranked among the 50 Most Innovative Companies in the survey, which assessed opportunities provided to employees and entrepreneurs, as well as innovation, R&D, and entrepreneurship initiatives.



October

Tolga Tezbaşaran Featured in the Most Influential 50 CMOs List

As part of the "50 Most Influential CMOs" research conducted by DataExpert in collaboration with BMI Business School, Tolga Tezbaşaran, Assistant General Manager of Retail Product, UW and Customer Management at Aksigorta, has once again been featured in the "50 Most Influential CMOs" list this year.



November

Digitalization Journey Crowned with Awards

Offering a customer-oriented insurance experience with the power it derives from digital transformation, Aksigorta has been deemed worthy of two awards by the Future of AI & Cloud Awards, which reward innovations and achievements achieved through artificial intelligence and cloud technologies. Aksigorta also won an award in the "Best in Future of Work" category of the IDC Türkiye Future Enterprise Awards.

The "Predicting Litigation Risks" project won an award in the "Best AI-Enabled Decision and Management" category at the Future of Cloud & AI Awards. The project created a significant transformation in workforce and cost management by enabling faster and more accurate decisions to be made by predicting the litigation risk of damage files.

The Generative AI-Assisted Digital Insurance Expert project received an award in the "Best AI-Assisted Transformation and Application" category at the event, demonstrating how artificial intelligence technologies can be used innovatively in the insurance sector.

Additionally, the "Generative AI-assisted Digital Insurance Expert" project also won the third place award in the "Best in Future of Work" category at the IDC Türkiye Future Enterprise Awards. The project achieved significant success by becoming one of the 5 finalists at the internationally prestigious Gartner Eye on Innovation awards.



Sustainability Policy

Aksigorta is mainly responsible for creating value for its stakeholders with a sustainable business model that respects nature and people and is highly profitable.

Aksigorta follows the latest developments in Türkiye and in the world, and integrates these developments into its sustainability efforts.

Purpose

The purpose of this policy is to define the strategic approach of Aksigorta A.Ş. towards sustainability management, to guide the dimensions of company activities, product and service processes related to these issues, and to inform relevant stakeholders in this direction. As a well-established company operating in the insurance field, Aksigorta is mainly responsible for creating value for its stakeholders with a sustainable business model that respects nature and people. The sustainability policy sets out the basic principles and principles aimed at minimizing the negative environmental and social impacts and maximizing the positive impacts regarding the business and other activities of the company and its entire value chain, including especially customers.

Powers and Responsibility

The Board of Directors is responsible for updating and executing the sustainability policy. Policy; It is reviewed at least once a year and updated if necessary.

The first step of Aksigorta's sustainability approach is compliance with the legal obligations to which it is subject. In cases where the legislation is not regulated, internationally accepted management and professional ethical principles are followed. The company creates management, measurement, evaluation and reporting systems for sustainability studies in accordance with the principles stipulated in international standards.

Aksigorta Sustainability Committee is responsible for the following activities as the main management function on sustainability:

- Determination of priority sustainability issues, business objectives, management and implementation norms,
- Integration into corporate strategic plans,
- Implementation and performance monitoring and reporting to senior management and external stakeholders.

The works are carried out by subjecting internal systems and, where necessary, independent audit processes.

Aksigorta supports national and international initiatives operating in the field of sustainability and sustainable development in general or material sustainability issues determined by Aksigorta; It follows the latest developments in Türkiye and in the world by communicating with various stakeholders, especially non-governmental organizations, universities and public institutions. We integrate these developments into our work.



It is aimed to increase the number of products and services that contribute to sustainability and their share in total revenues.

General Principles

As a well-established company operating in the insurance field, Aksigorta is mainly responsible for creating value for its stakeholders with a sustainable business model that respects nature and people while remaining highly profitable.

The main goal adopted in terms of sustainability management is to increase performance in matters that have the potential to create opportunities by eliminating the sustainability risks that may have a negative impact on the Company's activities.

In addition, being the main business partner of customers in managing their sustainability risks with the products and services developed is one of the principles for sustainability management.

- The company considers the Sustainable Development Goals accepted by the United Nations as a part of its sustainability management, and includes efforts towards these goals in its activities.
- In order to protect the ecosystem, especially in the fight against the global climate crisis, environmental efficiency activities are focused on, and it is aimed to reduce the carbon footprint by measuring it.
- It is aimed to increase the number of products and services that contribute to sustainability and their share in total revenues.
- Sustainable and green investment instruments are prioritized in investment decisions taken within the scope of fund management activities.
- Taking part in initiatives in the field of sustainability, national and international developments are closely followed.
- Long-term cooperation with our colleagues is aimed within the framework of respect for human and employee rights and by offering equal opportunities.
- In order to support the local and low-carbon economy in purchasing, suppliers with local and environmentally friendly

practices are preferred, provided that they comply with our company legislation.

- The works we carry out in this context are managed with a transparent and accountable structure.


Scope

Considering sustainability as a basic business philosophy, Aksigorta A.Ş. aims to make the evaluation of operational processes and social, economic and environmental dimensions of products and services a fundamental part of its business strategy. In line with this goal, Aksigorta A.Ş. integrates its sustainability approach into both insurance and investment processes with an environmental and social risk management perspective.

- Having undersigned an important sustainability project in the field of digital security, Aksigorta A.Ş. prepares the society for the risks of the digital world of the future, thanks to its Digital Security Platform. Considering digital data as the most valuable asset of the age, Aksigorta A.Ş. focuses on the development of new generation technologies such as big data, advanced data analytics, cyber security, industrial IoT, robotic workforce, artificial intelligence and blockchain. Aksigorta defines its future with a digital, personalized service-oriented and paperless insurance approach.

Sustainability Policy

Aksigorta takes measures to **increase women's employment** and to **support the female workforce in employment.**



Aksigorta organizes many online trainings for its agents under the scope of "Beyond Insurance Academy."

- Aksigorta A.Ş. employees take care to protect the privacy and private information of customers, employees and other relevant persons and organizations. Confidential information regarding the activities of Sabancı Group Companies is protected and this information is used only for Sabancı Group's purposes; this information is shared with the relevant persons only within the determined authorities. In order to ensure trust and stability, increase service quality, prevent unfair competition and transactions and practices that may cause harm in the economy, and increase social benefit, it is included in the Aksigorta A.Ş. Ethical Principles.
- Aksigorta A.Ş., which supports the achievement of gender equality, takes measures to increase women's employment and to support the female workforce

in employment. Discrimination within the Company or any behavior that may be perceived as discrimination; no form of verbal, physical, sexual, racial, psychological abuse or harassment will be tolerated.

- Aksigorta does not provide products or services to sectors and activities that have a negative impact on the climate crisis, ecosystem and community welfare and security, and for which these effects cannot be reduced, and does not invest within the scope of fund management activities. Sabancı Group takes the Responsible Investment Policy as a basis when determining this sector and activities and the implementation methods related to them.
- Activities carried out in coordination with business partners such as agencies and suppliers play an important role in ensuring

sustainable business success across the value chain of Aksigorta A.Ş. We expect our business partners to adopt a work culture identical to itself, an understanding of business ethics and a service quality that makes a difference. We pay attention to these principles in our business partner preferences.

- Aksigorta A.Ş. organizes many online trainings for its agents from insurance to digital marketing, from sales management to accounting under the scope of "Beyond Insurance Academy."

In this context, Aksigorta A.Ş. aims to raise awareness among the society on insurance products and services and their benefits by using traditional and internet-based communication channels or through social responsibility activities.

Sustainability Management

During the last two years, completion rate of the senior management targets regarding sustainability reached 200%.

Sustainability goals and action plans are reported to senior management every year, and meetings are held with the senior management at least on a yearly basis.

Unit Responsibilities

Board of Directors

- Developing the sustainability vision and strategy
- Providing guidance for strategic decisions

Senior Management

- Setting sustainability strategies, policies and targets in environmental, social and corporate governance areas
- Planning for these processes and monitoring, reviewing, improving and developing practices in place
- Identifying sustainability risks and opportunities

Assistant General Manager of Human Resources and Sustainability – Sustainability Team and Working Groups

- Conducting sustainability and ESG work as part of daily business activities
- Ensuring coordination with other units with respect to relevant reporting processes

During the last two years, completion rate of the senior management targets regarding sustainability reached 200%. As of this year, 3 targets have been included in the senior management scorecard:

1. Creating a roadmap for compliance with Sabancı Holding's Responsible Investment Policy
2. Setting targets for Scope 3 Emissions and completing commitment to the Science-Based Targets Initiative (SBTi)
3. Carrying out at least two social impact projects

Sustainability Working Groups

There are five working groups under the sustainability governance structure: Environment and Climate Change; Equality, Diversity and Inclusion; Sustainable Products and Services; Sustainable Finance, and Green Digital Transformation. Working groups adopt the agile methodology and consist of sustainability volunteers and a team leader, who are replaced on a yearly basis.

Working Group Activities in 2024

In line with the suggestion of the Equality, Diversity and Inclusion Working Group, webinars were held to raise awareness under the titles of "Diversity and Inclusion: Unconscious Biases, Gender Equality and Its Psychological Effects," "How Should Parents Educate Children on Sexual Health?," "Human Rights: The Importance of Psychological Health, Equality and Justice" and "Awareness About HPV and Its Importance."

We have begun working initiatives aimed at raising awareness about sustainable products and services in collaboration with the Sustainable Product and Service Working Group. Content has been prepared to inform sales teams about the sustainability features of products.

In collaboration with the Green Digital Transformation Working Group, information emails were sent on how the sustainability approach can be implemented in the field of information technologies.

Communication activities were carried out with the Environment and Climate Working Group to raise awareness on energy efficiency and waste management in offices.

Sustainability Performance

Aksigorta strives to minimize the environmental impact of its activities.

The focus is on increasing the number of products related to Sustainable Development Goals (SDGs) and the premium generation from these products.

Aksigorta bolsters its sustainability performance* every year and especially strives to minimize the environmental impact of its activities.

Aksigorta is included in the BIST Sustainability Index and has sustainability policies and practices in place and reports on its sustainability activities.

Within the scope of the Net Zero Carbon Footprint project carried out across Sabancı Holding, the target has been set to reduce the total of Scope 1 and Scope 2 emissions by 65% by 2030 compared to the 2019 level in order to reach net zero emissions by 2050. To ensure that Scope 3 emissions resulting from the investment portfolio are compliant

with the Science-Based Targets (SBTi), 40% of the portfolio and the entire portfolio must consist of companies that have set targets that are compliant with SBTi by 2030 and by 2040, respectively. The process of target setting and submission of commitment letters to the SBTi platform will be completed by the end of the year.

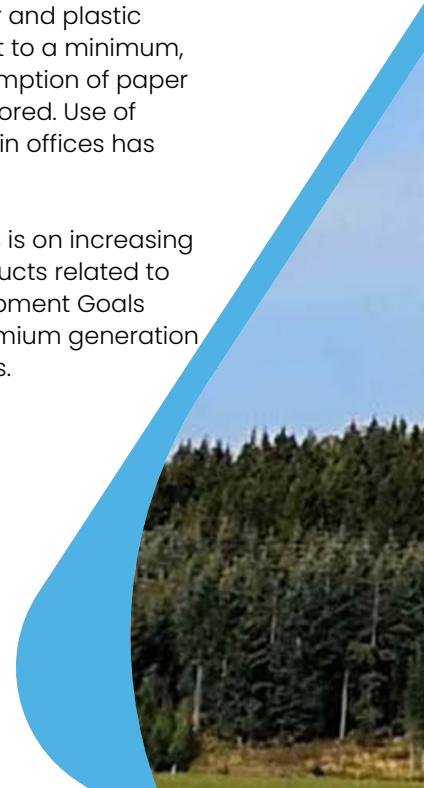
These targets and the current status are disclosed to the public through annual Sustainability Reports.

As a leading company in the insurance sector, Aksigorta focuses on four main areas where it can make an impact in its activities to hand over a better world to future generations:

Operations: The Head Office uses electricity from 100% renewable energy sources. Remote and hybrid working models help reduce carbon emissions associated with the use of offices. Paper and plastic consumption is kept to a minimum, while annual consumption of paper and plastic is monitored. Use of disposable plastics in offices has been eliminated.

Products: The focus is on increasing the number of products related to Sustainable Development Goals (SDGs) and the premium generation from these products.

* Sustainability performance will be detailed in the "Sustainability Report."





Sustainability Performance

Seed balls were scattered onto soil by using ecodrones on behalf of our employees to contribute to a sustainable future together.

Sarıyer Kısırkaya Beach was cleaned by our volunteering employees within the scope of June 5 World Environment Day.

SDG-Related Products and Services Developed in 2024

Aksigorta and Arvento offer their customers safe and economical driving experience together with advantages through their new partnership. Aksigorta will offer a 20% discount on new insurance policies or renewals to customers who have an Arvento tracking device installed in their vehicles.

Responsible Investment and Responsible Customer

We are implementing Environment, Social and Governance standards throughout the value chain as required according to the Responsible Investment Policy of Sabancı Holding. We prioritize investors and customers as per this policy. The risks identified have been categorized and their sources have been identified according to the policy. A risk map was created

using publicly available information with artificial intelligence and the compliance status of stakeholders was reviewed. As per the policy, compliance and non-compliance status of companies that violate environmental, social and management principles have been weighted, and a corrective action plan has been developed.

Social & Environmental Impact Projects

- In cooperation with Boğaziçi University Visually Impaired Technology and Education Laboratory (GETEM), books were vocalized to contribute to the online library for the visually impaired. This contributes to better integration of the visually impaired in social life, helping them overcome obstacles and achieve self-development. A total of 31 volunteers from AgeSA and Aksigorta took part in this important project.

- In order to protect the environment with the awareness of social responsibility for a sustainable life and a better future, Sarıyer Kısırkaya Beach was cleaned by our volunteering employees within the scope of June 5 World Environment Day. During the event, which was held for the second time this year to draw attention to environmental pollution, waste management and recycling issues, more than 100 kilos of waste were collected and sent for recycling by a team of 15 people.
- Committed to protect what is valuable for a sustainable life, Aksigorta planted 10,000 larch and red pine seeds on behalf of all its employees in Muğla as part of its collaboration with eCording.
- In collaboration with the Çorbada Tuzun Olsun (Contribute a Small Share) Association, meals were provided to individuals facing housing problems due to various reasons, including especially unemployment, in order to show solidarity with the economically disadvantaged families and individuals, to get in touch with them and to ensure their social integration.

Equality, Diversity and Inclusion

Burak Yüzgöl became the Chief Diversity & Inclusion Officer (CDIO), a role which was created in line with the requirements and strategic goals for the new era and the Sustainability Principles Alignment Framework, to improve inclusion and to contribute to corporate sustainability in the long term.

Aksigorta views all kinds of characteristic differences and social identities such as language, race, sect, age, gender, culture, nationality, ethnicity, disability, political view, religious belief, sexual orientation,

gender identity and gender expression as a value that enriches and triggers a culture of innovation and continuous development. The current status has been evaluated according to Sabancı Holding Equality, Diversity and Inclusion Policy and the EU Diversity and Inclusion Self-Assessment Tool. According to the EU Diversity and Inclusion Self-Assessment Tool, which helps conduct an assessment of the current status of companies with respect to equality, diversity and inclusion and rate their compliance status as "Diversity Champion," "Pioneer," "Explorer" or "Beginner,"

Aksigorta is ranked among the "Pioneer" companies. A gap analysis study has been completed to achieve the rank of "Diversity Champion." Based on this gap analysis, an action plan is being developed that covers various processes, including recruitment, talent management, training and development, compensation, and identification of special needs.

With the "Inclusive Leaders for Sustainable Companies" training organized in collaboration with the Sabancı University and IFC, we have increased our knowledge about relevant strategies and practices in this area.

BIST Sustainability Index

Thanks to its efforts to achieve sustainability goals, Aksigorta continues to be listed in the BIST Sustainability Index, which evaluates the international sustainability performance of companies traded in Borsa Istanbul in the areas of environmental, social, corporate governance, human and employee rights, and transparency. The Company strengthens its commitment and efforts towards sustainability with each passing day.

**Aksigorta strengthens
its commitment
and efforts towards
sustainability with
each passing day.**



Corporate Governance

Aksigorta continues to develop products and services linked to Sustainable Development Goals.

With the renewable energy certificate I-REC, it is documented that all of the electricity consumed at the headquarters has been met from renewable sources since 2024.

In 2024, Aksigorta restructured its Corporate Governance processes to include Executive Board members in the process and established five working groups under the Sustainability Committee: Environment and Climate Change; Equality, Diversity, and Inclusion; Sustainable Products and Services; Green Digital Transformation, and Sustainable Finance.

The Executive Board discusses sustainability issues at least four times a year. Sustainability studies are presented to the Executive Board by the sustainability unit under the leadership of the Assistant General Manager for Human Resources and Sustainability.

Duties and Responsibilities of the Sustainability Committee

- The sustainability committee identifies material topics on sustainability that need to be focused on.

- It creates, implements, and monitors the sustainability strategy, its short-, medium-, and long-term goals, roadmaps, and policies.
- It determines and monitors the performance criteria for the sustainability targets of business units.
- It establishes working groups and determines their members, if necessary, to carry out the necessary work to achieve sustainability targets.
- It follows national and international developments, public regulations, and trends regarding sustainability topics.
- It identifies, evaluates, and manages sustainability-related risks and opportunities.
- It makes recommendations on sustainability communication plans, approves plans, and audits the processes.
- It ensures that employees and stakeholders are informed in order to disseminate the sustainability business approach among

employees and all stakeholders, and it coordinates the organization of trainings and stakeholder participation in matters deemed necessary for this purpose.

- It participates in sustainability report studies and approves the report.
- It carries out studies to ensure compliance with the principles included in the Sustainability Principles Compliance Framework announced by the CMB. It prepares the sustainability reports required by the Capital Markets Legislation and submits them to the approval of Board of Directors for public disclosure.
- The total amount of salaries and benefits provided to the Chairman, Members of the Board of Directors, and senior executives such as the General Manager, General Coordinator, and Assistant General Managers during the current period is TL 63,328,880.

In line with the sustainability efforts and goals of the shareholders Sabancı Holding and Ageas, in 2024:

- The Company continued to be listed on the BIST Sustainability Index, which evaluates the international sustainability performance of companies traded in Borsa Istanbul on environmental, social, corporate governance, human and employee rights, and transparency topics.

In line with the goal of being a net zero emission company by 2050 in order to limit the global temperature increase to 1.5°C on the way to combat climate change in accordance with the Paris Climate Agreement, the Company has submitted a commitment letter and a target-setting application to the Science Based Targets Initiative (SBTi) for Scope 1, Scope 2 and Scope 3 emissions. The previously set target of 53% reduction in Scope 1 and Scope 2 emissions from 2019 to 2030 has been updated as 65%. We are

planning to raise this target even higher and to achieve a significant reduction in operational emissions by 2030. In addition, targets for Scope 3 emissions have been set according to the Portfolio approach methodology recommended by SBTi for the financial services sector. In this context, the ratio of companies setting SBTi targets is expected to reach 40% during the period between 2022 and 2029. We aim to ensure that the entire portfolio consists of companies that have set science-based targets by 2040.

- With the renewable energy certificate I-REC, it is documented that all of the electricity consumed at the headquarters has been met from renewable sources since 2024.

- In line with the goal of developing new sustainable products and services every year, the development of sustainable products and services linked to sustainable development continued.



Compliance with the Future of the Work

Aksigorta strives to become the employer-of-choice that develops and retains talent.

Aksigorta aims to create a working environment where employees feel more flexible and free and where they can create value in line with common goals.

Aksigorta views its employees as its most valuable asset. Therefore, at Aksigorta, the most important goal is to protect valuable assets with the next generation solutions for a sustainable life and continuous development.

Forming agile, self-managing teams in order to become a connected and result-producing organization, Aksigorta strives to equip its employees with skills aligned with the future of work, and to become the employer-of-choice that develops and retains talent.

Aksigorta adopts the principle of continuous development in its Human Resources practices. Its main goal is to ensure continuous development in a wide range of areas from recruitment to career development, performance management to training and development opportunities.

Aksigorta aims to create a working environment where employees feel more flexible and free and where they can create value in line with common goals.

Aksigorta received the "Kincentric Best Employer" award for the fifth year in a row in a survey conducted by Kincentric, one of the world's leading human resources and management consultancy platforms. This award recognizes the Company's efforts to value its employees, promote workplace excellence, and improve work culture.

Aksigorta employees:

- are free, flexible, agile, and productive. take initiative to reach clear objectives, and make their own decisions with confidence to find solutions. take responsibility of their output.

- build relationships based on trust and maintain them through dialogue and empathy. collaborate, learn from each other, and experience a culture in which they share their excitement with each other and feel a strong sense of belonging.
- have rapid access to all necessary resources, expertise and knowledge, focus on high value-added activities by utilizing technology, and as a result achieve self-development to help the company grow.

The total amount paid to all employees, including salaries, bonuses, overtime, and benefits, is TL 1,425,508,931.

Talent Management

Adopting an approach focused on attracting and developing talent with its 64 years of experience, Aksigorta operates in line with the goal of providing young talents with the best



Aksigorta supports its employees in reaching their highest potential.

employee experience from recruitment onwards and offering development opportunities that will lead them to their best.

Aksigorta collaborates with universities and organizes internship programs that focus on professional development. The company also designs and implements long-term, modular special talent programs, as well as periodic young talent programs such as IT Talent Camp, UW School specific to technical fields.

Technology is used effectively to attract and select the talents that best suit the future of work, the culture of Aksigorta and the needs of the

Agile world. The right candidates are assigned to the right positions through structured, competency-based interviews (either online or face-to-face), personality inventories, aptitude tests and development center practices.

Aksigorta's onboarding process, which is powered by digital tools, help new hires to quickly comply with and adapt to the corporate culture. One-on-one meetings organized as part of the business partnership structure support employee development by addressing career planning and performance issues. In addition, meetings are held with the management team to enable managers to develop appropriate solutions by focusing on the career and performance planning of their teams.

The "I Recommend a Candidate" project, which was implemented through the synergetic efforts of the Human Resources teams of Aksigorta and AgeSA, is implemented in both companies and aims to increase talent acquisition and reach potential candidates more effectively in order to achieve growth targets. Employees taking part in the project not only receive support in recommending candidates, but also have the opportunity to receive rewards.

Learning & Development

Aksigorta offers various programs through its Learning & Development team to meet the development

needs of next-generation talents and leaders. Development programs are designed in which employees are able to access all resources, give and receive feedback, and learn from each other. Encouraging continuous learning through the use of technology, Aksigorta supports its employees in reaching their highest potential.

Learning solutions include live training sessions, e-learning, online virtual classrooms, online learning journeys, seminars, and experience sharing meetings from subject matter experts.

In order to support the professional and competency development of its employees, Aksigorta offers the Future Self program, which includes more than 20 content sections which employees can choose from according to their interests and requirements. Aksigorta announces the program contents to its employees on a yearly basis and offers development opportunities to all its employees in the areas they are interested in.

Within Aksigorta's new Talent Management approach launched in 2023, a talent club called Future Club was established. The "Power Up+" development programs for Future Club members in managerial roles and the "Rise Up" development programs for members who do not have team management responsibilities are designed to help talents in both the Head Office and field teams get to

Compliance with the Future of the Work

At Aksigorta, social clubs are organized under the scope of **B-Happy**.



A transparent career path map that supports rotation and talent development for all employees is offered with the motto “Your Career, Your Aksigorta.”

know themselves, increase their inner motivation and develop their business or team management skills. These programs are specifically designed to prepare talent club members for their future careers.

With the synergy of two strong partners, Aksigorta aims to ensure that its employees plan their careers in the best way possible and take solid career steps in an extensive network that includes Sabancı Holding and Ageas. To this end, a transparent career path map that supports rotation and talent development for all employees is offered with the motto “Your Career, Your Aksigorta.”

Employees taking their first steps into their management careers at Aksigorta are supported through the Polar Star program, which is specially designed to equip them with strong leadership skills and provide them

with the guidance that they need to effectively manage their teams. The programs offer a comprehensive and interactive experience to maximize participants’ leadership potential. One of the most important focal points of the program is to enable employees to overcome the challenges that they may encounter during their leadership journey and to gain a deep understanding of team dynamics.

In addition, participants are provided with comprehensive training on interview techniques, which help them gain expertise in selecting the right team members and developing their skills. Through competency maps, it is possible to best evaluate the contribution of each individual within a team.

Along with its Belgian stakeholder Ageas, Aksigorta prepares short and long-term career experience opportunities. Aksigorta provides

career opportunities to its employees in conjunction with succession plans prepared across a wide area that covers Sabancı Group companies.

Nabız (Pulse): 360-Degree Feedback Culture

Aksigorta adopts a work culture where its employees can take initiatives to achieve clear goals, make solution-oriented choices, and are responsible for the value that they create by making result-driven decisions. In line with this understanding, a 360-degree feedback culture for all employees, regardless of their titles, was established with the Nabız (Pulse) mobile application, which was launched in 2019. Thanks to the Nabız (Pulse) application, employees have the opportunity to give and receive feedback whenever and wherever they want.

Social Clubs

Aksigorta organizes various events and activities to bring employees together and strengthen their social bonds. Aksigorta employees, who share common hobbies through social clubs for different interests, are encouraged to participate in arts and sports organizations inside and outside the Company.

At Aksigorta, social clubs are organized under the scope of B-Happy. Employees socialize together and have a different experience with B-Happy's many activities in different areas. Within this scope, tasting events, trips, hobby and kitchen workshops

are organized with Social B-Happy; concerts, theaters, and museums are visited with Art-lover B-Happy. In addition, Sportive B-Happy, which is aimed to bring movement to life, organizes activities in many areas ranging from hiking to skiing, football to tennis, and provides tournament participation.

Holistic Health Activities

Aksigorta planned many physical and online activities throughout the year as part of wellbeing activities while B-Happy activities continued. This way, the Company supported the holistic wellbeing of its employees both physically, mentally, and spiritually.

Aksigorta attaches great importance to voluntary participation in events and encourages its employees to participate in various projects carried out by Group companies as part of the Sabancı Republic Mobilization and Sabancı Youth Mobilization.

Aiming to improve the physical and mental health of its employees, AVİTA Psychological Support Line provides 24/7 support for their business and private lives. A newborn support program for women only was also implemented as part of the program.

Compensation and Benefits

Adopting a competitive and fair remuneration policy for its employees in the insurance sector, Aksigorta secures the social security and healthcare needs of its employees with appropriate benefits packages.

Aksigorta follows a fair compensation policy and offers various fringe benefits to its employees. These benefits include advantages such as private pension with corporate contribution and life insurance.

Social security and healthcare needs of Aksigorta employees are guaranteed by AK Sandık, which offers a social security package that is much more comprehensive than a private

Aksigorta offers 24/7 support for employees' business and private lives through the AVİTA Psychological Support Line.

Compliance with the Future of the Work

At Aksigorta, employees are empowered to make their own choices, make decisions with a result-oriented perspective, and undertake the responsibility for the impact they generate.

The “Nabız (Pulse)” mobile app supports the 360-degree feedback culture and gives employees the opportunity to give and receive feedback whenever and wherever they want.

health insurance. Thus, the employees always feel the support and contribution of an extensive network of contracted organizations and employee-oriented service approach and can easily use the services available through the AK Sandık mobile application.

Performance Management

As Aksigorta adopts a business culture that allows employees to take initiative and produce solutions to achieve clear goals, employees are empowered to make their own choices, make decisions with a result-oriented perspective, and undertake the responsibility of the outputs they produce. The Company believes in the developmental power of feedback. In this context, it is important for employees to constantly receive and give feedback for their development. The “Nabız (Pulse)”

mobile app supports the 360-degree feedback culture and gives employees the opportunity to give and receive feedback whenever and wherever they want.

Based on the objective key results (OKR) management approach, Perfx is a transparent, flexible, and feedback-oriented performance management system that adapts to Aksigorta’s changing working models and manages performance evaluations. Employees can set, update and change their targets by using the performance forms open in the system throughout the year.

Aksigorta Games is a performance and career management system designed for sales teams. Based on a club structure, the program aims to announce the success of the sales teams, support their skills, and give an opportunity to manage their own

careers. The enrollment conditions and benefits of the four different clubs in the Aksigorta Games vary. Based on their performance, sales teams are admitted to related clubs and receive a variety of benefits.

You Are Beyond Awards

You Are Beyond Awards stands out as an extensive recognition-appreciation and instant rewarding program where rewarding activities are gathered under a single roof. Under the scope of the program, rewards such as Classics, Success Stories and Surprises that serve different purposes are made. With You Are Beyond Awards, recognition-appreciation activities are extensively and successfully performed with remote working.

Sustainable Business Model

Aksigorta supports social responsibility initiatives targeted at society and environmental awareness. Aksigorta supports the participation of women in workforce and offers an equal and fair working environment for its employees with the awareness of gender equality. Aksigorta signed the Women's Empowerment Principles developed by the United Nations Entity for Gender Equality and the Empowerment of Women and the United Nations Global Compact.

Aksigorta Employees Are "Beyonders"

With Aksigorta's new employer brand identity "Beyonders," all Aksigorta employees;

- are free to choose their place of work, can work independently, with flexibility and with agility, and they can be focused, productive and accessible,
- can take the initiative to reach clear objectives, make their own choices to find solutions,
- can make decisions with a result-oriented perspective and take responsibility for their output,
- may reach all resources, expertise, and information in the fastest way to advance themselves and their business,
- focus on work with high added value and valuable personal contributions through the use of technology and learning from each other by receiving and providing feedback,

- sustain a trust-based team relationship with mutual dialogue and empathy,
- stand out courageously, become excited together, and feel a sense of 'belonging,' as such, a work environment is developed together which protects the spiritual, mental, and physical health of the employees and which focuses on needs. As a result, the employee feels stronger, competent, and capable.

The Goal Is a Sustainable Future

In its corporate strategies, Aksigorta sets out its sustainability priorities for a better world and a sustainable future. Accordingly, the Company supports the society and its employees with initiatives specifically aimed at increasing risk awareness. Aksigorta strives to match its operations and policies with the principles of sustainability to achieve alignment with its all stakeholders in its sustainability efforts. The goal is to create stakeholder value through an environmentally friendly and sustainable business model that respect the dignity of all people. Aksigorta's sustainability policy includes the fundamental principles and procedures designed to minimize the negative environmental and social impact of both its operations and its customers' activities. At the same time, Aksigorta aims to maximize the benefits of such operations and activities in a sustainable way.

Agiland

The agile transformation process at Aksigorta, which started in 2017 with cross-working teams (Platform, CTFs) and IT-based agile project teams, has enabled steps to be taken towards the adoption of the agile working methodology across the Company, especially with the participation of business units in addition to IT development efforts. Independent evaluations in 2021 found that Aksigorta was ready for an agile transformation throughout its organization. Accordingly, an agile transformation plan covering the entire organization was rolled out and Aksigorta's agile world was named Agiland.

Agiland represents a new working order consisting of a set of agile values, principles, and practices. The Agile methodology is rolled out throughout the Company, including in HR processes, contributing to Aksigorta's sustainable performance.

People Tribe was established by transitioning to a new working order in order to maximize value creation in the Human Resources and Sustainability function. With an agile approach, People Tribe not only improves the processes of existing teams, but also focuses on continuous value creation by establishing strategy-oriented cross-functional teams.

Agiland represents a new working order consisting of a set of agile values, principles, and practices.

The newly established Corporate Tribe is also intended to improve the processes of existing teams and to create continuous value with cross-functional teams through an agile approach.

In the new structure, QBR events, synchronization initiatives and many other tribe rituals will be carried out with the OKR approach.

The Insurance Industry in 2024

2024 was a year when technological solutions facilitating digitalization, tailored services and claims procedures rose to the forefront.

In 2024, the insurance sector generated TL 838.4 billion in premiums, representing a 72.5% rise in total life and non-life insurance.

In 2024, the insurance sector continued to grow steadily while remaining to be one the important players in the Turkish finance sector, with a total volume more than TL 838 billion. The sector generally showed a positive performance despite economic fluctuations and increasing competition; in particular, increased risk awareness among individuals and increased demand for insurance products have both contributed considerably to sector development.

2024 was a year when technological solutions facilitating digitalization, tailored services and claims procedures rose to the forefront. Insurance customers expect more transparent and faster services. Insurance companies are therefore expected to adopt customer-oriented strategies and digital transformation, as well as to implement innovations and developments in this field. Increased technological integration into business processes in the insurance sector boosts company profitability while promoting customer satisfaction and industry growth. In 2024, innovative and customer-focused solutions were at the forefront as well.

According to the results published by the Insurance Association of Türkiye (TSB), the insurance sector generated TL 838.4 billion in premiums, representing a 72.5% rise in total life and non-life insurance in 2024. This increase is especially noteworthy in the growth in the sickness-health insurance branch. Economic uncertainties and rising healthcare expenses prompted more individuals to get health insurances; increasing premium generation in the illness-health branch by 93% to TL 136.5 billion compared to the previous year.

In 2024, TL 738.5 billion of total premium production came from the non-life branch and TL 100 billion from the life branch. Premium generation in the motor vehicles liability (traffic) branch increased by 85.6% to TL 219.3 billion due to the increase in car prices and mandatory traffic insurance premiums.

On the other hand, premium generation for fire and natural disasters was 122 billion TL, while premium generation for MOD insurance was 112.5 billion TL, which has decreased in real terms in contrast to other branches.

The world is becoming more complicated due to social inequalities, demographic shifts, technology advancements, and climate change, forcing insurance companies to deal with serious risks that are increasing in frequency and variety. As a result, in light of all these developments, it has become unavoidable for insurance businesses and their business practices to adapt to global changes, resulting in a dramatic change in the sector's texture.

The insurance sector is expected to keep growing in the years to come. Factors such as individuals' increased risk awareness, increased demand for insurance products, and the fact that technology developments offer new opportunities for the sector will support this growth. Given the challenges facing the industry, insurance companies must, however, review their strategies and develop innovative solutions in order to adapt to changing conditions and stay competitive.



Assessment of Aksigorta's Operations in 2024

Aksigorta is always a reliable companion on its customers' risk journey.



Aksigorta continues to expand the conveniences it offers to its customers through the Marketplace menu on its mobile application.

CUSTOMER-ORIENTED SOLUTIONS

Adopting the concept of providing easy, simple and accessible insurance services to its customers, Aksigorta is always a reliable companion on its customers' risk journey.

Aksigorta Mobile Application

Aksigorta's mobile application stands out as part of the strategy aiming to make the insurance experience more accessible and personalized for customers and offers customers a digital service point that provides multichannel access. Thus, it gives customers freedom and flexibility across different channels, while also enabling Aksigorta to offer more value to customers through collaborations in different sectors. With the application, the transition from policy management to risk management was initiated.

With the video risk consultant service offered to customers, the application has assumed the role of a consultant on how to manage the risks in their lives and to protect their assets. Aksigorta continues

to make the application experience more useful for customers as most customers do not work with a single insurance company. The mobile application allows users to add their insurance policies from other companies and monitor their coverage directly from the Aksigorta app. With this innovative feature, Aksigorta customers can monitor their entire portfolio from a single address. Aksigorta has been introducing many new features in its mobile application in order to support its customers in every situation. Aksigorta developed the claims consultant feature in the mobile application and enabled customers to talk to their consultants about claims processes via live chat at any time. Aksigorta redesigns the complex policy environment with a customer-oriented perspective and reflects it on screens. Designing a platform structure that makes the advantages and added value of insurance clear to customers at all times, not just at the moment of damage, Aksigorta created an ecosystem that takes the risk management of its customers beyond insurance with the collaborations established in the marketplace.

Aksigorta collaborates with reliable brands so that customers can protect their assets in life not only with insurance products, but also through services that support insurance, and the Company enabled customers to access these services at advantageous prices.

Marketplace Opportunities

Aksigorta has entered into a new collaboration with Open English, continuing to expand the conveniences it offers to its customers through its mobile application and the Marketplace menu. As part of the collaboration with Open English, one of the world's most effective online English learning platforms, Aksigorta customers have the opportunity to benefit from a 65% discount.

Recently, Aksigorta mobile application, which has made life easier for its users by providing Aksigorta policyholders with 100 TL points for every TL 1,000 or more of their purchases made with CarrefourSA cards and a 20% discount on all products sold through the Sütüş Çiftliği online market, also stands out by offering a digital service point that will integrate with all other channels for customers.

As part of Aksigorta's collaboration with Brisa, Aksigorta mobile app users are entitled to an additional 250 TL discount on Lassa and Bridgestone tires purchased through Brisa's online tire sales platform, lastik.com.tr. This discount is applied on top of the existing website campaign and is valid for purchases of four tires.

Within the scope of the collaboration between Aksigorta and ooAutos, Türkiye's first digital car assistant application, ooAutos Car Wash Service was offered with a 20% discount to all Aksigorta customers throughout Türkiye. Aksigorta customers who wanted to benefit from the campaign could get their special discount code from the Marketplace menu in the Aksigorta mobile application and benefit from the discount. The collaboration between Aksigorta and ooAutos Car Wash Service continued until the end of the last year.

Instant solution with ClaimsChat

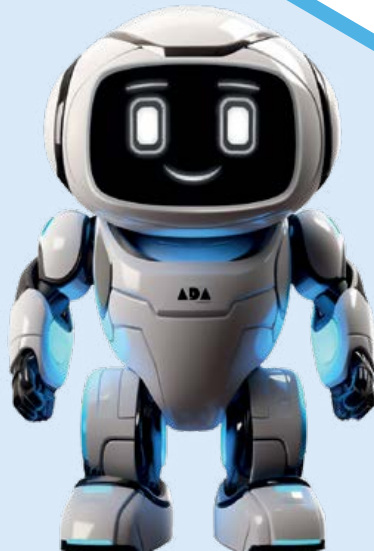
Aksigorta's ClaimsChat application provides a fast-chat return to the customer in response to a claim filing and uses AI to create a WhatsApp group, including an expert, case manager, the service, and customer representative as members. Transparent and rapid communication is ensured with the WhatsApp group created shortly after the claims notice. When the process is completed, the AI executes a sentiment analysis of the conversation and sends the data to the CRM system. Aksigorta digitalized the claims quotation stage with its chatbot app, thus making all its defined operational services faster and more reliable for customers.

Talking Policy

Continuing to develop its products and services to match customer expectations, Aksigorta makes its customers' lives easier with the "Talking Policy" application. In this context, Aksigorta customers who buy a homeowners insurance policy from Aksigorta can both listen to and watch the homeowners insurance product contents and guarantees specific to them, with real-world examples for better understanding.

In this way, Aksigorta makes homeowners insurance policies more understandable for customers while also increasing the visibility and awareness of insurance products. Additionally, with this application, Aksigorta customers with hearing impairments and language barriers can easily access information about the scope of their policies. In addition to accessing the informative videos via the QR code on the cover page of their physical homeowners insurance policies, customers can also access them via the Aksigorta mobile application and Aksigorta social media accounts.

Aksigorta makes its customers' lives easier with the "Talking Policy" application.



Assessment of Aksigorta's Operations in 2024

Aksigorta acts with an approach that adopts customer satisfaction and needs as its main focus.

Aksigorta has introduced the "Aksigorta Pati Plus VetAmerikan" insurance alongside the Pati and Pati Plus products, which are based on the needs of our furry friends.

PRODUCTS

Aksigorta acts with an approach that adopts customer satisfaction and needs as its main focus, updates its existing product portfolio in line with customer feedback, and also designs new products to make customers' lives easier.

Renewable Energy Loss of Profit Insurance

Acting with the aim of protecting what is valuable with its new generation insurance approach, Aksigorta continues to offer new products to its customers. To support its efforts for sustainability and preservation of the nature, Aksigorta developed the "Renewable Energy Loss of Profit Insurance" product, which provides protection against

risks such as natural disasters, fire and loss of profits at wind and solar power plants, for all individuals and organizations that produce energy from renewable resources, use this energy and offer it to the public. This product covers the financial losses of the insured arising from the cessation of energy sales. In addition, Aksigorta also supports the business continuity of its corporate customers with this guarantee, which also covers risks such as lightning, natural disasters and storms.

Enjoy Blue in a Different Way with Aksigorta

While Aksigorta Yacht Insurance protects the insured boats against accidents and dangers that may be encountered at sea, it also covers damages that may be caused to other boats, the marina or third

parties. Allocating a dedicated call center line to Yacht Insurance customers, Aksigorta has launched many innovations to the advantage of its customers, with discounts of on marina fees, boat maintenance expenses, marinas and bay facilities, and boat materials, valid at contracted organizations. Aksigorta Yacht Insurance not only provides coverage for the insured yacht and its machinery and equipment, but also provides 24/7 yacht assistance service – from treatment expenses to sending spare keys, and from temporary captain service to spare parts assistance –in the event of an accident, injury or illness. The insurance is also activated if the yacht, service boats, machinery or equipment are stolen. At the same time, in accidents caused by the yacht, the Yacht Insurance also covers damages to surrounding vessels and the people in them, as well as fixed and mobile objects such as ports, piers, and quays.

Aksigorta Pati Plus VetAmerikan

Aksigorta has introduced the "Aksigorta Pati Plus VetAmerikan" insurance alongside the Pati and Pati Plus products, which are based on the needs of our furry friends. Aksigorta Pati Plus VetAmerikan, a special health insurance product for pets, offers insurance coverage with the highest outpatient and inpatient treatment limits in the industry for cats and dogs ranging from



Aksigorta assumed the brand MOD insurance coverage of BYD branded 100% electric vehicles, which went on sale in Türkiye.

TL 25 thousand to TL 150 thousand. With this product, which can be redeemed at VetAmerikan Animal Hospital in Istanbul, pets have the opportunity to receive treatment at Türkiye's largest and most comprehensive private animal hospital and benefit from the advantages of Pati Plus VetAmerikan.

As a special occasion for the launch of Pati Plus VetAmerikan, Aksigorta gave a 500 TL gift card redeemable at Petlebi to the first 250 customers who purchased a Pati Plus VetAmerikan Insurance policy. The codes, valid until December 31, were used for purchases on petlebi.com.

BYD on Turkish Roads with Aksigorta Assurance

Aksigorta continues to expand its transportation network with new collaborations. Aksigorta assumed the brand MOD insurance coverage of BYD branded 100% electric vehicles, which went on sale in Türkiye in November. With this collaboration, electric vehicles that will be launched by BYD Türkiye dealers will be insured exclusively by Aksigorta for customers that choose e-kasko. Offering 100% battery assurance without any exemptions throughout the manufacturer's warranty, the e-kasko product also stands out among competition as it offers customers an unlimited towing service, in case of a breakdown or accident, from anywhere in Türkiye to the authorized service stations where the vehicle repairs will be carried out. It also provides protection in case of theft or damage to charging equipment. e-kasko offers a free towing service to the nearest charging point in case the battery runs out on the road,

as well as full protection against possible incorrect charging damage to the battery. e-kasko policyholders also have many coverage options such as mobile charging service against battery depletion and a 10% discount advantage on every charging transaction at Eşarj stations. In addition, the Company supports efforts to reduce its carbon footprint by planting saplings through the Aegean Forest Foundation on behalf of customers who have an e-kasko policy.

Collaboration between Aksigorta and Arvento

Aksigorta established a collaboration with Arvento, which develops and produces vehicle tracking and fleet management systems, object-person tracking systems, boat tracking systems, and M2M solutions. Accordingly, owners of 1-10 vehicles using Arvento tracking devices will receive a 20% price advantage when they get a new MOD insurance policy or policy renewal from Aksigorta. Users who have at least 6 months before the expiration of their Arvento device activation will be able to benefit from the discount once per device.

Assessment of Aksigorta's Operations in 2024

In 2024, Aksigorta continued to contribute to society and make successful efforts.

Aksigorta and AgeSA continue to make significant changes in their organizational and senior management structures in line with the needs and strategic goals of the new era.

OTHER MAIN DEVELOPMENTS

In 2024, Aksigorta continued to contribute to society and make successful efforts through high-level changes, social responsibility projects and new certificates.

Sabancı Holding Financial Services Group Integration Activities

Aksigorta, one of the pioneers of the elementary insurance sector, and AgeSA, one of the leading companies in the private pension and life insurance sector, continue to make significant changes in their organizational and senior management structures in line with the needs and strategic goals of the new era.

In this context, Firat Kuruca, has been appointed as General Manager at Aksigorta in addition to his role of General Manager at AgeSA.

Within the scope of the Sustainability Principles Compliance Framework and in line with the efforts for compliance with Environmental, Social, Corporate Governance Principles and the basic principles of diversity, inclusiveness and equality, a new role called Chief Diversity and Inclusion Officer has been established at Aksigorta and AgeSA in order to improve the sustainability of the business environment and inclusion and to contribute to corporate sustainability in the long term. In this context, Burak Yüzgöl, who continues his duty as Assistant General Manager of Human Resources and Sustainability at Aksigorta and AgeSA, has been appointed as Chief Diversity & Inclusion Officer (CDIO) as of October 1, 2024, in addition to his current duties and responsibilities. Thus, Yüzgöl has assumed the role of CDIO at both Aksigorta and AgeSA.

In addition, Selim Avşar, Assistant General Manager of Bancassurance at AgeSA, took over the management of Aksigorta's bancassurance channel and was appointed as Assistant General Manager of Bancassurance. This strategic appointment is intended to create a significant synergy in bancassurance activities and help manage all operations in this field with a broader vision.

An organizational restructuring was also carried out in order to gather the corporate sales activities of Aksigorta and AgeSA under a single roof and within this framework, a change of duties took place effective from January 1, 2025. Mustafa Erdoğan, Aksigorta Corporate Sales Director, has been appointed as the Assistant General Manager of Corporate Sales in both companies, in addition to his current duties and responsibilities, and will also be responsible for AgeSA Corporate Projects activities. In line with this organizational change, in addition to

Aksigorta carries out projects aimed at minimizing the direct and indirect environmental impact of its operations.

Aksigorta Broker, Captive and Direct Sales Channel and Corporate Agency/ Bank and Health Sales Channel Functions, AgeSA's Corporate Projects Group Directorate activities will continue to be carried out under the Corporate Sales organization reporting to Erdoğan.

Aksigorta Published the TCFD Report

Offering a new generation insurance approach with sustainability-focused approaches, Aksigorta is among the organizations that support the fight against climate change. Publishing the TCFD (Task Force on Climate-Related Financial Disclosures) report, Aksigorta has transparently disclosed its processes for understanding, analyzing and adapting to climate risks. As a signatory of the United Nations Global Compact (UNGC), Aksigorta further strengthens its sustainability performance with each day passing.

Carbon Net Zero Target by 2050

Further strengthening its sustainability performance each year, Aksigorta carries out projects aimed at minimizing the direct and indirect environmental impact of its operations. Accelerating its digitalization efforts in line with its paperless insurance target, Aksigorta initiated a process to reduce paper consumption to the extent allowed by law. Many

documents and notifications were digitalized, saving approximately 11 tons of paper. Aksigorta, which holds a Green Office certificate from WWF Türkiye, has carried out communication activities to raise awareness on energy efficiency and waste management in its offices. Having achieved 200% of its sustainability targets set by senior management in the last two years, Aksigorta continued to work to raise awareness about sustainable products and services and prepared content to inform sales teams about the sustainability features of its products.

BIST Sustainability Index

Increasing its sustainability score, Aksigorta was recently included in the BIST Sustainability Index, where companies are evaluated according to international sustainability criteria on environmental, social, corporate governance, human and employee rights, and transparency. In this context, Aksigorta received the appropriate score in the Refinitiv's valuation methodology, which consists of three main headings of the BIST Sustainability Index, namely environmental, social and corporate governance, as well as 10 categories, 25 themes and more than 450 data points related to these themes.

Women's Empowerment Principles (WEPs)

Aksigorta is committed to providing a democratic working environment for its employees with the awareness of gender equality. To this end, Aksigorta became a signatory to the Women's Empowerment Principles (WEPs) established by the United Nations Gender Equality and Women's Empowerment Agency and the United Nations Global Compact. By signing this set of guidelines, Aksigorta has strengthened many of its current efforts on gender equality in line with the seven basic principles of WEPs. In 2013, Aksigorta signed the Declaration of Equality at Work in order to raise awareness of gender equality across the organization. Today, 54.4% of Aksigorta's employees and 36.6% of its executive staff are women.

Assessment of Aksigorta's Operations in 2024

Aksigorta works on initiatives that will add value to women's lives both inside and outside the Company.

Aksigorta has provided TL 3 million in support of the well-being of the earthquake-affected region in cooperation with Needs Map.

By displaying a gender-neutral approach in all communication channels, Aksigorta strives to bring equality between men and women to every platform where it participates. Aksigorta further supports the issue of gender equality with specialized trainings and seminars.

Certificate of Equality for Women at Work

Defending gender equality in the business world as well as in all areas of life, Aksigorta added yet another certificate to those it received with its efforts in this context. Aksigorta, of which 54.4% of its employees are women, was awarded the Equality for Women at Work Certificate after an independent audit conducted in cooperation with the Sustainability Academy and the British audit company Intertek. It works on initiatives that will add value to women's lives both inside and outside the Company.

Institutions that offer equal rights and opportunities to women in business life are awarded the Equality for Women at Work Certificate when they get sufficient points after an independent audit conducted in cooperation with the Sustainability Academy and the British audit company Intertek. Aksigorta, which received 90 points in the audit where the passing grade is 70 points to obtain the certificate, was evaluated on topics such as ensuring gender equality and non-discrimination, establishing an effective management system against discrimination, providing safe working conditions, building mechanisms to prevent violence and harassment, informing the supply chain in line with policies, creating social impact for gender equality and women's empowerment, and ensuring the participation of all stakeholders in the solution.

Aksigorta Continues to Provide Aid to the Earthquake Zone

Last year, Aksigorta launched the "Hayata Devam Türkiye (Keep Living Türkiye) – Earthquake Risk Transfer Project," which is a continuation of the 'Keep Living Türkiye' project that was implemented between 2010-2015. The project also provides guidance regarding measures that can be taken against earthquakes and the necessity of transferring possible risks to an insurance organization. Within the scope of the project, collaboration was made with Needs Map, and an aid fund was created for the earthquake-stricken region. As the first step of this aid fund, 20 container houses were provided with the support of Needs Map. As part of the Keep Living Türkiye project, where a portion of each home policy is converted into support for the earthquake-stricken region, Aksigorta has provided 3 million TL in support of the well-being of the earthquake-affected region in cooperation with Needs Map in line with 37,500 new policies. In this way, Aksigorta transferred TL 69.9 billion worth of earthquake risk to Aksigorta in order to heal the wounds of the region and minimize the damage that may occur in a possible earthquake. Thus, Aksigorta supported the establishment and improvement of the Living Area in Kahramanmaraş with a capacity to accommodate 115 houses to be installed and managed by Needs Map. Plans are made to carry out production and entrepreneurship

Aksigorta became the owner of the renewable energy certificate I-REC as part of its efforts to protect the future of the world.

activities, especially with the participation of women, in the Living Area, which was established with the dream of a better future for those affected by the earthquake.

Aksigorta Agencies Turned Their Route to Phuket

Keeping customer satisfaction at the highest level in the insurance sector with its extensive agency network of over 3,500 agencies throughout Türkiye, Aksigorta also rewards the architects of this success. Premium Aksigorta agents who met the eligibility criteria in the agency campaigns throughout the year in 2023 and thus gained the travel chance had a pleasant trip to Phuket. Also attending the trip were Osman Akkoca, Assistant General Manager of Aksigorta Agencies and Bancassurance; Tolga Tezbaşaran, Assistant General Manager of Retail Product, UW and Customer Management; Deniz Ceylan, Assistant General Manager of Corporate Technical and Reinsurance, and Mustafa Erdoğan, Corporate Sales Director.

Aksigorta Agencies Were in Barcelona

Aksigorta agencies that showed superior performance in the last quarter campaign of 2023 were rewarded with a pleasant trip to Barcelona, one of the most popular cities in Spain. Also attending the trip were Osman Akkoca, Assistant General Manager of Agencies; and Tolga Tezbaşaran, Assistant General Manager of Retail Product, UW and Customer Management.

I-REC Renewable Energy Certificate

Aksigorta became the owner of the renewable energy certificate I-REC as part of its efforts to protect the future of the world. With this certificate it gained, Aksigorta proved that it meets its electricity needs from renewable resources, and took a serious step towards becoming a sustainable company. The company, which will renew its I-REC certificate every year, has thus made a commitment to continue using clean energy.

Renewable Energy Certificates (RECs), created with the aim of spreading renewable energy investments and consumption, aim to create a reliable market by tracking each unit of electricity produced, starting from its source, until it reaches the consumers. In this context, RECS International's I-REC contributes to consumers making conscious choices to ensure that they consume energy derived from renewable energy sources.

UN Global Compact Membership

Leading the business world with more than 15 thousand company members and more than 5 thousand non-company members in over 160 countries, Aksigorta became a member of the United Nations (UN) Global Compact, the world's largest corporate sustainability initiative. Aksigorta, which supports the UN Global Compact's struggle for human rights, labor standards, environment and corruption, will continue its efforts to make these principles a part of the Company's strategies, corporate culture, and daily activities.

Committed to participate in collaborations that support the development of the United Nations' comprehensive development goals, especially the Sustainable Development Goals, Aksigorta will present its progress report to the UN Global Compact each year.

Global Compact Türkiye, the local network of UN Global Compact in Türkiye, supports the development of its members in the field of sustainability with its activities and the resources it provides, while serving as a meeting point for sharing good practices and establishing collaborations both locally and globally.



Assessment of Aksigorta's Operations in 2024

A voice guidance feature has been activated for the visually impaired at aksigorta.com.tr, online.aksigorta.com.tr, and the Aksigorta mobile application.

Aksigorta has become a member of the PSI Initiative, which provides global guidance on the integration of ESG risks into insurance underwriting.

Aksigorta Removes Barriers on All Its Digital Channels with BlindLook Collaboration

Continuing its customer-oriented work with a next-generation insurance approach, Aksigorta launched a new collaboration within this context. As part of the collaboration with BlindLook, which designs emancipatory technology experiences for the visually impaired people, a voice guidance feature has been activated for the visually impaired at aksigorta.com.tr, online.aksigorta.com.tr, and the Aksigorta mobile application. With this feature, Aksigorta offers its customers an inclusive and barrier-free digital insurance experience. This year, Aksigorta was also included in the EyeBrand Map, which sets accessibility standards in the digital world to eliminate the difficulties faced by the visually impaired and ensures their implementation.

PSI Membership to Aksigorta

Aksigorta has become a member of the Principles for Sustainable Insurance (PSI) Initiative, which provides global guidance on the integration of PSI, environmental, social and governance (ESG) risks into insurance underwriting.

Big Bang Startup Challenge

Offering a customer-oriented insurance experience through digital transformation, Aksigorta, as a traditional İTÜ Çekirdek Gold Stakeholder, supported start-ups developing AI technologies in the fields of building and infrastructure health and safe driving at the Big Bang Startup Challenge this year. In this context, Aksigorta provided grant support to Sensed AI, which is an innovative earth observation company. Sensed AI offers specialized urban and agricultural monitoring services, provides insights into the physical integrity and health of buildings and critical infrastructure on a regular basis. Aksigorta also supported the SmartIR startup, which develops AI technologies that provide in-depth insights for security and operational efficiency by performing physiological and behavioral analyses of objects and people. The Company provided a total of TL 600 thousand in grant support, TL 300 thousand for each startup.



Board of Directors



Haluk Dinçer

Chair of the Board of Directors

After starting his career at General Motors Technical Center in 1985, Dinçer joined Sabancı Group in August 1995, serving initially as Executive Board Member, and then in December 1995, as Executive Vice Chairman of Temsa. In October 2001, he assumed responsibilities within the Holding company, first as Food Group Vice President, and six months later in April 2002, as Holding Executive Board Member and Food Group President. He took over as Food and Retail Group President in September 2004, and after organizational restructuring in March 2011, as Retail and Insurance Group President. In June 2016, after reorganization, Dinçer was named Insurance Group President and later in April 2020, Financial Services Group President. With this role, he currently serves as Chairman of the Board of Aksigorta, AgeSA, Exsa, Tursa and Ankara Enternasyonel Otelcilik, as well as Board Member of Brisa. Haluk Dinçer served as President of TÜSİAD in 2014-2015, and is still a member of the TÜSİAD Presidents' Council. He also served as President of Turkish-American Business Council (TAK) within the Foreign Economic Relations Board (DEİK) in 2008-2014. He has been a Board Member of the Global Relations Forum (GRF) since February 2018 and a member of the Geneva Association since June 2019. Dinçer has a BSE degree in Mechanical Engineering and an MBA, both from the University of Michigan.



Ben Coumans

Vice Chairman of the Board of Directors

Starting his career at Fortis Bank in 2000, Ben Coumans worked in several positions in merger and acquisition, strategy and business development departments. Between 2008 and 2014, Coumans served as Managing Director at Leonardo & Co Investment Banking company. In 2014, he joined Ageas as the director responsible from strategy and business development. Between 2021-2024, he worked as Strategy and M&A Managing Director of Ageas Group. As of June 1, 2024, Coumans has been the Managing Director responsible from Ageas Group Europe Region. He has a bachelor's degree in Law from Namur University. Coumans also has an MBA degree from Vlerick Leuven Gent Management School and master's degree in Law from Catholic University Leuven (KUL). He also took part in "Managing Partnerships and Strategic Alliances" training program at INSEAD Business School.



Emmanuel Gerard C. Van Grimbergen

Board Member

Before joining Ageas in 2011, Emmanuel Gerard C. Van Grimbergen was senior manager in various positions at Risk, Actuary and Product Development departments in ING for 18 years. After joining Ageas Group in 2011, he worked as Assistant General Manager in charge of Risk between 2019-2024 and was also a Member of the Ageas Board of Directors. As of June 1, 2024, he has been the Ageas Reinsurance and Investment Managing Director. He is also a member of the East West Ageas Life (Philippines), Aksigorta, MediSA, Royal Park Investments, AG Real Estate, Maybank Ageas Holdings Berhad, Taiping Reinsurance Company Limited, Ageas Re Services Switzerland AG, Ageas Insurance International NV companies' Board of Directors. Van Grimbergen holds a master's degree in mathematics and actuary sciences and is a member of the Actuaries Institute in Belgium.


Karolien Gielen
Board Member

Karolien Gielen started her professional career at Boston Consulting Group in 2007. Between 2007 and 2024, she served in miscellaneous positions especially focusing on insurance and financial ecosystem. She led the works of Boston Consulting Group focusing on insurance between 2022-2024 and within this scope, she worked as Practice Area Lead for Insurance (London, Amsterdam, Brussels) responsible for London, Amsterdam and Belgium regions. Between 2011-2012, she took a break from her roles under Boston Consulting Group and worked as a consultant at Belgium Cabinet on financial crisis management, government aids and retirement. As of June 1, 2024, she has been working as the Business Development Managing Director of Ageas Group. She has MSc Commercial Engineering and Master in Education (Teaching) degrees from Belgium Katholieke Universiteit Leuven.


Fırat Kuruca
Board Member, CEO

Fırat Kuruca graduated from the Department of Business Administration of the Faculty of Administrative Sciences at Boğaziçi University. Having started his professional career at Unilever-Türkiye in 1989, Kuruca has served in various positions. Kuruca respectively worked at Unilever-Türkiye (Management Accountant), Unilever Europe-Belgium (Commercial Officer), Unilever-Türkiye (Purchasing Manager), Unilever-Germany (Audit Director), and Unilever Europe- Belgium (CEE Finance Director). Leaving Unilever in 2004, he returned to Türkiye and became Finance and Administrative Affairs Director at Koç Holding Setur Divan İşletmeleri. In 2005, he joined AgeSA as Assistant General Manager in charge of Finance. Kuruca has been serving as CEO of AgeSA as of January 1, 2017. In addition to his role in AgeSA, he also has been serving as the CEO of Aksigorta as of June 1, 2024.


Uğur Gülen
Board Member

Uğur Gülen obtained undergraduate and Master's degrees from Middle East Technical University, Department of Industrial Engineering. Uğur Gülen began his professional career in 1991 and served in various positions at Interbank, DenizBank, Ak Internet and MNG Bank. During 2004-2009, he worked at Ak Emeklilik, AvivaSA Emeklilik and Hayat A.Ş. as Assistant General Manager. Between 2009-2024, he served as General Manager of Aksigorta. Uğur Gülen has been serving as the Chairman of the Board of Directors of the Insurance Association of Türkiye (TSB) as of September 2023.

Board of Directors



Burcu Civelek Yüce

Board Member

Burcu Civelek Yüce is the Assistant General Manager of Akbank Consumer Banking and Digital Solutions. Before this position, Burcu Civelek Yüce served as Head of Strategy Department, Assistant General Manager of Human Resources and Strategy, and Assistant General Manager of Digital Banking and Payment Systems respectively at Akbank. Prior to joining Akbank, she worked at international consulting and technology companies. Burcu Civelek Yüce has a B.Sc. degree in Industrial Engineering and an Executive MBA degree from Boğaziçi University, graduating both first in rank. She participated in courses at Harvard Business School and Koç University. One of the mentees of Women on Board Association Türkiye, Burcu Civelek Yüce is the AkÖde's Chair of the Board of Directors and Board Member of Aksigorta, AgeSA, MediSA, Ak Portföy, Akbank Ventures BV, DX Technology Services and Investment BV, Teknosa and Endeavor Türkiye.



Sitare Sezgin

Board Member

Sitare Sezgin started her career under the roof of Bain & Company and Boston Consulting Group. In 2004, she joined Sabancı Group to work as Strategy and Business Development Manager at Retail Group. After that, in 2009, she was appointed to Akbank as Senior Vice President of New Product and Channel Development. Between 2011 and 2018, Sitare Sezgin managed Back Up and Bofis Turizm companies affiliated to Boyner Group. In 2018, she returned to Sabancı Group as the founder CEO and Member of the Board of Directors of AkÖde, a subsidiary of Akbank. Since September 2021, Sitare Sezgin has been serving as CEO of Teknosa. She also continues her roles as Board Member of Health and Education Foundation (SEV), Zincir Mağazalar Derneği (Chain Stores Association), YenidenBiz and Eurionics. Sitare Sezgin also takes part in different associations such as Women on Board Association, W-Tech and Yanındayız, which conduct studies on gender equality in Turkish business world.



Fatma Dilek Yardım

Independent Board Member

She was born in 1963 in İstanbul. After finishing Sankt Georg Austria High School, she graduated from Boğaziçi University, Department of Business Administration. She also finished Manchester Business School & University of Bangor joint MBA Program. Fatma Dilek Yardım started her professional career at Interbank in 1988. She worked as Director at Bankers Trust A.Ş. between 1990-1999, as General Manager and Assistant General Manager at Deutsche Bank A.Ş. between 1999-2007, as General Manager and Head of Customer Services at Credit Agricole Yatırım Bankası Türk A.Ş. between 2007-2012, as General Manager and Head of Corporate Customers at Standart Chartered Yatırım Bankası Türk A.Ş. between 2012-2016. Between 2017-2018, Yardım provided consultancy to Experian company established in England on Turkish growth strategy. Since 2019, she has been serving as İstanbul Branch Manager of Commerz Real, the real estate investment trust established in Germany. Yardım served as Independent Board Member of Çimsa Çimento Sanayi ve Ticaret A.Ş., Pınar Entegre Et ve Un San. A.Ş., Altın Yunus Çeşme Resort & Thermal Hotel, Enerjisa Enerji A.Ş. before. She is still a Board Member at Aksigorta, AgeSA and Brisa Bridgestone Sabancı companies. During her professional life, Yardım has worked at non-governmental organizations such as YASED, TUSIAD, DEİK. She has knowledge of English and German.



Hüseyin Gürer

Independent Board Member

Hüseyin Gürer started his career at Deloitte Türkiye in 1986 and worked as an auditor at Deloitte London office between 1989-1990. Assuming various roles including Chairman of the Audit Department, Gürer has been elected CEO of Deloitte Türkiye in 2007. He managed Deloitte Türkiye as CEO until 2016. Gürer played a role in the efforts to implement International Financial Reporting Standards in Türkiye, working with groups led by the Ministry of Finance and various professional organizations. Gürer also served as Member of the Audit Committee at International Investors Association (YASED). During the May 2018-April 2021 period, he served as Chairman of the Audit and Risk Committee as a Member of Eczacıbaşı Group Board of Directors. He serves as an Independent Board Member and Chairman of the Audit Committee of AgeSA. Hüseyin Gürer has a Bachelor's degree from Ege University and a Master's degree from Ankara Middle East Technical University, Department of Business Administration.

Statements of Independence

I acknowledge and declare that I am a candidate to serve as an "independent member" in Aksigorta A.Ş. (Company) Board of Directors within the framework of the criteria specified in the relevant legislation, the Company's Articles of Association and the Corporate Governance Principles attached to the Corporate Governance Communiqué (II-17.1) published by the Capital Markets Board, and within this scope;

a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and; (i) the Company; (ii) the partnerships (subsidiaries) where the Company has the control; (iii) the partnerships where the Company has significant influence; (iv) the shareholders who control the management of the Company or who have significant influence at the Company and, (v) juridical persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,

b) Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to within the framework of the agreements signed (during the timeframe of selling/purchasing of the products and services,

c) I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I shall assume as a result of my independent membership on the Board,

d) In accordance with the relevant legislation, I am not working/will not be working fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,

e) I am residing in Türkiye in accordance with the Income Tax Law dated 31.12.1960 and numbered 193;

f) I do have the strong ethical standards, professional standing and experience that will help me positively contribute to the activities of the Company and remain neutral in conflicts of interests between the company's shareholders, and that will help me take decisions freely by taking the rights of the beneficiaries into consideration,

g) I will spare sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors,

j) I have not served/will not serve as an independent member of the board of directors in more than three of the companies under the management control of the Company or the shareholders who control the management of the Company, and in more than five of the companies listed on the stock exchange.

In the light of the information I have, I submit to the information of the General Assembly, the Board of Directors, the shareholders of the Company and all other beneficiaries that my statements above are correct.

Fatma Dilek Yardım

Statements of Independence

I acknowledge and declare that I am a candidate to serve as an “independent member” in Aksigorta A.Ş. (Company) Board of Directors within the framework of the criteria specified in the relevant legislation, the Company’s Articles of Association and the Corporate Governance Principles attached to the Corporate Governance Communiqué (II-17.1) published by the Capital Markets Board, and within this scope;

a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and; (i) the Company; (ii) the partnerships (subsidiaries) where the Company has the control; (iii) the partnerships where the Company has significant influence; (iv) the shareholders who control the management of the Company or who have significant influence at the Company and, (v) juridical persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,

b) Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to within the framework of the agreements signed (during the timeframe of selling/ purchasing of the products and services,

c) I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I shall assume as a result of my independent membership on the Board,

d) In accordance with the relevant legislation, I am not working/will not be working fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,

e) I am residing in Türkiye in accordance with the Income Tax Law dated 31.12.1960 and numbered 193;

f) I do have the strong ethical standards, professional standing and experience that will help me positively contribute to the activities of the Company and remain neutral in conflicts of interests between the company’s shareholders, and that will help me take decisions freely by taking the rights of the beneficiaries into consideration,

g) I will spare sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors,

j) I have not served/will not serve as an independent member of the board of directors in more than three of the companies under the management control of the Company or the shareholders who control the management of the Company, and in more than five of the companies listed on the stock exchange.

In the light of the information I have, I submit to the information of the General Assembly, the Board of Directors, the shareholders of the Company and all other beneficiaries that my statements above are correct.

Hüseyin Gürer

Audit Committee

The Audit Committee, which is responsible for assisting the Board of Directors in its audit and supervision activities, is in charge of the operations and capability of the internal systems and the accounting and reporting systems.

Hüseyin Gürer

Chair of the Audit Committee
(Independent Board Member)

Fatma Dilek Yardım

Member
(Independent Board Member)

Corporate Governance Committee

The Corporate Governance Committee was established to fulfill the duties and responsibilities of the Board of Directors in a sound manner. Corporate governance is a management process at Aksigorta A.Ş. which is based on ethical values, is responsible toward internal and external parties, is aware of risk, is transparent and responsible for its resolutions, protecting the interests of the stakeholders, targeting sustainable success in a manner complying with the Corporate Governance Principles established by the Capital Markets Board. The objective of the Corporate Governance Committee is to make recommendations to the Board of Directors of Aksigorta A.Ş. for the purpose of ensuring compliance of the corporate governance principles of Aksigorta A.Ş. with the Corporate Governance Principles established by the Capital Markets Board and with any other internationally recognized corporate governance principles the Committee also makes recommendations for the purpose of introduction and implementation of such principles, monitors compliance of the Company with such principles and carries out improvement efforts in these areas. Duties of the Nomination Committee and the Remuneration Committee are carried out by the Corporate Governance Committee as well.

Fatma Dilek Yardım

Chair of the Corporate Governance Committee

Osman Akkoca

Member

Emmanuel Van Grimbergen

Member

Early Detection of Risk Committee

The Committee was formed by the Board of Directors to detect any kind of strategic, operational, financial risks which may endanger the existence, development, and continuation of Aksigorta A.Ş. and to apply necessary measurements, corrective actions, and risk management.

Fatma Dilek Yardım

Chair of the Early Detection of Risk Committee

Emmanuel Van Grimbergen

Member

Hüseyin Gürer

Member

Ayşe Sibel Öztep Oymacı

Member

Executive Board



Fırat Kuruca
General Manager
(Since June 2024)

Fırat Kuruca graduated from the Department of Business Administration of the Faculty of Administrative Sciences at Boğaziçi University. Having started his professional career at Unilever-Türkiye in 1989, Mr. Kuruca has served in various positions. Mr. Kuruca respectively worked at Unilever-Türkiye (Management Accountant), Unilever Europe-Belgium (Commercial Officer), Unilever-Türkiye (Purchasing Manager), Unilever-Germany (Audit Director), and Unilever Europe- Belgium (CEE Finance Director). Leaving Unilever in 2004, he returned to Türkiye and became Finance and Administrative Affairs Director at Koç Holding Setur Divan İşletmeleri. In 2005, he joined AgeSA as Assistant General Manager in charge of Finance. Mr. Mustafa Fırat Kuruca serves as CEO of AgeSA since 1 January 2017 and also as General Manager and Board Member at Aksigorta since 1 June 2024.



Zeren Zeynep Eröktem Bal
Assistant General Manager - Finance
(Since May 2023)

Zeynep Eröktem graduated from Istanbul University Economics and completed Master's degree in Finance at Boğaziçi University. She began her career in 2005 in independent financial audit, worked in transaction advisory services between 2007 and 2009. From 2010 onwards, she served as Financial Analyst and continued as Finance Manager in Retail and Insurance Group of H.Ö. Sabancı Holding. She joined Aksigorta in January 2020 as financial control group manager and starting from May 2023 has been assigned as Chief Financial Officer (CFO) of Aksigorta.



Osman Akkoca
Assistant General Manager - Agencies
(Since August 2024)

Osman Akkoca graduated from Istanbul Technical University, Department of Business Engineering. He began his professional career as an assistant inspector at Sümerbank in 1999. After holding various management positions between 2003 and 2005, he worked as Inspector at AvivaSA from 2005 to 2007. After joining the Aksigorta family in 2007, he worked as Assistant Manager of Internal Control and Compliance during 2007-2010; as Risk Manager in 2010-2011, and as Financial Control Manager from 2011 to 2017. After January 2017, Mr. Akkoca served as Chief Financial Officer (CFO) of Aksigorta. He served as Assistant General Manager of Agencies and Bancassurance from May 2023 to August 2024, and has been serving as Assistant General Manager of Agencies since August 2024.



Tolga Okan Tezbaşaran
Assistant General Manager - Retail Product, UW and Customer Management (Since May 2023)

Tolga Okan Tezbaşaran worked as Regional Manager at Halk Yaşam Sigorta and Yapı Kredi Emeklilik at the start of his professional career. Subsequently, he served as Regional Manager and Group President at Yapı Kredi Sigorta. In 2011, Mr. Tezbaşaran joined Zurich Sigorta, where he served as Assistant General Manager responsible for the Individual and Small Enterprises Segment as well as Board Member. He graduated from Dokuz Eylül University, Department of Industrial Engineering in 1993. He started his duty at Aksigorta in November 2016 as Assistant General Manager of Retail Bancassurance and Health. He has been serving as Assistant General Manager of Retail Product, UW and Customer Management since May 2023.



Soner Akkaya
Assistant General Manager - Claims and Legal (Since January 2022)

Soner Akkaya graduated from Yıldız Technical University, Department of Civil Engineering. He worked as an auditor at Interbank between 1998 and 2002, and later as Assistant Manager at Tekfenbank between 2003 and 2005. From 2005 to 2011, he worked as Audit Manager at Sabancı Holding. Having worked as Head of Internal Audit at Aksigorta between 2011 and 2017, Mr. Akkaya served as Assistant General Manager for Claims and Operations as of January 2017. Since January 2022 he has been serving as Assistant General Manager for Claims and Legal.



Burak Yüzgöl
Assistant General Manager - Human Resources and Sustainability (Since April 2022)

Burak Yüzgöl earned his undergraduate degree in Business Administration from Marmara University, Faculty of Economics and Administrative Sciences. He began his professional career at Eczacıbaşı Baxter Human Resources Department in 2002. After joining the AgeSA family in 2007, he took on positions at different levels in the Company's Human Resources Department. He was eventually appointed as Assistant General Manager in charge of Human Resources and AgeSA Executive Board member on April 1, 2015. In addition to his role in AgeSA, Burak Yüzgöl has been acting as Assistant General Director for Human Resources and Sustainability since April 2022. Burak Yüzgöl is a board member at various non-governmental organizations.



Kaan Konak
Assistant General Manager - Technology and Operational Excellence (Since January 2022)

Seydi Kaan Konak graduated from Industrial Engineering Department, Marmara University in 2005. He started his career in 2006 as Sales and System Development Assistant Specialist at E.C.A. He worked as Process and Project Management Assistant Manager at Zurich Sigorta in 2007 and as Project Manager between 2014-2015. Konak, who started his career at Aksigorta in April 2015 in the Technology, Digital and Individual Technical function, has served as the Governance and Service Management Department Manager since then. He has been managing the Next Generation Technology Platform Leadership since 2017 and was included in the Ageas Leadership Program in 2019 and 2020. As of 2021, in addition to his current position, he has been managing the sponsorship of Ageas IT Digital Transformation. He has been serving as Assistant General Manager - Technology and Operational Excellence since January 2022.

Executive Board



Deniz Ceylan
Assistant General Manager – Corporate UW and Reinsurance
(Since May 2023)

After graduating from Istanbul Technical University in 1998, Department of Naval Mechanical Engineering, Deniz Ceylan finished his MBA in Finance and Human Resources at Yeditepe University between 2002-2004. Ceylan joined Sabancı Holding between 2008 and 2010, served as Risk Management Manager, and then served as Reinsurance Department Manager at Aksigorta between 2010 and 2016. After working as the VP of Placement and Strategy at Marsh McLennan Company since 2016, he was appointed as Assistant General Manager responsible for Reinsurance and Strategic Cooperations at Aksigorta again as of November 7, 2022, and since May 2023 he has been serving as Assistant General Manager for Corporate UW and Reinsurance.



Selim Avşar
Assistant General Manager – Bancassurance
(Since August 2024)

Selim Avşar graduated from Istanbul University, Faculty of Economics, Department of Econometrics and received his master's degree from the same department. He started his career as Financial Advisor at Commercial Union in 1996 and served in various positions in sales management within the same company. In 2003, Mr. Avşar was appointed as Assistant General Manager in charge of Sales at AgeSA Hayat ve Emeklilik A.Ş. In 2007, he was appointed as Assistant General Manager in charge of Direct Sales and Agencies. Selim Avşar has served as Assistant General Manager in charge of AgeSA Bancassurance since October 1, 2017. At the same time, Selim Avşar has been serving as Assistant General Manager of Aksigorta Bancassurance since August 1, 2024. Avşar has 25 years of professional experience.



Elif Horasan
Director – Strategy and Change Management
(Since November 2022)

Elif Horasan has graduated from Istanbul University Business Administration program in 2005, and continued her education in Germany, Goethe University at Goethe Business School MBA program. Joining Aksigorta as Financial Control Executive in 2017, Horasan previously worked for Deloitte as Transaction Services Manager, then for Sabancı Holding as Strategy Executive. After assuming the duty of Division Manager at Strategy and Digital Channels division in January 2020, Horasan has been appointed as the Director of the Strategy and Change Management function effective from November 2022.



Mustafa Erdoğan
Director – Corporate Sales
(Since May 2023)

After graduating from Istanbul University, Faculty of Political Sciences, Department of Business Administration, Mustafa Erdoğan started his professional career at Yapı Kredi Insurance Technical Department in 2001. After joining Aksigorta in 2006, Mr. Erdoğan worked in various positions in technical and sales departments. He served as Assistant Corporate Sales Manager between 2011-2016, Corporate Sales Department Manager between 2016-2023 and Corporate Sales Director as of May 2023.

Corporate Governance and Sustainability Principles Compliance Report

SECTION I – CORPORATE GOVERNANCE

1. Corporate Governance Approach

Aksigorta complies with the 4 main principles of corporate governance based on Transparency, Fairness, Responsibility and Accountability. The Group understands that corporate governance practices area essential for sustainable growth in today's economies.

Operating under the partnership of Sabancı Holding and Ageas, and listed in BIST Star index, Aksigorta designs its governance approach in line with these principles and improves its corporate governance practices in accordance with the best practices in the world.

2. Compliance with Corporate Governance Principles

Aksigorta is in full compliance with the 26 principles mandatory to be followed by public companies whose shares are traded on the stock exchange. These principles are specified in the Corporate Governance Principles attached to the Corporate Governance Communiqué (Communiqué) numbered II-17.1 of the Capital Markets Board, which is the

regulatory board responsible for the regulation and supervision of corporate governance practices in Türkiye.

Aksigorta has fully complied with 31 of the 42 principles that are not required to be complied with in accordance with the Communiqué, while it has been able to partially comply with 2 of them and has not been able to comply with 4 of them at all. Since no activities that fall within the scope of the remaining 5 principles were carried out in 2024, the remaining 5 principles were considered irrelevant, and no compliance status could be assessed.

In 2024, Aksigorta continued efforts to improve its compliance with the principles in question, taking into account the benefit of all stakeholders, especially shareholders. However, some non-mandatory principles could not be fully complied due to the difficulties in implementation practice of these principles, ongoing debates on some of these principles, some mismatching between the market conditions and these principles. We are pursuing the developments on these issues and following compliance opportunities.

In 2024, we disclosed all useful information to shareholders, investors and analysts for their investment decisions with transparent, consistent and timely manner via Investor Relations announcements on corporate web site, Public Disclosure Platform, Investor meetings and conferences to keep the continuous and effective communication with the investors and the analysts. Also, we were complied with all regulation on this subject.

Aksigorta will care to be in compliance with the principles and follow the recent developments in the legislation and the market practices.

2.1. The partially complied principles are summarized below with the reasons for not achieving full compliance:

4.2.8. Losses incurred in the company by the members of the board of directors as a result of their faults during their term of office, are insured with a policy that will have a value exceeding 25% of the company capital and this issue is publicly disclosed on the Public Disclosure Platform (KAP).

Aksigorta holds an executive liability insurance policy covering the members of the Board of Directors and executives. Although the insurance amount is below the 25% of the Company's capital, it covers the reasonable risk level predicted.

4.6.5. Wages and other benefits granted to board members and executives with administrative responsibilities are disclosed to the public in the annual report. Disclosure on the basis of each such person is essential.

The remunerations provided to the Board Members are determined by the General Assembly and the disclosures are made on individual basis. Remunerations provided to the senior executives are disclosed to the public in the footnotes of our financial statements. Remunerations to executives are provided in accordance with the remuneration policies, taking into account the performance criteria. These details are not explained on individual basis since they are considered as personal information.

Corporate Governance and Sustainability Principles Compliance Report

2.2. The principles that have not been complied are summarized below, with the reasons for not achieving full compliance:

1.5.2. Minority interests may be granted to those who hold less than one twentieth of the capital pursuant to the Articles of Association. The scope of minority rights may be expanded subject to the Articles of Association.

Minority interests are determined within the scope of the provisions of the relevant legislation and there are no provisions in the Articles of Association for the expansion of minority interests.

3.2.2. Conduct surveys / questionnaires to learn about the opinions of beneficiaries in important decisions.

Aksigorta does not conduct surveys / questionnaires to learn about the opinions of beneficiaries in important decisions.

4.4.7. *There are limits to external commitments of Board Members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.*

There are no limitations on the external duties held by the Members of the Board of Directors. The CV information, including the duties that our Board of Directors members have taken outside our company, is on the corporate website of our company.

4.5.5. *Board Members serve in only one of the Board's committees.*

In order to benefit from their local and international expertise in relevant fields and due to their qualifications aligning with the expectations for committee members, our Board of Directors members may serve on multiple committees. Among the 10 members of our Board of Directors, one serves on three different committees, while two others serve on two different committees.

2.3. The principles considered irrelevant since no activities that fall within the scope of these principles were performed in 2024 are as follows:

1.3.7. Persons who have the right to access shareholding information with privilege shall inform the Board of Directors for the inclusion of the transactions they performed in

their own name coinciding with the Company's operating area into the agenda of the General Assembly.

1.4.3. The Company has not exercised the voting rights at the General Assembly of a corporation with which it has a subsidiary relation that involves controlling rights.

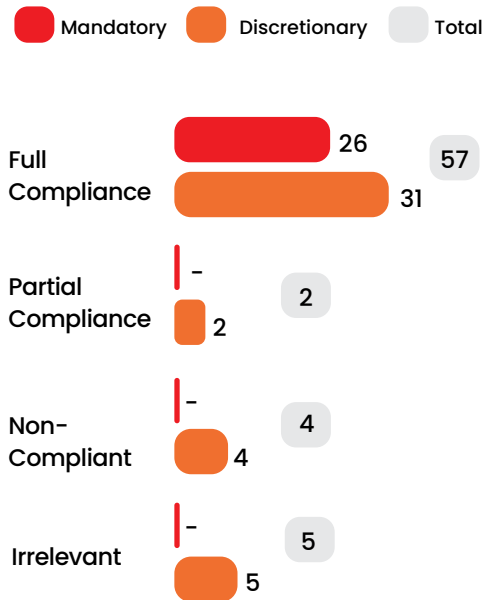
3.3.8. The Company ensures freedom of association and supports the right for collective bargaining.

4.4.3. Opinions of those board members who did not attend the meeting but conveyed their opinion to the Board in writing are presented to other board members.

4.5.7. Committees get the opinion of independent experts in matters they deem necessary with regard to their activities. The fees of the consulting services required by the Committees are covered by the Company. However, information on the persons/entities providing such services and/or whether such persons/entities have a relation with the company is explained in the annual report.

Aksigorta's compliance status with the Corporate Governance Principles in 2024 is summarized in the table below:

COMPLIANCE STATUS WITH THE CORPORATE GOVERNANCE PRINCIPLES



In 2024, full compliance has not been reached with such voluntary principles due to the difficulties in their implementation, ongoing discussions in Türkiye and on international platforms regarding their implementation, the contradiction between the Company's interests, and the implementation of such principles as per the practices of the Company and the market. Thanks to the value and importance Aksigorta attributes to corporate governance, developments on this matter are monitored closely, and efforts towards full compliance with these principles are ongoing at full speed.

The Corporate Governance Compliance Report (URF) and the Corporate Governance Information Form (KYBF) for 2024 issued in accordance with the CMB's Decision No. 2/49 dated 10.01.2019 and approved by the Board of Directors of our Company are made available to public in this address: www.aksigorta.com.tr

3. Investor Relations Activities

In an attempt to assist investors and analysts in their decision-making processes as per applicable laws, Aksigorta paid ultimate attention in 2024 to inform them as necessary, transparently, promptly, accurately, thoroughly, legibly, directly, sufficiently, regularly, and concurrently with all market participants, on the developments that might affect their investment decisions.

For this purpose, Sabancı Holding updated the Public Disclosure Platform (PDP) and the Investor Relations page (www.aksigorta.com.tr) regularly. Investor meetings and conferences were organized to keep the continuous and effective communication with the investors and the analysts. In 2024, 66 institutional investors/analysts were interviewed.

No issues that may cause conflicts of interests between Aksigorta and institutions Sabancı Holding receives services such as investment consultancy and rating have been encountered.

Their names, titles, tasks and charters of the managers and employees who are involved in investor relations in Aksigorta task are listed as below: Osman Akkoca, Assistant General Manager - CMB Charter Level 3, Corporate Governance Rating Charter Zeynep Eröktem, Assistant General Manager

4. Monitoring the Changes in Legislation and Legal Procedures

No amendment that could impact Aksigorta's operations substantially was introduced to applicable laws in 2024. However, potential effects of the amendments to the Capital Markets Law, Turkish Commercial Code, and tax regulations on Aksigorta as a whole were analyzed in detail.

However, collaboration was made with Türkiye Insurance Association and the relevant institutions and organizations in order to increase the benefits of the legislative changes in question to the interests of Aksigorta and to the development of the Turkish economy and markets. With

the slogan "Beyond," the interests of our country and Aksigorta were kept together, and significant contributions were made to the changes in financial legislation.

Aksigorta monitored legislative developments that pertained to it closely and took necessary action promptly in 2024, just as it did in previous years.

Last but not least, no lawsuit was filed against the Company that may impact the financial position or operations of Aksigorta in 2024. In addition, no administrative or legal sanction on the grounds of practices contradictory with the provisions of applicable regulations was imposed against the legal entity of Aksigorta, its Board Members, and the Senior Management.

Corporate Governance and Sustainability Principles Compliance Report

SECTION II – BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

The procedures and principles concerning the company's Board of Directors' structure, duties, management rights, and representation authorities, etc. are decided upon in accordance with the provisions stipulated in the company's Articles of Association.

The Company is managed and represented by a Board of Directors consisting of minimum 7 and maximum 15 members elected by the General Assembly in accordance with the provisions of the Turkish Commercial Code and Capital Market Legislation.

Minimum qualifications required in Board members are not stated in the Articles of Association. However, the required qualifications of the Members of the Company's Board of Directors are in line with the relevant articles of Corporate Governance Principles. Two members of the Board of Directors are independent members who are determined

according to the Capital Markets Board's Corporate Governance Principles and regulations on Corporate Governance. Independent board members' independence statements have been received prior to the appointment and these statements remain in full force and effect. During the reporting period, there is no condition which interrupts the independency.

The Members of the Board of Directors may be elected for a term of office of one year, and re-election of the members whose term of office has expired is permissible. If a membership is vacated for any reason, at its first meeting, the Board of Directors elects a new member and submits him/her to General Assembly's approval. This member completes the remaining term of his/her predecessor.

On the basis of the General Meeting's resolution, Board members are authorized to perform transactions within the scope of Articles 395 and 396 of the Turkish Commercial Code.

2. Operating Principles of the Board of Directors

The Board of Directors meets as often as they could perform their duties effectively, they execute their activities in transparent, accountable, fair and responsible manner, while they also consider the long-term targets and interests of the Company.

Every year, the Members of the Board of Directors elect a chairman and a deputy chairman who will be the acting chairman in the absence of the chairman for the meetings. The Chairman of the Board of Directors determines the agenda of the Board of Directors' meetings by taking the opinions of the other members and the CEO. The determined agenda and the contents of the agenda items are communicated in writing to the Board Members one week in advance in order to enable them to carry out the necessary assessments and works. Agenda items of the Board meetings are discussed clearly and with every aspect. The Chairman of the Board of Directors is obligated to show the maximum effort for ensuring effective participation of the non-executive members in the meetings.

Timing and the agenda of the Board meetings are organized by the Chairman or the Deputy Chairman.

The Board of Directors convenes upon the call of the Chairman and the Deputy Chairman whenever necessary. The meeting date may be determined with the decision of the Board of Directors as well. In case the chairman or the deputy chairman does not call the Board of Directors for the meeting upon the request of one of the members, then the members will be entitled to make a call for the meeting ex-officio.

The Board of Directors must convene at least four (4) times a year.

Board of Directors may also approve on paper a member's recommendation about a certain matter unless one of them requests physical meeting.

Board of Directors' meetings and decision quorums are subject to the provisions of Turkish Commercial Code.

The Board of Directors held meetings four (4) times between 01.01.2024 and 31.12.2024.

At the Board meetings, each member had 1 vote, and unanimous consent was sought while resolving matters and the Board always complied with Corporate Governance Principles. Attendance in person of the members without an excuse at the meetings was ensured. In 2024, no dissenting opinion was expressed on the decisions passed by the Board Members and no explanation thereof was affixed to the minutes of the meeting. Since Board Members did not have any questions and requested no additional information, these were not inserted in the minutes of the meeting. In 2024 none of the Board members trade with the Company and compete with the Company in the same business.

3. Number, Structure and Independence of the Committees Established within the Structure of the Board of Directors

According to the Company's Articles of Association, the Board of Directors establishes a sufficient number of Committees ("Committee") to fulfill the required tasks and responsibilities properly.

The responsibilities of the "Nomination Committee" and "Remuneration Committee" as per article 4.5.1 of the Communiqué have been assumed by the "Corporate Governance Committee." Although attention was paid to the recommendation on "not taking part in more than one committee for a board member" under Article 4.5.5 of the Communiqué, a Board Member may serve multiple committees as a member due to the expertise required for such committees. Independent Board Member Fatma Dilek Yardım serves in 3 committees, Independent Board Member Hüseyin Gürer serves in 2 committees, Board Member Emmanuel Van Grimbergen serves in 2 committees.

Corporate Governance Committee

The Corporate Governance Committee was established to fulfill the duties and responsibilities of the Board of Directors in a sound manner. Corporate governance is a management process at Aksigorta which is based on ethical values, is responsible toward internal and external parties, is aware of risk, is transparent and responsible for its

resolutions, protecting the interests of the stakeholders, targeting sustainable success in a manner complying with the Corporate Governance Principles established by the Capital Markets Board. The objective of the Corporate Governance Committee is to make recommendations to the Board of Directors of Aksigorta A.Ş. for the purpose of ensuring compliance of the corporate governance principles of Aksigorta A.Ş. with the Corporate Governance Principles established by the Capital Markets Board and with any other internationally recognized corporate governance principles the Committee also makes recommendations for the purpose of introduction and implementation of such principles, monitors compliance of the Company with such principles and carries out improvement efforts in these areas. The Committee had 2 meetings in 2024.

Members:

Fatma Dilek Yardım, Independent Board Member
Emmanuel Van Grimbergen, Member, Board Member,
Osman Akkoca, Member, Assistant General Manager of Agencies and Bank Insurance

Early Detection of Risk Committee

It conducts works for the purposes of early detection of risks which may endanger existence, growth and continuation of the Company, implementation of the necessary measures and remedies taken against the detected risks and management of the risk. The Committee evaluates the situation, points out to the dangers, if any, and indicates the remedies in the report to the Board of Directors. The report is sent to the auditor as well. Committee had 6 meetings in 2024. It reviews the risk management systems at least once a year.

Members:

Fatma Dilek Yardım, Chairman, Independent Board Member
Hüseyin Gürer, Member, Independent Board Member
Emmanuel Van Grimbergen, Member, Board Member
Ayşe Sibel Öztep Oymacı, Member

Corporate Governance and Sustainability Principles Compliance Report

Board of Auditors

The Audit Committee, which is responsible for assisting the Board of Directors in its audit and supervision activities, is in charge of the operations and capability of the internal systems and the accounting and reporting systems. The committee had 4 meetings in 2024.

Members:

Hüseyin Gürer, Chairman,
Independent Board Member
Fatma Dilek Yardım, Member,
Independent Board Member

4. Risk Management and Internal Control Mechanism

Aksigorta embraces the notion that each risk brings along an opportunity and recognizes that “sustainable growth” can be achieved by effectively identifying, measuring, and managing risks.

At Aksigorta, the risk is seen as a concept that incorporates opportunities as well as threats and corporate risk management is handled as a continuous and systematic process to manage these risks most efficiently.

Efforts are being made to cultivate the risk culture throughout the Company, and assurance is provided to ensure that the right activity is carried out taking the right amount of risk. The risks faced by the Aksigorta are monitored via Key Risk Indicators (KRI) determined by Group companies. These indicators are continuously monitored and periodically reported. Aksigorta takes necessary action to manage the risks indicated by the Key Risk Indicators.

Ceaselessly continuing to create shareholder value in 2024 owing to the importance it attaches to risk management, Aksigorta displayed a sustainable growth performance.

Aksigorta will manage the potential risks in all business lines in 2024 thanks to its strong capital and effective management understanding.

Similarly, the Internal Control Mechanism has been available since the company was established. With the establishment of the Audit Committee, the Internal Control Mechanism effectively carries out the duties assigned by the Board of Directors, in compliance with the current Audit Committee Bylaws.

5. Company's Strategic Goals

Having determined the vision and the mission of the company, the Board of Directors incorporated them in writing in the Annual Report and announced to the public on the company's website, www.aksigorta.com and company's long-term strategies are built on these principles.

The Board of Directors, together with the CEO and Group Presidents, sets three-year strategic goals which are updated each year. Whether the targets are achieved or not are monitored by executive reports prepared at the end of each month. Year-end performance assessments are based on whether the Company achieves its targets or not.

6. Financial Rights

The terms and conditions of any right, fee, and benefit granted to the company's Board Members are laid down in detail in the Articles of Association. The attendance fees paid to the Chairman and the Board Members are determined at the General Assembly Meeting. The payments made to the senior executives are disclosed to the public in the footnotes of our financial statements.

In 2024, the Company did not lend any money or extend any credit to the Board Members; did not extend the maturity or improve the terms and conditions of existing debts or credits; did not extend any individual loan through third persons or did not offer guarantees.

SECTION III – SUSTAINABILITY

1. Sustainability Approach

Aksigorta, which aims to protect what is valuable together with the next generation solutions for a sustainable life, has made the evaluation of its operational processes, products and services, social, economic and environmental dimensions a fundamental part of its business strategy.

Aksigorta A.Ş. has adopted sustainability as a fundamental work philosophy. In line with this goal, Aksigorta has integrated its sustainability approach into both insurance and investment processes with an environmental and social risk management perspective.

In this regard, it is necessary to refer to the projects carried out by Aksigorta.

Launching a major sustainability project in the field of digital security, Aksigorta prepares society against the risks of the digital world thanks to the Digital Security Platform. Considering digital data as the most valuable asset of the generation, Aksigorta focuses on the development of next-generation technologies such as big data, advanced data analytics, cybersecurity, industrial IoT, robotic workforce, artificial intelligence and blockchain.

Aksigorta A.Ş., which supports the achievement of gender equality, takes measures to increase women's employment and to support the female workforce in employment. Aksigorta has signed the Women's Empowerment Principles implemented by the United Nations as part of its efforts to achieve gender equality.

The Green Office Program, launched by Aksigorta to ensure a greener world, was completed during the year. Thanks to its exceptional results in reducing natural resource use by conservation and best practices, Aksigorta was granted Green Office certification by WWF Türkiye.

Aksigorta, which contributes to the development of the insurance sector and its stakeholders and supports their development, organizes free online training for all agencies of the sector, from insurance to digital marketing, sales management to accounting, under the umbrella of the "Beyond Insurance Academy."

Aksigorta shares are listed in Istanbul Stock Exchange Sustainability Index starting from October 2022.

2. Compliance with Sustainability Principles

In 2024, Aksigorta has achieved full compliance with 56 of the 51 nonmandatory principles under the Communiqué, 5 principles were considered irrelevant. Following the promulgation of the Sustainability Principles Compliance Framework in 2022 for the first time by Capital Markets Board, world-class sustainability compliance standards has been adopted in our country.

There are no principles in which we are completely non-compliant. This performance demonstrated Aksigorta's sustainability-oriented approach to environmental, social and governance concepts. Efforts towards 100% compliance with such principles will continue in 2025.

The compliance status of Aksigorta with the Sustainability Principles in 2024 is summarized in the table below:

Type	Full Compliance	Partial Compliance	Non-Compliant
General	11	-	-
Environment	20	-	-
Social	18	-	-
Corporate Governance	2	-	-
Total	51	-	-

The Sustainability Principles Compliance Report, which demonstrates the Company's compliance with the Capital Markets Board's Sustainability Principles Compliance Framework, is available online at www.aksigorta.com.tr

Aksigorta's Corporate Governance Information Form can be accessed at the following link:

<https://www.kap.org.tr/en/Bildirim/1394180>

Aksigorta's Corporate Governance Compliance Report can be accessed at the following link:

<https://www.kap.org.tr/en/Bildirim/1394182>

Aksigorta's Sustainability Principles Compliance Report can be accessed at the following link:

<https://www.kap.org.tr/en/Bildirim/1394181>

Information about Transactions the Company Enters into with Members of Its Own Risk Group

Under article 199 of the Turkish Commercial Code (Statute 6102), which went into force on 1 July 2012, the Board of Directors of Aksigorta A.Ş. is required, within three months of the end of its fiscal year, to draw up a report about any dealings the Company had with its controlling shareholder or with any affiliates of its controlling shareholder during the fiscal year just ended and to include the conclusions of that report in its annual report. The required statements about Aksigorta A.Ş.'s related-party transactions are presented in footnote 45 to the financial statements.

The conclusion reached in the report dated 19.02.2025 prepared by the Board of Directors of Aksigorta A.Ş. is, to the best of the Board's knowledge of the circumstances and conditions at the time that a transaction took place or a measure was taken or refrained from, in each and every transaction which Aksigorta A.Ş. entered into with its controlling shareholder or with any of the affiliates of its controlling shareholder during 2024, that an appropriate mutual performance was achieved, that there were no measures taken or refrained from which might have caused the company to suffer a loss, and that there were no such transactions or measures whose consequences need to be offset.

Financial Information and Risk Management

Financial Position, Profitability and Solvency

With a solid financial structure that included TL 5,092 million in shareholders' equity at end-2024, Aksigorta is one of the leading companies in the Turkish insurance sector.

Continuing to grow upon sustainable profitability, Aksigorta completed the year with TL 34,872 million of premium production.

Premium Production (TL Million)

2023 27,299

2024 34,872

increase **28%**

Shareholders' Equity (TL Million)

2023 3,276

2024 5,092

increase **55%**

Total Assets (TL Million)

2023 21,132

2024 25,556

increase **21%**

Net Profit (TL Million)

2023 1,185

2024 1,857

increase **57%**

Capital Adequacy Ratio (%)

2023 108

2024 158

increase **50%**

Technical Profit (TL Million)

2023 1,691

2024 2,106

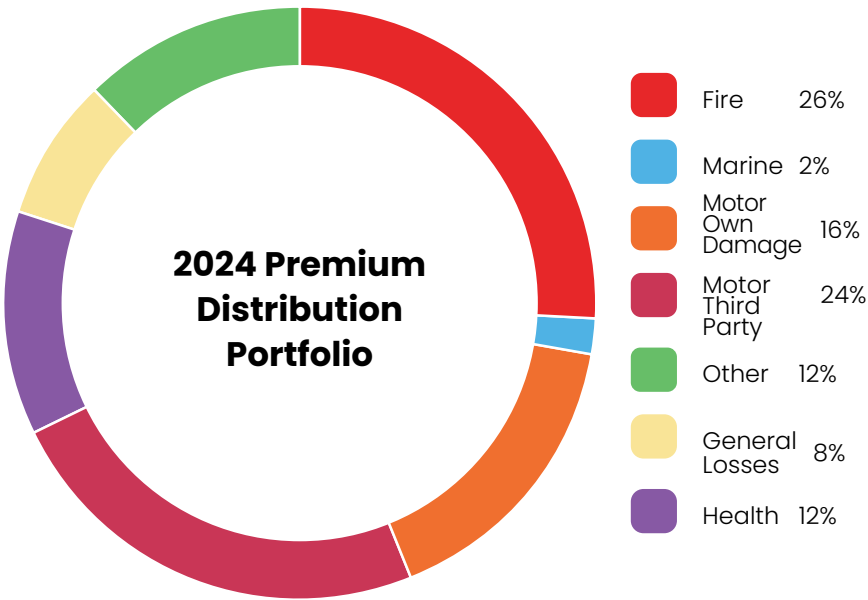
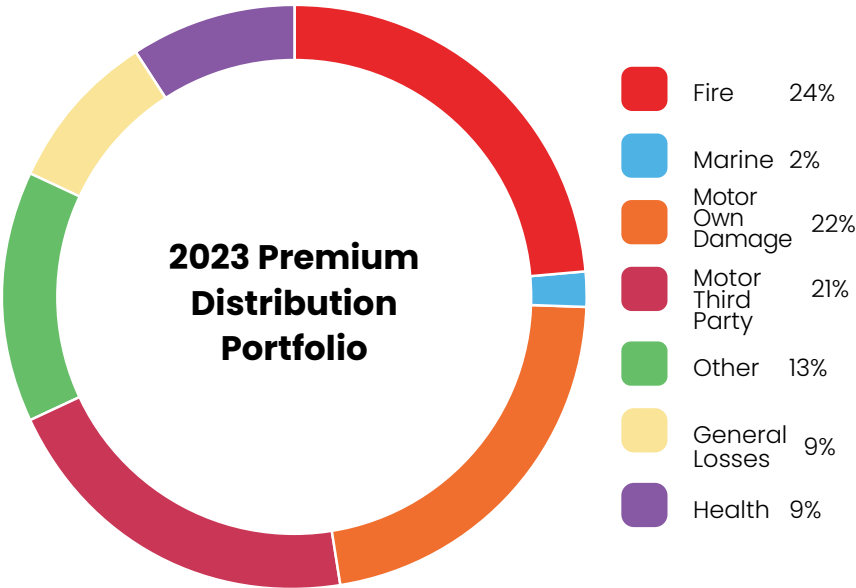
increase **25%**

In 2024, the Company reached to TL 34,872 million premium production. A breakdown of premiums by business line during the most recent two years is shown below.

Breakdown of Premiums by Business Line

(TL Thousand)	2023	2024	Change 23/24%	2023	2024
Fire	6,619,369	9,086,714	37%	24%	26%
Marine	415,301	552,897	33%	2%	2%
Motor Own Damage	5,914,420	5,506,965	-7%	22%	16%
Motor Third Party	5,690,989	8,429,481	48%	21%	24%
Other	3,717,830	4,152,264	12%	13%	12%
General Losses	2,381,553	2,796,812	17%	9%	8%
Health	2,559,286	4,346,677	70%	9%	12%
Total	27,298,748	34,871,810	28%	100%	100%

Financial Information and Risk Management



As of end-2024, 32% of generated premiums amounting to TL 11,057 million in value were retained by the Company. The charts below show the amounts and relative percentages of produced premiums that were retained by the Company during the most recent two years, broken down by business line.

(TL Thousand)	Retention Premium		Retention Ratio (%)	
	2023	2024	2023	2024
Fire	1,037,279	1,291,404	16%	14%
Marine	93,577	94,582	23%	17%
Motor Own Damage	4,681,342	4,186,363	79%	76%
Motor Third Party	2,840,098	3,483,672	50%	41%
Other	529,813	775,307	14%	19%
General Losses	438,890	770,317	18%	28%
Health	281,123	455,379	11%	10%
Total	9,902,123	11,057,024	36%	32%

As of end-2024, Aksigorta retained TL 10,276,963 in premiums which it had earned in the non-life branch. Meanwhile, the Company's share of incurred non-life claims amounted to TL 8,888,942. As of the same date, the ratio of incurred non-life claims to earned premiums (net) was 86%. The charts below show the amounts and relative percentages of the Company's incurred claims and earned premiums during the most recent two years, broken down by business line:

(TL Thousand)	Claims Incurred (Net)		Earned Premiums (Net)		Claims Incurred/ Earned Premiums (Net) (%)	
	2023	2024	2023	2024	2023	2024
Fire	390,744	534,567	617,406	880,024	63%	61%
Marine	60,021	63,613	114,170	140,901	53%	45%
Motor Own Damage	2,412,977	3,077,241	3,988,888	5,006,814	60%	61%
Motor Third Party	3,563,604	4,836,234	2,114,068	2,657,444	169%	182%
Other	140,202	268,843	554,432	1,056,235	25%	25%
General Losses	49,552	98,360	84,353	173,114	59%	57%
Health	4,735	10,083	203,396	362,431	2%	3%
Total	6,621,835	8,888,942	7,676,713	10,276,963	86%	86%

Financial Information and Risk Management

Technical Profit Balance

At end-2024, Aksigorta showed a total technical profit amounting to TL 2,105 million. The charts below show the amounts and relative percentages of the Company's technical profit during the most recent two years, broken down by business line.

General Technical Profit Balance

(TL Thousand)	2023	2024
Fire	757,513	791,937
Marine	106,469	139,667
Motor Own Damage	1,208,137	1,202,714
Motor Third Party	-1,509,259	-1,865,523
Other	560,003	974,538
General Losses	189,014	285,639
Health	378,667	576,396
Total	1,690,544	2,105,368

General Technical Profit Balance/Written Premiums (%) (Non-life)

	2023	2024
Fire	11	9
Marine	26	25
Motor Own Damage	20	22
Motor Third Party	-27	-22
Other	15	23
General Losses	8	10
Health	15	13
Total	6	6

In 2024, Aksigorta earned TL 4,532 million in net investment income in addition to the earnings generated by its insurance business activities. The Company's investment income during the most recent two years is shown below.

Net Investment Income (TL Thousand)	2023	2024	Change 23/24 %
Foreign Exchange Gain	908,721	417,652	-54%
Income from Financial Investment	1,970,328	4,114,679	109%
Income from Derivatives	-8,864	0	-100%
Total Net Investment Income	2,870,185	4,532,331	58%

Based on all of these technical and financial results, Aksigorta booked profit before tax of TL 1,857 million. The Company's shareholders' equity amounted to TL 5,092 million at end-2024. The breakdown of shareholders' equity items during the most recent two years is shown below:

Shareholders' Equity (TL Million)	2023	2024	Change 23/24 %
Paid-in Capital	1,612	1,162	0%
Profit and Capital Reserves	436	395	-9%
Previous Years Income/Loss	43	1,228	-
Net Profit/Loss for the Period	1,185	1,857	57%
Total Shareholders' Equity	3,276	5,092	55%

At end-2024, Aksigorta's principal investments amounted to TL 8,703 million in value.

Developments in the Company's investments during the most recent two years are shown below:

Investments (TL Thousand)	2023	2024	Change 23/24 %
Financial Assets and Investments with Risks on Policyholders	6,248,738	8,702,613	39%
Subsidiaries	100,000	0	-100%
Properties	5	5	0%
Total Investments	6,348,743	8,702,619	86%

Aksigorta does not have affiliates as of the end of 2024.

Quality Policy and Quality Management Systems

Quality Policy

As a strong, reputable and trustworthy company together with our agents, employees and suppliers, we are committed to provide quality service and continuous improvement of our services by prioritizing customer satisfaction in line with our vision, mission and values and in conformance with national and international laws, regulations and standards regarding insurance business.

Quality Management System

Aksigorta is committed to providing quality service to all its customers, business partners, stakeholders and employees.

According to this principle, Aksigorta established the quality assurance system and obtained the BS EN ISO 9001:1994 Quality Standard Certificate from BVQI (Bureau Veritas Quality International) in 1998. Quality Assurance System standard has been revised regarding the customer needs and current conditions, and

ISO 9001: 2015 Quality Management System has been published in 2015. Aksigorta has aligned its current systems with the up-to-date version.

Aksigorta established ISO 10002: 2015 Customer Complaints Management System and upgraded customer relationship management to international standards' line which based on customer-oriented service approach.

Risks and Assessment by the Management Body

Risk Management Framework

The Company's Risk Management Framework includes the strategies, policy models, processes, and reporting procedures required to identify, measure, manage, monitor and report the risks to which the Company is or may be exposed.

It is the responsibility of the Board of Directors to identify the risk management principles and standards to be applied throughout the company, to update the risk policies depending on the changes in the operating conditions, and to establish and operate an effective risk management system and relevant processes. The Board is also ultimately responsible for monitoring the risk level of the Company, controlling the situation against these limits by establishing risk limits, and putting the necessary measures into practice.

The tools required for determining, measuring, managing, monitoring, and reporting of risks vary according to the type of the risk. There are five risk classes: such as Insurance risks, Financial risks, Compliance risks, Operational risks, and Strategic risks.

Aksigorta is aware of the importance of effective and controlled business processes in the risk management process. A robust internal control system was established and implementation procedures regarding the internal control function were determined in order to ensure the protection of the Company's assets and to make sure that the activities are carried out effectively and efficiently in compliance with the laws, relevant legislation, internal policies and insurance customs.

Aksigorta is exposed to business risk in relation to its operations in the non-life insurance sector. Likewise, the Company also faces financial risks related to its operations, such as loan, market, and liquidity risks. Operational risks are related to the management of all risks, as they occur as a result of errors in humans, processes and technology used. Strategic risks are associated with changes in strategic planning, sector, competitive environment and technological changes. Sustainability risks, on the other hand, are assessed as strategic risks.

Emerging risks are the result of new trends that may pose a threat or risk to the company. These trends are ambiguous by nature, making it challenging to measure them and perform an impact analysis. The emerging risks inventory is regularly reviewed in light of global and local researches in the insurance industry.

Information on Risk Management Policies by Risk Type

Risk Management Framework Policy

Aksigorta's risk management strategy, implemented risk management system, and risk governance approach across the Company, as well as the roles and responsibilities for risk management are established in the Risk Management Framework Policy and approved by the Board of Directors.

The basic objectives of this policy are determining the basic principles and standards of the risk management systems and processes, implementing such systems and processes, and complying with the determined risk limits. The Company's Risk Management Framework Policy defines the risk management roles and responsibilities of the Early Detection of Risk Committee under the Board of Directors, the Investment Committee under the Board of Directors, and the General Manager. The said policy also explains the role of each level in the triple line of defense model and the functioning of the delegation of authority in Aksigorta.

The activities covered by the Risk Management Framework Policy are carried out within the framework defined by the insurance legislation and the other relevant legislation to which the Company is subject.

Risks and Assessment by the Management Body

Insurance Risk Policy

The Company is exposed to insurance risk because of the financial loss that might arise if the premiums collected for the risks undertaken or the provisions set aside for these risks are insufficient. Insurance risk is managed through underwriting risk appetite, pricing strategy, risk assessment models and reinsurance agreements.

The company has adopted a central risk assessment policy. This policy is carried out within the framework of predetermined activities and limits, with actuarial models and statistical analyses used in the assessment and pricing processes.

The policy underwriting strategy of the Company is based on the most effective risk assessment at the stage of policy issuance, as well as the most accurate distribution of assumed risks based on their types, sizes, industries, and geographical regions.

The Company enters into reinsurance contracts for excess of loss, quota share, surplus, and catastrophic guarantees to manage insurance risk. The Company has surplus agreements in fire, transportation, engineering and general accident branches, and annual quota share contracts with a certain proportional turnover rate in the motor, professional liability, electronic devices, machinery breakdown, mandatory bus passenger, cyber risks, credit, health, and individual accident branches. Also, there are Risk & CAT, Transportation and Optional Financial Liability Non-Proportional Reinsurance contracts that protect the net risks our company holds.

Credit Risk Policy

The credit risk means the negative financial impacts that may be caused by the fluctuations in credit quality, such as third party default, rating changes, and movements in the credit spreads.

Our Company's total credit risk is arising from insurance activities such as: the investment activities in banks and finance corporations, purchasing made for its operations, reinsurance companies, and receivables from insured customers.

Credit risk is managed with the limit framework defined for the companies and organizations involved in the transactions made. The credit limit framework is supported with an Escalation Framework to report larger and/or riskier transactions to the Senior Management.

Market Risk Policy

The Company is exposed to interest rate risk on financial investments in general and credit risk on insurance receivables. Changes in market interest rates cause fluctuations in the prices of financial instruments, forcing the Company to manage interest rate risk effectively. The primary risk to which the available-for-sale financial assets in the Company's portfolio are exposed is the damage that will result from a decrease in the actual values of financial assets due to changes in market interest rates.

Also, the Company is exposed to currency risks due to changes in foreign exchange rate resulting from the conversion of its foreign exchange denominated and foreign exchange indexed assets and liabilities into Turkish Lira.

Market risk components the Company faces, like the interest risk and currency risks, are regularly measured and reported via stress tests and scenario analyses.

Liquidity Risk

The liquidity risk means the risk arising from failure to meet the Company's liabilities at maturity and cost-effectively.

The Company's investment strategy approved by the Board of Directors has been established considering the liquidity conditions of the Company and the band widths (lower and upper limits) movable during the management of assets for investment and asset management and especially taking into account the potential liquidity profile of the liabilities.



Operational Risk Policy

Operational risk is the loss that may arise due to uncontrolled business processes, human or system errors, or external factors. It is essential to evaluate the probability of the operational risks and the level of impact they will create, and take the necessary measures accordingly. The first line of defense aims to manage operational risk by effective follow-up and process control.

In line with this purpose, the Operational Risk Control Management (ORCM) Framework is applied within the Company. Efficiency and adequacy of controls and implementation of action plans are the responsibility of the first line of defense, and these processes are monitored and reported by the Internal Control, Risk Management and Compliance units. Aksigorta aims to keep the operational risk at the lowest level that is commercially reasonable. Through operational risk management, Aksigorta aims to achieve the following:

- Reducing fluctuations in financial performance by minimizing material losses arising from operational risks,
- Improving customer experience and continuously protecting customer confidence,
- Increasing employee satisfaction,
- Protecting and enhancing Aksigorta's reputation,
- Establishing strong and positive relationships with regulatory bodies in the sector.

Information on Risk Management and Internal Control System

As per the Law on Insurance No 5684, Article 4 and the Regulation on Internal Systems in Insurance and Private Pension Industries, insurance companies must set up an effective internal control system to ensure that the Company's assets are protected; that its activities are conducted in accordance with the requirements of the Law and related other legislation, with in-company policies and with established insurance industry practices; and in such a way as to be both effective and productive; and that the accounting and financial reporting system as well as all systems used in the provision of the main services are secure, coherent, and capable of providing timely access to information.

Risk management is the Company's main means of avoiding undesirable outcomes in the pursuit of its targets and ensuring the continuity of its activities. The Risk Management Department's functions are to identify, measure and monitor the risks to which the Company is exposed, to ensure that actions are taken to keep the risks within the limits determined as per the risk appetite and report such actions. Within this scope, it ensures that the business decisions are taken in a risk-based approach and the resources are used efficiently, so that the expectations of the entire Company and its business partners, including customers and shareholders, are met at the highest level.

The general risk level to be assumed for each type of risk, as well as the maximum risk limits allocated to management and their implementation procedures are specified in the policies which have been approved by the Board of Directors.

In order to monitor incurred risks and to provide control, the Company established and operates a structure of internal systems complying to the scope of its activities as specified by the legislation. In this approach, dubbed "the triple defense line," the division of authority and responsibility is as follows:

Line of Defense Officials, Authorities and Duties

1. Line of Defense: Company Management

Identifying, assessing, managing and reporting risks in an effective and risk-oriented manner, and ensuring compliance with company policies. Establishing and maintaining an effective internal control system

Risks and Assessment by the Management Body

2. Line of Defense: Risk Management, Internal Control and Compliance Directorate

Supporting the Company management in identifying, assessing, managing and reporting risks, overseeing compliance with Company policies and correcting any noncompliance; in short, assisting in the functioning of Aksigorta's Risk Management Framework. Providing an acceptable assurance regarding the following subjects: Company assets are protected with internal control structure; its activities are carried out effectively, efficiently and in compliance with laws and other relevant legislation, in-house policies and rules of the Company, insurance business customs; the accounting and financial reporting systems are functioning reliably; the integrity of all systems used in the provision of services, and timely attainability of the information.

3. Line of Defense: Internal Audit Directorate

Assuring the Board of Directors about the effectiveness of the Company's risk management and internal control mechanism from an impartial and independent viewpoint.

Risk Management, Internal Control and Compliance Directorate

It was structured in accordance with the Regulation on Internal Systems of Insurance and Private Pension Sectors issued in the Official Gazette dated November 25, 2021, and numbered 31670. Pursuant to Article 48/8 of the Regulation on the Internal Systems in Insurance and Private Pension Sectors, internal system functions can be structured jointly within the insurance group. Within this scope, the internal systems of Aksigorta A.Ş., AgeSA Hayat ve Emeklilik A.Ş., and Medisa A.Ş. are structured jointly to the extent permitted by the legislation.

It is aimed to provide assurance to the Board of Directors through risk management and internal control activities on:

- Ensuring compliance with legal obligations and the Company's risk management policies and risk appetite limits,
- Establishment and effective operation of a control framework in order to identify all structural risks exposed and to ensure that risks are managed within specified tolerance limits,

- Designing and implementing actions to take risks within tolerance limits and reporting these risks transparently.

The reports which include the risk monitoring, assessment, management activities, and internal control activities are submitted to the Board of Directors and the Early Detection of Risk Committee regularly.

Internal Control Directorate

Internal control activities are primarily the responsibility of the business units that perform them. The Internal Control Directorate is responsible for providing support in the design of the processes carried out or controls made by these units, evaluating the adequacy and effectiveness of said processes and controls, and monitoring the effectiveness of the internal control function.

The Internal Control Directorate targets to make contributions under the following categories through its operations:

- Implementation of the Internal Control Regulation determined by the Board of Directors,
- Implementation of a robust and reliable control framework by creating strong and effective internal control awareness,
- Implementation and supervision of the control framework to ensure that operational risks are managed within the determined risk appetite,

The activities carried out by the Internal Control Directorate during the year are summarized below:

- In line with the Annual Internal Control Plan, continuous review activities were carried out on the Company's controls and the results of the review were published in the Aksigorta Internal Control Report every quarter.
- Claims, Technical Evaluation, Actuarial Pricing, Agencies and Finance teams' were reviewed with the relevant business units in order to activate the Company's existing control environment.

- The results of the internal control activities carried out by the business units are monitored through the IRM- GRC application, and all determinations and findings are tracked depending on the relevant risks.
- In order to monitor Aksigorta's compliance with legislation and regulations, work to update the control points defined in the IRM application continued during the year. Newly designed compliance controls were implemented in the IRM system.
- Significant legislative changes concerning our Company's field of activity were monitored, and compliance projects and actions were closely followed.

The following activities related to the execution of the Internal Control function were reported to the Insurance and Private Pension Regulation and Supervision Agency:

a) Report on business processes, in which the organization's business processes and the changes made to them throughout the year are defined, as well as the existing work flow charts and the changes made to them during the year.

- b) Information systems report on the structure of information systems, service procurements within information systems, measures taken to maintain business continuity, planned and executed studies on these issues and relevant tests performed.
- c) Report on the controls performed during the year within the internal control function and their results.

The relevant reports were submitted to the Agency in April 2024.

Risk Management Directorate

The Directorate is responsible for ensuring the adequacy and effectiveness of the risk management function across the Company. The Company ensures that the design and effectiveness of the control framework is aligned with its risk appetite and that risks to business plans, projects, and other critical business decisions are assessed.

Risk management policies and implementation procedures need to adapt to changing conditions. Within this scope, the Risk Management Directorate regularly evaluates the adequacy of the relevant policies by utilizing the outputs of the internal control system and the internal audit system and submits the necessary revisions to the Board of Directors for approval.

Risk Management Framework documents are reviewed annually and approved by the Board of Directors. Operational Risks are managed under the supervision of the Early Detection of Risk Committee of the Board of Directors.

The findings obtained as a result of the second line of defense supervision activities are regularly presented to the Early Risk Detection Committee of the Board of Directors through management reports (CRO Report, Internal Control Report, etc.).

Operational risk management has become a part of the decision-making mechanism in the business processes with the introduction of the Operational Risk and Control Management Framework (ORCM) methodology applied for the management of operational risks and controls.

The activities carried out by the Risk Management Directorate during the year are summarized below:

- The results of risk management and internal control activities carried out by business units are monitored through the GRC/IRM application, and all determinations, findings, and risk events are tracked depending on the relevant risk and/or legislation.

- Trainings were organized to increase the level of knowledge and awareness of employees regarding the reporting of risk/loss events to the Risk Management Department by business units with the standard flow determined through the IRM- GRC application.
- Internal and residual risk assessments were carried out for the Company risks included in the risk catalogue.
- A workshop was organized in October 2024 with the participation of all our managers to evaluate emerging risks, and the emerging risk inventory was presented to the Management for their evaluation.
- Efforts were made to create the Company's model inventory according to the Model Risk methodology.

Risks and Assessment by the Management Body

- UW metrics and limits were reviewed to ensure effective monitoring and management of UW risk.
- Support was given to project studies aiming to strengthen the control environment in the Company's Corporate UW processes.

The following activities related to the execution of the Risk Management function were reported to the Insurance and Private Pension Regulation and Supervision Agency in accordance with the Regulation and within the relevant timeframe:

- a) Information on risk management policies and changes made in these policies during the year, as well as information on risk limits and changes made in these limits during the year
- b) Capital adequacy impact analysis report, which measures the long-term impacts of the risks assumed and exposed on capital adequacy and Company continuity
- c) Results of monitoring and tracking activities carried out during the year as part of the execution of the risk management function

The relevant reports were submitted to the Agency in April 2024.

Actuarial Supervision Unit

The Actuarial Supervision Unit is responsible for monitoring the Company's general pricing policy, portfolio profitability, the actuarial adequacy of reinsurance agreements, the adequacy and reliability of technical provisions, and the development and change of the risk level of the Company's portfolio, as well as reporting the measures deemed necessary to senior management and the Early Detection of Risk Committee.

The unit consists of two people as of the end of 2024 and outsources the accountable actuarial service from a contracted external organization. The unit's staff are provided with training programs to develop their professional knowledge, skills and abilities in the field of actuarial services, and they are supported and encouraged to take actuarial exams.

In 2024, within the scope of IFRS 4 obligations, quarterly control activities were carried out regularly, reinsurance performance and analyses were closely monitored, and actuarial adequacy analyses were performed.

The Actuarial Supervision Unit also submits the following periodic reports to the Insurance Regulation and Supervision Agency:

- a) Actuarial Report, the scope of which is determined by the institution,
- b) Tariff profitability determination report and summary report on the proposals made during the year to ensure tariff profitability,
- c) Report on the actuarial methods applied and the models and assumptions used by the Company and the changes made in these models and assumptions during the year and their justifications,
- d) Periodic reports on the operations carried out during the year as part of the execution of the actuarial function.

The relevant reports were submitted to the agency in April 2024.

Information Technologies and Information Security Risks Management

Information Technology (IT) risk is the potential for losing automation systems, networks, or other critical IT resources, which can adversely affect business processes. With technology becoming a part of business processes, effective management of information technologies and information security risks are among the Company's primary goals.

Information Technologies and Information Security risks are handled within business risks management and managed with reference to the internationally accepted Information Security Standards (Cobit, ISO27001).

The main risk areas that are addressed within the Information Technologies risks and for which the levels of control targets adapted to the Company are tracked are being summarized below:

- IT Management and Strategy Risk
- IT Architecture Risk
- Business Continuity Risk
- Supplier Management Risk
- Service Management and Resilience Risks
- Change Management Risk



- Development and Adaptation Risk
- Malicious Service Interruptions
- Hackers and Cyber Criminals
- Malicious Internal Resources

- Monitoring activities are carried out for information technologies and information security risks, and scheduled reporting is made to the management. During 2024, the results of the surveillance activities carried out to effectively manage the above-mentioned risks were regularly evaluated,
- They were shared with relevant administrations through the "Information Technologies Monitoring Report,"
- In line with the KVKK technical legislation control targets, "KVKK Technical Measures" evaluation activity was carried out,
- In order to improve the Company's Security Framework, support was provided for the work carried out within the scope of ISO27001.

Legal Department, Compliance and Physical Damage

- All processes regarding legal questions and issues that have arisen or may arise as a result of the Company's services and practices during its daily operations were examined as per legal regulations, and opinions were given.
- Correspondence sent by official institutions and addressed to the Company was reviewed and shared with the relevant departments of the Company. The departments were consulted regarding possible sanctions and risks, and preventive and regulatory actions were taken. Response letters were drawn up according to the Company's official correspondence rules, and official institutions were contacted as and when necessary.
- All changes in legislation that are significant and fall into our Company's activity area have been closely monitored, and all required actions have been taken to comply with legislation. The legislation which the Company is required to comply with has been incorporated into the "Legislation Checklist" developed by our Company within the IRM (GRC) system. The relevant business

units adopted this legislation and were requested to submit their statements of compliance. In addition, newly enacted legislation was monitored daily and relevant units were informed about the regulations and changes brought by the legislation. Regular additions were made to the Legislation Checklist, and business units were allowed to submit their statements of compliance through the system.

- All contracts that need to be concluded regarding the processes to which our Company is a party were reviewed. In addition, contracts that were due renewal were legally reviewed and evaluated in the most appropriate manner for the Company's current situation and conditions, and the renewal processes were completed. Support was provided to the consultancy requests submitted by different departments of the Company regarding ongoing contracts. In order to streamline the workflows of our departments working with the same/similar type of purchasing and service procurement processes, more than twenty draft contracts were drawn up based on the requirements of departments and the content of the relevant work.

- Pursuant to the Law No. 6698 on the Protection of Personal Data, activities were carried out to increase the awareness of all departments of our Company by following the current developments regarding the issues that the Company is obliged to and the applications made by the relevant persons were responded as per the legislation. Efforts to ensure compliance with the new regulations that came into force on 01.06.2024 upon the amendments to the Personal Data Protection Law were revised and completed in a way that would affect all channels, departments and products of the Company, and the signing processes of "standard contracts" for data transfer abroad began. Similarly, support was provided to all teams in awareness-raising activities and consultancy processes regarding the obligations to which our Company is subject due to the Competition Law. In addition, within the scope of the Personal Data Protection Law, control was added to the IRM system through the work carried out with the Internal Control and Compliance teams, and regular reporting of control results by the relevant units was ensured.

Risks and Assessment by the Management Body

- Application, objection, and trademark processes on the intellectual and industrial rights owned by the Company were followed up, and mechanisms in accordance with legal processes were executed to prevent possible damages to our Company in this regard.
- Legal support was provided for the projects initiated by different departments within the Company to ensure that new products, new services, business partnerships, and arrangements were created in accordance with the legislation.
- Within the scope of MASAK compliance, the project designed has been completed, and related processes have been transferred to a digital environment with the purchased software application in order to effectively monitor sanction decisions, institutions, and persons subject to sanctions. In addition, a project initially launched to profile the policyholders in the active portfolio according to risk criteria is continuing.
- In 2024, our Company's Claims and Law Department pursued a high number of lawsuits in different departments for material, physical, liability, subrogation, and receivables lawsuits and concluded settlements in many files by conducting settlement studies.
- Within the scope of the control framework creation work carried out by Internal Control together with the Compliance team, compliance controls were reviewed and added to the IRM (GRC) system.
- The compliance monitoring activity carried out as per the Regulation on Information in Insurance Contracts enabled planning of actions in response to the issues and improvements identified.

Information on Outsourced Service Procurement

In order to improve service quality and maximize customer satisfaction, our Company may procure support services from external companies within the scope of the "Regulation on Insurance Support Services." In this regard, support services continued to be procured from various companies in 2024 in the service areas needed and in accordance with the relevant legislation.

Notable Changes in Regulations – 2024

On 12.03.2024, the Law No. 7499 Amending the Code of Criminal Procedure and Certain Laws (Law) was published, which introduced significant amendments to the Law on the Protection of Personal Data No. 6698 (KVKK). With these amendments, important regulations regarding the processing of special personal data and the transfer of processed personal data abroad came into force and the scope of the misdemeanors regulated in the KVKK was expanded. With these amendments:

- The distinction between data on health and sexual life under special personal data and other special personal data was removed and the legal grounds permitting the processing of special personal data were expanded.
- The way was paved for the transfer of personal data abroad in accordance with the international standards to be set out by the Board, and the process of transferring data abroad was also facilitated with new mechanisms and permissions.



The Guide on Transfer of Personal Data Abroad (Guide) was published by the Personal Data Protection Authority (Authority). The Guide describes the processes regarding the transfer of personal data abroad by detailing the application principles and procedures to be followed in connection with the comprehensive changes made in Article 9 of the KVKK titled "Transfer of Personal Data Abroad."

SEDDK has introduced regulations regarding the cancellation of traffic policies in the event of sale of an insured vehicle and also the policies that can be used as reference through the Circular on Amendments to the Circular No. 2019/9 regarding the Implementation of Compulsory Motor Vehicle Liability Insurance (2024/30) ("Circular"). With the amendments, the period of the policies that can be taken as a reference in the preparation/renewal

of the traffic insurance policies was reduced from 30 days to 14 days. In addition, with the new amendments, validity of traffic policies will end with the transfer of the ownership of a vehicle and not pass over from the previous owner to the new owner of the vehicle. This means that the new owner is obliged to get a traffic policy at the time of sale, and if the sale does not take place for any reason, the policy is cancelled from the beginning upon the buyer's request and full refund is made without any deduction.

Through the Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies published in the Official Gazette dated 31.12.2024 (Regulation), changes were made to the coefficients regarding the calculation of capital adequacy (regarding receivables from public

institutions and the Turkish Savings Deposit Insurance Fund companies) and the reporting periods regarding the measures were shortened. In addition, it is necessary to calculate capital adequacy every quarter and comply with the ratio in each calculation period, and the administrative measures included in the regulation will be applied to all results in March, June, September and December. Previously, calculations were made in December and measures were implemented based on the ratio determined in December. However, it has been changed to March, June, September and December.

The "Regulation Amending the Regulation Amending the Financial Reporting for Insurance, Reinsurance and Pension Companies," "Communiqué on Amendments to the Communiqué on the Presentation of Financial Statements of

Insurance, Reinsurance and Pension Companies," and "Communiqué on Amendments to the Communiqué on the Insurance Uniform Chart of Accounts and Prospectus" were published in the Official Gazette dated 27.12.2024 and numbered 32765. It is understood that the fundamental change introduced within the scope of the relevant legislation is the change of the effective date determined for the financial reporting standard from 1/1/2025 to 1/1/2026.

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Business Continuity Management Activities

Aims to provide the continuity of Aksigorta operations, to effectively and seamlessly maintain value-creating critical products, services, and service activities, to reduce negative impacts, to predetermine risks for the continuity of processes providing value to customers and stakeholders, and to be prepared in times of crisis by developing measures. Human life and health are the top priority in the Company's business continuity efforts.

A Business Continuity Plan is created in order to protect business processes and valuable assets and to maintain the ability to do business after crises and events, and the effectiveness of the processes is ensured through tests and exercises.

The structure of business continuity is developed based on the results of business impact analysis and risk assessment studies, and targets and performance criteria are identified based on data included in analysis activities, so that the organizational structure, business unit requirements, location, and system infrastructure are in harmony, and the development areas are determined.

Audit and control activities, management reviews and corrective actions required for the continuous development of the business continuity management structure, and the necessary actions to identify risks and opportunities are provided by the management and the teams that the management assigns the responsibility for business continuity.

Within the framework of these principles, the following activities were completed during the year:

- Business Impact Analysis studies were carried out during which all processes were taken into consideration and evaluated.
- Geographic backup requirement analysis and studies were conducted for the continuity of critical business processes.
- Crisis drills based on realistic possible scenarios were carried out with the interactive participation of the Crisis Management Team.
- A road map was created that covers the actions needed for possible crisis situations and the preparations of the responsible teams.

- Training and information activities were carried out to increase awareness about Business Continuity.
- Emergency communication system and support line practices were implemented to ensure employee safety in case of a crisis and to identify circumstances.

Internal Audit Activities

The internal audit system of Aksigorta was structured in accordance with the Communiqué on the Internal Systems of Insurance and Private Pension Sectors issued in the Official Gazette dated November 25, 2021, and numbered 31670. As per Article 6 of the Communiqué no. 16/2022 Concerning Enforcement of Some Articles of the Regulation on the Internal Systems of Insurance and Private Pension Sectors, it is possible to jointly use an audit committee, internal control, risk management, actuarial and internal audit unit of any of the insurance, reinsurance and pension companies under the Insurance group, without the need to form another such separate unit in other companies, too. Therefore, the AgeSA Emeklilik ve Hayat A.Ş. Internal Audit team has been restructured accordingly so that it can serve both Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. companies as of February 1, 2022. Additionally, a decision has been taken to ensure that the Internal Audit team also works for Medisa from October 25, 2023. Pursuant to the Board of Directors resolution dated October 31, 2007, and numbered 2007/31, and

in accordance with applicable laws, rules, regulations and practices, an Audit Committee was set up to help protect the interests of the Company's stakeholders. As stipulated by the Board of Directors resolution dated October 17, 2014, and numbered 2014/62, the aforementioned Committee was restructured and replaced by the current Audit Committee to ensure compliance with Capital Markets Board Corporate Governance Principles.

The Audit Committee consists of two members, namely Hüseyin Gürer and Fatma Dilek Yardım, both Independent Members of the Board of Directors. According to the organizational chart, the Internal Audit department reports directly to the Board of Directors and operates independently. The Company aims to manage the internal control system within the maximum risk limits which determine risk factors which may prevent reaching strategic and operational goals. The Risk Management and Internal Audit Departments are responsible for ensuring operational

productivity and efficiency, issuing financial and managerial results in a timely, accurate and reliable manner, overseeing compliance with applicable laws and regulations, protecting shareholder investments and Company assets, and managing risks effectively and efficiently. The scope of internal audit activities includes analysis and assessment of the efficiency and capability of internal control, risk management and administrative processes in order to yield reliable, independent and impartial opinions on these processes, and to present proposals for improvement and development.

As part of the annual audit plan for 2024, a total of 16 audits, 13 in the field of business processes and 3 in the field of information technologies, were completed, and the associated reports were submitted to the Audit Committee. The actions taken by the Company executives in connection with the internal control deficiencies observed within the framework of Audit Reports were subsequently followed up and the adequacy of the actions were questioned by monitoring their effect on the risk level and the results were reported to the Audit Committee.

The Internal Audit team consists of 1 Chairman, 2 Group Managers, 1 Manager, 11 Auditors and 1 Audit Data Analyst, who possess the qualifications specified in the Regulation on Internal Systems of Insurance, Reinsurance and Pension Companies. The internal audit personnel were provided with the necessary training courses to support their professional development and improve their knowledge. The Internal Audit Department staff members have no responsibility, authority or influence on the audited operations of the Company, and their full independence is ensured.

Dividend Distribution Proposal

AGENDA:

Determination of allocation of annual profit of 2024, dividend pay-out rate and terms of dividend payment

RESOLUTION:

In accordance with the accounting principles and standards in force as per insurance legislation and audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Deloitte), our financial statements for the period from 01.01.2024-31.12.2024 reveal a “Net Profit for the Period” of 1.856.582.154-TL.

The Company’s capital adequacy ratio as of December 31, 2024 was realized as 158%. In line with the medium and long term strategies, investment and financial plans of Ak Sigorta A.Ş., it has been decided to inform the shareholders that no dividend distribution will be made for the 2024 accounting period in order to bring the company’s capital to a stronger level, taking into account the situation of the country’s economy and the sector, and to submit this issue to the approval of the General Assembly at the 2024 Ordinary General Assembly meeting to be held on March 19, 2025.

Independent Auditor's Report on the Annual Report

Deloitte.

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(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of Aksigorta A.Ş.

1) Opinion

As we have audited the full set financial statements of Aksigorta A.Ş. ("the Company") for the period between 01/01/2024–31/12/2024, we have also audited the annual report for the same period.

In our opinion, the financial information provided in the Management's annual report and the Management's discussions on the Company's financial performance, are fairly presented in all material respects, and are consistent with the full set audited financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by the POA, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to our audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Full Set Financial Statements

We have presented unmodified opinion for the Company's full set financial statements for the period between 01/01/2024–31/12/2024 in our Auditor's Report dated 6 February 2025.

4) Other Matters

The Management's annual report of Aksigorta A.Ş. for the year ended 31 December 2023 was audited by another audit firm who expressed an unmodified opinion on the annual report on 16 February 2024.

Deloitte.

5) Management's Responsibility for the Annual Report

The Company Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 ("TCC") and "Communiqué on Principles of Financial Reporting in Capital Markets" with No.14.1 of the Capital Markets Board ("the Communiqué"):

- Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- Preparing the annual report with all respects of the Company's flow of operations for that year and the Company's financial performance accurately, completely, directly and fairly. In this report, the financial position is assessed in accordance with the financial statements. The Company's development and risks that the Company may probably face are also pointed out in this report. The Board of Directors' evaluation on those matters are also stated in this report.
- The annual report also includes the matters stated below:
 - The significant events occurred in the Company's activities subsequent to the financial year ends,
 - The Company's research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

6) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management's discussions and financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the regulations of the Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management's discussions on the Company's financial performance, are fairly presented in all material respects, and are consistent with the full set audited financial statements and the information obtained from our audit.

The engagement partner on the audit resulting in this independent auditor's report is Ferda Akkılınç İllica.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ferda Akkılınç İllica
Partner

İstanbul, 19 February 2025

AKSIGORTA A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024
AND INDEPENDENT AUDITOR’S REPORT
(ORIGINALLY ISSUED IN TURKISH)**



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Ticari Sicil No : 304099

(CONVENIENCE TRANSLATION OF THE REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Aksigorta A.Ş.

A) Report on the Audit of the Financial Statements

1) Opinion

We have audited the accompanying financial statements of Aksigorta A.Ş. (“the Company”) which comprise the statement of financial position as at 31 December 2024 and the statement of income, statement of changes in shareholders’ equity, and statement of cash flows for the period then ended and the notes to the financial statements including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with accounting and financial reporting regulations enforced by insurance legislation and Turkish Financial Reporting Standards for the matters not regulated by insurance legislation “Regulation on Insurance Accounting and Financial Reporting Principles”.

2) Basis of Opinion

We conducted our audit in accordance with the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) published by the POA, together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Other Matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another independent auditor who expressed an unmodified opinion in the independent auditor's report dated 8 February 2024.

Deloitte; one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), incorporated under UK legislation, companies in its member firm network and related legal entities. DTTL and each of its member companies are separate and independent legal entities. DTTL (also referred to as “Deloitte Global”) does not provide services to customers. For more information about our global network of member companies, visit www.deloitte.com/about.

4) Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in the audit
Estimation of incurred but not reported claims provision As of 31 December 2024, the Company has recognized net incurred but not reported claims provision of TL 6,989,512,941. The provision is calculated using the best estimate methods determined within the framework of the opinions of the Company’s actuary, in accordance with the “Circular on Outstanding Claims Provision” numbered 2014/16, dated 5 December 2014, published by the Ministry of Treasury and Finance of the Republic of Türkiye. The reason we focused on this area during our audit is the significance of the amount of the incurred but not reported claims provision in the financial statements and the significant actuarial judgments and estimates required by the nature of provision in the financial statements.	We tested the design and operational effectiveness of the key controls implemented by the Company's management in relation to the ultimate claims used in the calculation of incurred but not reported claims provision. We performed reconciliation of the data used in the calculation of incurred but not reported claims for selected branches with the financial statements. Our actuaries have assessed the estimated loss ratios and expected damage developments trends together with the selected actuarial techniques considering past damage experiences and sector developments. In addition, for selected branches, we made an estimation of the reasonable ranges for the incurred but not reported claims provision and compared them with the Company’s records. In addition, the adequacy and accuracy of the disclosures in the financial statements Notes 2.1.1 and 17 related to such provisions with the Regulation on Insurance Accounting and Financial Reporting Principles were checked.

5) Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

6) Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the regulations regarding the independent audit principles in force as per the insurance legislation and SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the regulations regarding the audit principles in force as per the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

6) Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Group on 6 February 2025.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Company's set of accounts and financial statements prepared for the period 1 January - 31 December 2024 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Ferda Akkılınç İlca.

Additional Paragraph for Convenience Translation into English

In the accompanying financial statements, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of DELOITTE TOUCHE TOHMATSU LIMITED

Ferda Akkılınç İlca
Partner,
İstanbul, 6 February 2025

AKSIGORTA ANONİM ŞİRKETİ

**COMPANY DECLARATION REGARDING
FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024**

As at 31 December 2024, the financial statements and the related explanations and notes have been prepared in accordance with the accounting principles and standards in force as issued by the Republic of Türkiye Prime Ministry Undersecretariat of Treasury and are in compliance with the relevant legislation and the accounting records of our Company.

İstanbul, 6 February 2025

Haluk DİNÇER
Chairman of
the Board of Directors

Hüseyin GÜNER
Chairman of the Audit
Committee

Fatma Dilek YARDIM
Member of
Audit Committee

M. Fırat KURUCA
General Manager

Zeren Zeynep ERÖKTEM BAL
Assistant General Manager

Halil KOLBAŞI
Actuary
Registry No: 72

Yakub KILIÇ
Accounting and Legal
Reporting Group Manager

Aksigorta Anonim Şirketi

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AKSIGORTA A.Ş.

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AKSIGORTA A.Ş.

UNCONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

ASSETS			
		Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
I- CURRENT ASSETS	Notes		
A- Cash and Cash Equivalents	14	7,143,345,821	5,215,000,889
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	14	4,789,809,217	2,892,019,906
4- Cheques Given and Payment Orders (-)		-	-
5- Bank Guaranteed Credit Card Receivables with Maturities less than Three Months	14	2,353,536,604	2,322,980,983
6- Other Cash and Cash Equivalents		-	-
B- Financial Assets and Financial Investments at Insurers' Risk	11.1	8,702,613,357	6,248,738,022
1- Available-for-Sale Investments	11.1	2,373,482,704	1,707,247,206
2- Held to Maturity Investments	11.1	561,119,116	819,882,919
3- Trading Investments	11.1	5,765,258,137	3,719,402,547
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Assets at Insurers' Risk	11.1	2,753,400	2,205,350
7- Equity Shares		-	-
8- Provision for Impairment of Financial Assets (-)		-	-
C- Receivables from Main Operations	12.1	5,898,653,065	6,807,261,215
1- Due from Insurance Operations	12.1	5,910,894,212	6,824,621,226
2- Provision for Due from Insurance Operations (-)	12.1	(26,629,512)	(44,623,073)
3- Due from Reinsurance Operations		-	-
4- Provision for Due from Reinsurance Operations (-)		-	-
5- Premium Deposits		-	-
6- Loans to Insurees		-	-
7- Provision for Loans to Insurees (-)		-	-
8- Due from Private Pension Operations		-	-
9- Doubtful Receivables from Main Operations	12.1	802,359,108	605,974,099
10- Provision for Doubtful Receivables from Main Operations (-)	12.1	(787,970,743)	(578,711,037)
D- Due from Related Parties		2,138,621	125,527,949
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	125,510,565
4- Due from Joint-Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		2,138,621	17,384
7- Rediscount on Due from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables		132,454,493	87,211,432
1- Leasing Receivables		-	-
2- Unearned Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		1,755,112	1,370,112
4- Other Miscellaneous Receivables	47	130,699,381	85,841,320
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
F- Prepaid Expenses and Income Accruals		2,188,857,472	1,775,054,181
1- Deferred Production Expenses	17.20	2,158,803,724	1,708,733,645
2- Accrued Interest and Rent Income		-	-
3- Income Accruals		-	-
4- Other Deferred Expenses	47	30,053,748	66,320,536
G- Other Current Assets		16,011,221	4,907,935
1- Prepaid Inventories		-	-
2- Prepaid Taxes and Funds	35	15,890,123	3,871,204
3- Deferred Tax Assets		-	-
4- Business Advances		-	-
5- Advances Given to Personnel		121,098	1,036,731
6- Count Shortages		-	-
7- Other Current Assets		-	-
8- Provision for Other Current Assets (-)		-	-
I- Total Current Assets		24,084,074,050	20,263,701,623

The accompanying notes are an integral part of these unconsolidated financial statements.

ASSETS			
		Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
II- NON-CURRENT ASSETS	Notes		
A- Receivables from Main Operations		-	-
1- Due from Insurance Operations		-	-
2- Provision for Due from Insurance Operations (-)		-	-
3- Due from Reinsurance Operations		-	-
4- Provision for Due from Reinsurance Operations (-)		-	-
5- Deposits held with Insurance and Reinsurance Companies		-	-
6- Loans to Insurees		-	-
7- Provision for Loans to Insurees (-)		-	-
8- Due from Private Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations (-)		-	-
B- Due from Related Parties		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint-Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Due from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables		-	-
1- Leasing Receivables		-	-
2- Unearned Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
D- Financial Assets	4.2.2	-	100,000,000
1- Investment Securities		-	-
2- Associates	4.2.2	-	-
3- Capital Commitments to Associates (-)		-	-
4- Subsidiaries	4.2.2	-	100,000,000
5- Capital Commitments to Subsidiaries (-)		-	-
6- Joint-Ventures		-	-
7- Capital Commitments to Joint-Ventures (-)		-	-
8- Financial Assets and Financial Investments at Insurers' Risk		-	-
9- Other Financial Assets		-	-
10- Provision for Impairment of Financial Assets (-)		-	-
E- Tangible Assets	6	260,903,629	114,011,953
1- Investment Properties		-	-
2- Provision for Diminution in Value of Investment Property (-)		-	-
3- Property for Operational Use	6	5,329	5,329
4- Machinery and Equipment	6	112,137,326	65,548,397
5- Furniture and Fixtures	6	1,878,421	1,878,421
6- Motor Vehicles	6	71,254,425	54,885,056
7- Other Tangible Assets (Including Leasehold Improvements)	6	209,403,006	97,563,052
8- Leased Assets	6	(133,774,878)	(105,868,302)
9- Accumulated Depreciation (-)	6	-	-
10- Advances Given for Tangible Assets (Including Ongoing Investments)		-	-
F- Intangible Assets	8	636,932,021	297,320,862
1- Rights	8	730,979,617	404,832,134
2- Goodwill		-	-
3- Establishment Costs		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets		-	-
6- Accumulated Amortization (-)	8	(338,687,608)	(235,119,061)
7- Advances Given for Intangible Assets	8	244,640,012	127,607,793
G- Prepaid Expenses and Income Accruals	47	260,000	732,079
1- Deferred Production Expenses		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses	47	260,000	732,079
H- Other Non-Current Assets	35	574,240,766	356,155,032
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Prepaid Inventories		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	35	574,240,766	356,155,032
6- Other Miscellaneous Non-Current Assets		-	-
7- Other Non-Current Assets Depreciation (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets		1,472,336,416	868,219,926
Total Assets (I+II)		25,556,410,466	21,131,921,549

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSİGORTA A.Ş.

UNCONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

LIABILITIES			
	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
III- CURRENT LIABILITIES			
A- Financial Liabilities	20	26,646,103	28,600,258
1- Due to Credit Institutions		-	-
2- Due to Financial Leasing Institutions	20	79,826,670	37,250,927
3- Deferred Leasing Costs (-)		(53,180,567)	(8,650,669)
4- Principal Instalments and Interest of Long-Term Borrowings		-	-
5- Principal Instalments and Interest on Bonds Issued		-	-
6- Other Issued Debt Securities		-	-
7- Value Differences of Other Issued Debt Securities (-)		-	-
8- Other Financial Payables (Liabilities)		-	-
B- Payables from Main Operations	19.1	4,207,830,392	5,155,855,256
1- Payables from Insurance Operations	19.1	4,207,830,392	5,155,855,256
2- Payables from Reinsurance Operations		-	-
3- Deposits Received from Insurance and Reinsurance Companies		-	-
4- Payables from Private Pension Operations		-	-
5- Payables from Other Operations		-	-
6- Rediscount on Payables from Other Operations (-)		-	-
C- Due to Related Parties		323,200	621,896
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint-Ventures		-	-
5- Due to Personnel		323,200	621,896
6- Due to Other Related Parties		-	-
D- Other Payables		904,657,128	611,261,309
1- Deposits and Guarantees Received	12.1	77,734,272	48,974,023
2- Payables to SSI regarding Medical Expenses	19.1	202,660,276	178,631,352
3- Other Miscellaneous Payables	19.1	624,262,580	383,655,934
4- Rediscount on Other Miscellaneous Payables (-)		-	-
E- Insurance Technical Provisions		12,412,568,915	9,896,334,855
1- Unearned Premium Reserve - Net	20	6,128,405,463	5,755,788,715
2- Unexpired Risks Reserve - Net	20	943,727,319	520,806,201
3- Mathematical Reserve - Net		-	-
4- Outstanding Claims Provision - Net	4.1 and 20	5,340,420,490	3,619,726,646
5- Bonus and Rebate Provision - Net	20	15,643	13,293
6- Other Technical Reserves - Net		-	-
F- Taxes, and Other Liabilities and, Provision		364,125,317	456,367,977
1- Taxes and Funds Payable		302,184,000	338,972,407
2- Social Security Withholdings Payable	23.1	1,602,232	909,688
3- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities		-	-
4- Other Taxes and Fiscal Liabilities		5,512	5,512
5- Corporate Tax Provision and Other Fiscal Liabilities	35	157,838,935	148,228,750
6- Prepaid Corporate Tax and Other Fiscal Liabilities (-)	35	(97,505,362)	(31,748,380)
7- Other Taxes and Fiscal Liabilities Provision		-	-
G- Provisions for Other Risks		471,624,508	267,331,731
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Aid Fund Asset Shortage		-	-
3- Provision for Expense Accruals	19.1	471,624,508	267,331,731
H- Deferred Income and Expense Accruals	19.1	1,725,540,004	1,306,143,694
1- Deferred Commission Income	17.20	1,725,540,004	1,306,143,694
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
I- Other Current Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Count Overages		-	-
3- Other Current Liabilities		-	-
III - Total Current Liabilities		20,113,315,567	17,722,516,976

The accompanying notes are an integral part of these unconsolidated financial statements.

LIABILITIES			
	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
IV- NON-CURRENT LIABILITIES			
A- Financial Liabilities	20	143,198,301	28,576,031
1- Due to Credit Institutions		-	-
2- Leasing Payables	20	389,159,784	38,721,193
3- Deferred Leasing Costs (-)		(245,961,483)	(10,145,162)
4- Issued Debt Securities		-	-
5- Other Issued Debt Securities		-	-
6- Value Differences of Other Issued Debt Securities (-)		-	-
7- Other Financial Payables (Liabilities)		-	-
B- Payables from Main Operations		-	-
1- Payables from Insurance Operations		-	-
2- Payables from Reinsurance Operations		-	-
3- Deposits Received from Insurance and Reinsurance Companies		-	-
4- Payables from Private Pension Operations		-	-
5- Payables from Other Operations		-	-
6- Rediscount on Payables from Other Operations (-)		-	-
C- Due to Related Parties		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint-Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to SSI regarding Medical Expenses		-	-
3- Other Payables		-	-
4- Rediscount on Other Payables		-	-
E- Insurance Technical Provisions	20	181,412,705	87,322,699
1- Unearned Premium Reserve - Net		-	-
2- Unexpired Risks Reserve - Net		-	-
3- Mathematical Reserve - Net	17.2 and 20	2,968,481	2,023,958
4- Outstanding Claims Provision - Net		-	-
5- Bonus and Rebate Provision - Net		-	-
6- Other Technical Reserves - Net	20	178,444,224	85,298,741
F- Other Liabilities and Provisions		-	-
1- Other Payables		-	-
2- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities		-	-
3- Other Taxes and Fiscal Liabilities Provision		-	-
G- Provisions for Other Risks	22	26,558,928	17,242,711
1- Provision for Employment Termination Benefits	22	26,558,928	17,242,711
2- Provision for Social Aid Fund Asset Shortage		-	-
H- Deferred Income and Expense Accruals		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
I- Other Non-Current Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Other Various Non-Current Liabilities		-	-
IV- Total Non-Current Liabilities		351,169,934	133,141,441

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSIGORTA A.Ş.

UNCONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

SHAREHOLDERS' EQUITY			
	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
V- SHAREHOLDERS' EQUITY	2.14	1,612,000,000	1,612,000,000
A- Share Capital	2.14	1,612,000,000	1,612,000,000
1- (Nominal) Capital		-	-
2- Unpaid Capital (-)		-	-
3- Adjustments to Share Capital		-	-
4- Adjustments to Share Capital (-)		-	-
5- Capital to be Registered		-	-
B- Capital Reserves	15	3,463,617	3,463,617
1- Share Premiums	15	3,463,617	3,463,617
2- Profit of Cancelled Shares		-	-
3- Sales Profit Addition to the Capital		-	-
4- Foreign Currency Translation Differences		-	-
5- Other Capital Reserves		-	-
C- Profit Reserves		391,936,287	432,856,608
1- Legal Reserves	15	111,936,210	111,936,210
2- Statutory Reserves		62	62
3- Extraordinary Reserves	15	200,091,508	200,091,508
4- Special Funds (Reserves)	15	(15,457,785)	(10,248,582)
5- Valuation of Financial Assets	16.1	95,366,292	131,077,410
6- Other Profit Reserves		-	-
D- Retained Earnings		1,349,091,523	163,920,341
1- Retained Earnings		1,349,091,523	163,920,341
E- Accumulated Deficit (-)		(121,148,616)	(121,148,616)
1- Accumulated Deficit		(121,148,616)	(121,148,616)
F- Net Profit for the Period	37	1,856,582,154	1,185,171,182
1- Net Profit for the Period		1,856,582,154	1,185,171,182
2- Net Loss for the Period (-)		-	-
3- Profit Not Available for Distribution		-	-
V- Total Shareholders' Equity		5,091,924,965	3,276,263,132
Total Liabilities and Shareholders' Equity (III+IV+V)		25,556,410,466	21,131,921,549

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSIGORTA A.Ş.

UNCONSOLIDATED STATEMENTS OF INCOME FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited Current Period 1 January- 31 December 2024	Audited Prior Period 1 January- 31 December 2023
I- TECHNICAL DIVISION			
A- Non-Life Technical Income		14,872,520,005	10,712,168,568
1- Earned Premiums - (Net of Reinsurers' Share)		10,276,962,885	7,676,712,517
1.1- Written Premiums - (Net of Reinsurers' Share)	24	11,057,024,132	9,902,122,502
1.1.1- Gross Written Premium (+)	24	34,871,810,014	27,298,748,170
1.1.2- Reinsurers' Share of Gross Written Premium (-)	17.16 and 24	(23,132,795,300)	(16,962,571,717)
1.1.3 - Premiums Ceded to SSI (-)	17.16 and 24	(681,990,582)	(434,053,951)
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	20	(357,140,127)	(1,857,821,863)
1.2.1- Unearned Premiums Reserve (-)	20	(1,931,281,596)	(7,536,925,037)
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)	17.16 and 20	1,407,774,673	5,576,861,041
1.2.3- SSI's Share of Unearned Premiums Reserve (+)	17.16 and 20	166,366,796	102,242,133
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	20	(422,921,120)	(367,588,122)
1.3.1- Unexpired Risks Reserve (-)	20	(1,026,501,353)	(669,299,021)
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)	17.16 and 20	603,580,233	301,710,899
2- Investment Income Transferred from Non-Technical Part		4,370,351,286	2,906,245,403
3- Other Technical Income - (Net of Reinsurers' Share)		205,327,696	90,518,478
3.1- Other Gross Technical Income (+)		205,327,696	90,518,478
3.2- Reinsurers' Share of Other Gross Technical Income (-)		-	-
4- Claim Recovery and Salvage Income Accruals (+)		19,878,138	38,692,170
B- Non-Life Technical Expense (-)		(12,766,102,099)	(9,020,850,143)
1- Incurred Claims - (Net of Reinsurers' Share)		(8,888,608,021)	(6,621,605,137)
1.1- Paid Claims - (Net of Reinsurers' Share)		(7,167,895,195)	(5,790,326,183)
1.1.1- Gross Paid Claims (-)		(20,255,827,438)	(15,091,211,575)
1.1.2- Reinsurers' Share of Gross Paid Claims (+)	17.16	13,087,932,243	9,300,885,392
1.2- Change in Outstanding Claims (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	29	(1,720,712,826)	(831,278,954)
1.2.1- Outstanding Claims Provision (-)		(3,124,036,931)	(6,450,379,492)
1.2.2- Reinsurers' Share of Outstanding Claims Provision (+)	17.16	1,403,324,105	5,619,100,538
2- Change in Bonus and Rebate Provision (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	20	(2,349)	(3,069)
2.1- Bonus and Rebate Provision (-)	20	(40,905)	(15,157)
2.2- Reinsurers' Share of Bonus and Rebate Provision (+)	17.16 and 20	38,556	12,088
3- Change in Other Technical Reserves (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	20	(93,145,482)	69,601,462
4- Operating Expenses (-)	32	(2,846,299,957)	(1,932,780,002)
5- Change in Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
5.1- Mathematical Reserves (-)		-	-
5.2- Net of Reinsurer's Share and Reserves Carried Forward (+)		-	-
6- Other Technical Expenses (-)	47	(938,046,290)	(536,063,397)
6.1- Gross Other Technical Expenses (-)	47	(938,046,290)	(536,063,397)
6.2- Reinsurer's Share of Other Gross Technical Expenses (+)		-	-
C- Net Technical Income- Non-Life (A - B)		2,106,417,906	1,691,318,425

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSİGORTA A.Ş.

UNCONSOLIDATED STATEMENTS OF INCOME FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Current Period 1 January- 31 December 2024	Audited Prior Period 1 January- 31 December 2023
I- TECHNICAL DIVISION	Notes		
D- Life Technical Income		228,202	153,360
1- Earned Premiums - (Net of Reinsurers' Share)		-	-
1.1- Written Premiums - (Net of Reinsurers' Share)		-	-
1.1.1- Gross Written Premiums (+)		-	-
1.1.2- Premiums Ceded to Reinsurers (-)		-	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
1.2.1- Unearned Premiums Reserve (-)		-	-
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)		-	-
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)		-	-
2- Life Investment Income		228,202	153,360
3- Unrealized Investment Income		-	-
4- Other Technical Income - (Net of Reinsurers' Share) (+/-)		-	-
4.1- Gross Other Technical Income (+/-)		-	-
4.2- Reinsurer Share in Gross Other Technical Income (+/-)		-	-
5- Accrued Recourse Income (+)		-	-
E- Life Technical Expense		(1,278,038)	(927,740)
1- Incurred Claims - (Net of Reinsurers' Share)		(333,516)	(229,479)
1.1- Paid Claims (Net of Reinsurers' Share)		(352,498)	(230,953)
1.1.1- Gross Paid Claims (-)		(352,498)	(230,953)
1.1.2- Reinsurers' Share of Gross Paid Claims (+)		-	-
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurers' Share and Returned Reserve) (+/-)	29	18,982	1,474
1.2.1- Outstanding Claims Provision (-)		18,982	1,474
1.2.2- Reinsurers' Share of Outstanding Claim Provisions (+)		-	-
2- Change in Bonus and Rebate Provision (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
2.1- Bonus and Rebate Provision (-)		-	-
2.2- Reinsurers' Share of Bonus and Rebate Provision (+)		-	-
3- Change in Mathematical Reserves (Net of Reinsurers' Share and Returned Reserve) (+/-)		(944,522)	(698,081)
3.1- Mathematical Reserves (-)		(944,522)	(698,081)
3.1.1- Actuarial Mathematical Reserves (+/-)		(850,070)	(628,273)
3.1.2- Profit Share Reserve (For Permanent Life Insurance Policies)		(94,452)	(69,808)
3.2- Reinsurers' Share of Mathematical Reserves (+)		-	-
3.2.1- Reinsurer's Share of Actuarial Mathematical Reserves (+)		-	-
3.2.2- Reinsurer's Share of Profit Share Reserve (for Permanent Life Insurance Policies) (+)		-	-
4- Change in Other Technical Reserves (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	(180)
5- Operating Expenses (-)		-	-
6- Investment Expenses (-)		-	-
7- Unrealized Investment Expense (-)		-	-
8- Investment Income Transferred to Non-Life Technical Part (-)		-	-
F- Net Technical Income - Life (D - E)		(1,049,836)	(774,380)
G- Pension Funds Technical Income			
1- Fund Management Income		-	-
2- Management Expense Charge		-	-
3- Entrance Fee Income		-	-
4- Management Expense Charge in case of Suspension		-	-
5- Special Service Expense Charge		-	-
6- Capital Allowance Value Increase Income		-	-
7- Other Technical Income		-	-
H- Pension Funds Technical Expense			
1- Fund Management Expense (-)		-	-
2- Capital Allowance Value Decrease Expense (-)		-	-
3- Operating Expenses (-)		-	-
4- Other Technical Expenses (-)		-	-
I- Net Technical Income - Pension Funds (G - H)			

The accompanying notes are an integral part of these unconsolidated financial statements.

		Audited Current Period 1 January- 31 December 2024	Audited Prior Period 1 January- 31 December 2023
II- NON-TECHNICAL DIVISION	Notes		
C- Net Technical Income - Non-Life (A-B)		2,106,417,906	1,691,318,425
F- Net Technical Income - Life (D-E)		(1,049,836)	(774,380)
I - Net Technical Income - Pension Funds (G-H)			
J- Total Net Technical Income (C+F+I)		2,105,368,070	1,690,544,045
K- Investment Income		6,428,484,215	5,414,557,421
1- Income from Financial Investments	26	1,221,910,418	927,732,845
2- Income from Liquidation of Financial Investments	26	391,799,020	244,799,646
3- Valuation of Financial Investments	26	2,485,872,896	987,061,318
4- Foreign Exchange Gains	36	2,166,620,203	3,254,937,083
5- Income from Associates	2.2	57,250,000	-
6- Income from Subsidiaries and Joint-Ventures	2.2	105,031,678	-
7- Income from Land and Buildings		-	-
8- Income from Derivatives	13 and 26	-	26,529
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Part		-	-
L- Investment Expenses (-)		(6,431,769,342)	(5,544,338,015)
1- Investment Management Expenses (Interest incl.) (-)		(55,838,170)	(46,512,359)
2- Diminution in Value of Investments (-)	26	(62,901,497)	(87,686,967)
3- Loss from Realization of Financial Investments (-)	26	(28,444,989)	(55,065,185)
4- Investment Income Transferred to Non-Life Technical Part (-)		(4,370,351,286)	(2,906,245,403)
5- Loss from Derivatives (-)	13 and 26	-	(8,891,020)
6- Foreign Exchange Losses (-)	36	(1,748,968,416)	(2,346,216,513)
7- Depreciation Expenses (-)	6 and 8	(165,264,984)	(93,720,568)
8- Other Investment Expenses (-)		-	-
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)	47	(87,661,854)	(227,363,519)
1- Provisions (+/-)	47	(179,397,114)	(58,241,663)
2- Rediscounts (+/-)		-	-
3- Special Insurance Account (+/-)	47	8,263,419	12,996,481
4- Inflation Adjustment (+/-)		-	-
5- Deferred Tax Assets (+/-)	35 and 47	142,260,482	74,713,256
6- Deferred Tax Liabilities Expenses (-)		-	-
7- Other Income	47	22,869,552	17,780,403
8- Other Expenses (-)	47	(81,658,193)	(274,611,996)
9- Prior Year's Income		-	-
10- Prior Year's Expenses (-)		-	-
N- Net Profit/ Loss for the Period	37	1,856,582,154	1,185,171,182
1- Profit or Loss for the Period		2,014,421,089	1,333,399,932
2- Corporate Tax Provision and Other Fiscal Liabilities (-)	35	(157,838,935)	(148,228,750)
3- Net Profit or Loss for the Period		1,856,582,154	1,185,171,182
4- Adjustment to Inflation		-	-

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSIGORTA A.Ş.

UNCONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
A. CASH GENERATED FROM MAIN OPERATIONS			
1. Cash inflows from insurance operations		52,010,968,165	44,417,244,734
2. Cash inflows from reinsurance operations		-	-
3. Cash inflows from pension funds operations		-	-
4. Cash outflows from insurance operations (-)		(48,258,894,283)	(42,346,680,851)
5. Cash outflows from reinsurance operations (-)		-	-
6. Cash outflows from pension funds operations (-)		-	-
7. Net cash from main operations (A1+A2+A3-A4-A5-A6)		3,752,073,882	2,070,563,883
8. Interest payments (-)		-	-
9. Income tax payments (-)	35	(162,445,647)	(14,870,712)
10. Other cash inflows		708,758,993	86,274,668
11. Other cash outflows (-)		(249,716,385)	(51,669,793)
12. Net cash used in main operations		4,048,670,843	2,090,298,046
B. CASH FLOWS FROM INVESTING OPERATIONS			
1. Sales of tangible assets	6	2,816,590	3,572,534
2. Acquisition of tangible assets acquisition (-)	6 and 8	(622,437,399)	(277,682,259)
3. Acquisition of financial assets (-)		(7,074,336,911)	(6,355,319,473)
4. Sales of financial assets		3,228,497,302	1,596,782,301
5. Interest received		1,221,910,418	927,732,845
6. Dividends received		-	-
7. Other cash inflows		-	-
8. Other cash outflow (-)		-	-
9. Net cash from investing activities		(3,243,550,000)	(4,104,914,052)
C. CASH FLOWS FROM FINANCING OPERATIONS			
1. Issue of shares		-	-
2. Cash flows from the borrowings		-	-
3. Leasing payments (-)	20	(61,162,513)	(36,878,233)
4. Dividends paid (-)		-	-
5. Other cash inflows		-	-
6. Other cash outflows (-)		-	(544,473,126)
7. Net cash from financing activities		(61,162,513)	(581,351,359)
D. EFFECT OF EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS		417,651,788	908,720,570
E. Net (decrease)/increase in cash and cash equivalents (A12+B9+C7+D)		1,161,610,118	(1,687,246,795)
F. Cash and cash equivalents at the beginning of the period	14	3,432,879,092	5,120,125,887
G. Cash and cash equivalents at the end of the period (E+F)	14	4,594,489,210	3,432,879,092

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSİGORTA A.Ş.

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

Audited Statement of Changes in Shareholders' Equity - 1 January - 31 December 2024 (*)											
CURRENT PERIOD	Share Capital	The Company's Own Securities (-)	Valuation of Financial Assets	Inflation Adjustment to the Share Capital	Foreign Currency Translation Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit (or Loss) for the Period	Prior Years' Profit / (Losses)	Total
I- Balances at the Prior Period End (31 December 2023)	1,612,000,000	-	131,077,410	-	-	111,936,210	62	193,306,543	1,185,171,182	42,771,725	3,276,263,132
II- Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
III- New Balance (I + II) (31/12/2023)	1,612,000,000	-	131,077,410	-	-	111,936,210	62	193,306,543	1,185,171,182	42,771,725	3,276,263,132
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash (**)	-	-	-	-	-	-	-	-	-	-	-
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Own Shares of the Company	-	-	-	-	-	-	-	-	-	-	-
C- Gain and losses not included in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Value increase in the assets (Note 16.5)	-	-	(35,711,118)	-	-	-	-	-	-	-	(35,711,118)
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other income and losses	-	-	-	-	-	-	-	(5,209,203)	-	-	(5,209,203)
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Net profit (loss) for the period (Note 37)	-	-	-	-	-	-	-	-	1,856,582,154	-	1,856,582,154
I- Dividends paid	-	-	-	-	-	-	-	-	-	-	-
J- Transfers	-	-	-	-	-	-	-	-	(1,185,171,182)	1,185,171,182	-
II- Period End Balance (31 December 2024) (I+A+B+C+D+E+F+G+H+I+J)	1,612,000,000	-	95,366,292	-	-	111,936,210	62	188,097,340	1,856,582,154	1,227,942,907	5,091,924,965

(*) Details related to equity items are disclosed in Note 15.

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSIGORTA A.Ş.

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

Audited Statement of Changes in Shareholders' Equity - 1 January – 31 December 2023 (*)											
PRIOR PERIOD	Share Capital	The Company's Own Securities (-)	Valuation of Financial Assets	Inflation Adjustment to the Share Capital	Foreign Currency Translation Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit (or Loss) for the Period	Prior Years' Profit / (Losses)	Total
I- Balances at the Prior Period End (31 December 2022)	1,612,000,000	-	1,881,596	-	-	111,936,210	62	180,484,172	(121,148,616)	163,920,341	1,949,073,765
II- Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-
III- New Balance (I + II) (31/12/2022)	1,612,000,000	-	1,881,596	-	-	111,936,210	62	180,484,172	(121,148,616)	163,920,341	1,949,073,765
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash (**)	-	-	-	-	-	-	-	-	-	-	-
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Own Shares of the Company	-	-	-	-	-	-	-	-	-	-	-
C- Gain and losses not included in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Value increase in the assets (Note 16.5)	-	-	129,195,814	-	-	-	-	-	-	-	129,195,814
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other income and losses	-	-	-	-	-	-	-	12,822,371	-	-	12,822,371
G- Inflation adjustments differences	-	-	-	-	-	-	-	-	-	-	-
H- Net profit (loss) for the period (Note 37)	-	-	-	-	-	-	-	-	1,185,171,182	-	1,185,171,182
I- Dividends paid	-	-	-	-	-	-	-	-	-	-	-
J- Transfers	-	-	-	-	-	-	-	-	121,148,616	(121,148,616)	-
II- Period End Balance (31 December 2023) (I+A+B+C+D+E+F+G+H+I+J)	1,612,000,000	-	131,077,410	-	-	111,936,210	62	193,306,543	1,185,171,182	42,771,725	3,276,263,132

(*) Details related to equity items are disclosed in Note 15.

The accompanying notes are an integral part of these unconsolidated financial statements.

AKSIGORTA A.Ş.

UNCONSOLIDATED STATEMENTS OF PROFIT DISTRIBUTION FOR THE ACCOUNTING PERIODS 1 JANUARY – 31 DECEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Current Period 31 December 2024	Prior Period 31 December 2023
I. DISTRIBUTION OF PROFIT FOR THE PERIOD		
1.1. PROFIT FOR THE PERIOD (*)	1,856,582,154	1,185,171,182
1.2. TAXES PAYABLE AND LEGAL LIABILITIES	-	-
1.2.1. Corporate Tax (Income Tax)	-	-
1.2.2. Income Tax Deduction	-	-
1.2.3. Other Taxes and Legal Liabilities	-	-
A. NET PROFIT FOR THE PERIOD (1.1 - 1.2)	1,856,582,154	1,185,171,182
1.3. PRIOR PERIOD LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVE	-	-
1.5. LEGAL RESERVES KEPT IN THE COMPANY (-)	-	-
B. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (A - (1.3 + 1.4 + 1.5))	-	1,185,171,182
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. To Common Shareholders	-	-
1.6.2. To Preferred Shareholders	-	-
1.6.3. To Owners of Participating Redeemed Shares	-	-
1.6.4. To Owners of Profit-Sharing Securities	-	-
1.6.5. To Owners of Profit and Loss Sharing Securities	-	-
1.7. DIVIDENDS TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO FOUNDERS (-)	-	-
1.9. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.10. SECOND DIVIDENDS TO SHAREHOLDERS (-)	-	-
1.10.1. To Common Shareholders	-	-
1.10.2. To Preferred Shareholders	-	-
1.10.3. To Owners of Participating Redeemed Shares	-	-
1.10.4. To Owners of Profit-Sharing Securities	-	-
1.10.5. To Owners of Profit and Loss Sharing Securities	-	-
1.11. SECOND LEGAL RESERVE (-)	-	-
1.12. STATUTORY RESERVE (-)	-	-
1.13. EXTRAORDINARY RESERVES	-	1,185,171,182
1.14. OTHER RESERVES	-	-
1.15. SPECIAL FUNDS	-	-
II. DISTRIBUTION FROM RESERVES		
2.1. DISTRIBUTES RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3.1. To Common Shareholders	-	-
2.3.2. To Preferred Shareholders	-	-
2.3.3. To Owners of Participating Redeemed Shares	-	-
2.3.4. To Owners of Profit-Sharing Securities	-	-
2.3.5. To Owners of Profit and Loss Sharing Securities	-	-
2.4. DIVIDENDS TO EMPLOYEES (-)	-	-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. PROFIT PER SHARE		
3.1. TO COMMON SHAREHOLDERS	-	-
3.2. TO COMMON SHAREHOLDERS (%)	-	-
3.3. TO PREFERRED SHAREHOLDERS	-	-
3.4. TO PREFERRED SHAREHOLDERS (%)	-	-
IV. DIVIDENDS PER SHARE		
4.1. TO COMMON SHAREHOLDERS	-	-
4.2. TO COMMON SHAREHOLDERS (%)	-	-
4.3. TO PREFERRED SHAREHOLDERS	-	-
4.4. TO PREFERRED SHAREHOLDERS (%)	-	-

(*) Since the 2024 Ordinary General Assembly has not yet been held on the reporting date, no profit distribution has taken place.

AKSIGORTA A.Ş.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

1. GENERAL INFORMATION

1.1 Name of the Company and last owner

As of 31 December 2024, the main shareholders of Aksigorta A.Ş. ('the Company') are Hacı Ömer Sabancı Holding A.Ş. and Ageas Insurance International N.V., which is resident in Belgium. 28% (31 December 2023: 28%) of the Company's shares are traded on Borsa Istanbul A.Ş. ('BIST') (Note 2.14).

1.2 The Company's address and legal structure, address of its registered country and registered Office (or the principal place of business, if different from the place of registered office)

The Company was registered in Türkiye on 25 April 1960 and is a joint stock company established in accordance with the Turkish Commercial Code ('TCC'). The Company's registered office and head office is located at the address 'Fatih Sultan Mehmet Mahallesi, Poligon Caddesi, Buyaka 2 Sitesi, 1 Blok No:8A İç Kapı No:2 Ümraniye/İstanbul'.

1.3 Main operations of the Company

The Company carries out insurance business in Türkiye mainly in auto and non-auto, fire, marine, accident, personal accident, engineering, agriculture and health. The Company's head office is located in Istanbul and there are 10 Regional Directorates, namely Istanbul Anatolia Region, Istanbul Europe Region, Istanbul Thrace Region, Mediterranean and South Aegean Region, Ankara Region, Çukurova and Central Anatolia Region, Eastern Anatolia and Eastern Black Sea Region, Southeastern and Central Anatolia Region, Izmir and North Aegean Region, Marmara and Western Black Sea Region. As at 31 December 2024, the Company works with 3,644 (31 December 2023: 3,749) authorized agencies.

1.4 Explanation of the activities and characteristics of main operations of the corporation

Explained in Notes 1.2 and 1.3.

1.5 Average number of the Company's personnel based on their categories

	1 January-31 December 2024	1 January -31 December 2023
Key Management	9	9
Manager and Deputy Manager	155	140
Manager/Specialist/Executive	681	594
Total	845	743

1.6 Remuneration and fringe benefit provided to key management

Total amount of salaries and similar benefits provided to the chairman and members of the Board of Directors and senior executives such as general manager, assistant general managers in the current period: 1 January-31 December 2024: TL 63,328,880 (1 January-31 December 2023: TL 30,832,365).

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

1. GENERAL INFORMATION (cont’d)

1.7 Allocation keys used in the allocation of investment income and operating expenses in the financial statements (personnel expenses, administration expenses, research and development expenses, research and development expenses marketing and selling expenses, outsourcing and other operating expenses)

The ‘Circular on the Procedures and Principles of the Keys Used in the Financial Statements Prepared within the Framework of the Insurance Chart of Accounts’ dated 4 January 2008 and numbered 2008/1 ‘Circular on the Procedures and Principles of the Keys Used in the Financial Statements Prepared within the Framework of the Insurance Chart of Accounts’ issued by the Republic of Türkiye Ministry of Treasury and Finance (‘Ministry of Treasury and Finance’) was amended with the ‘Circular on the Amendment of the Circular on the Procedures and Principles of the Keys Used in the Financial Statements Prepared within the Framework of the Insurance Chart of Accounts’ dated 9 August 2010 and numbered 2010/9 issued by the Ministry of Treasury and Finance.

Accordingly, all income from the investment of assets that cover non-life technical reserves is transferred from the non-technical segment to the technical segment. Other investment income is classified under non-technical segment. The Company has allocated the operating expenses transferred to the technical segment to the sub-branches by taking into consideration the weighted average of the number of policies issued, gross written premiums and number of claim files for the last three years.

1.8 Stand-alone or consolidated financial statements

The financial statements include the unconsolidated financial information of a single company, Aksigorta A.Ş.

1.9 Title and other information relating to the reporting company and changes to the prior balance sheet date

The Company's name and other identifying information are disclosed in Notes 1.1, 1.2 and 1.3 and there has been no change in this information since the previous balance sheet date.

1.10 Events after the balance sheet date

The financial statements for the period 1 January - 31 December 2024 were approved by the Company's Board of Directors on 6 February 2025. The financial statements have been signed by Haluk Dinçer, Chairman of the Board of Directors; Hüseyin Güler and Fatma Dilek Yardım, Audit Committee members; M. Fırat Kuruca, General Manager; Zeren Zeynep Eröktem Bal, Assistant General Manager; Yakub Kılıç, Accounting and Legal Reporting Group Manager and Halil Kolbaşı, Actuary, in accordance with the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies. Subsequent events are explained in Note 46.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

2.1.1 Basis of preparation of financial statements and specific accounting policies used

a. Accounting Principles Applied

Pursuant to the provisions of paragraph (a) of Article 50 of Chapter VII of the Capital Markets Law, insurance companies are subject to the provisions of their own special legislation on establishment, audit, supervision, accounting, financial statement and reporting standards. In this context, the Company prepares its financial statements in accordance with the Insurance Law No. 5684 published in the Official Gazette No. 26522 dated 14 June 2007 and the regulations issued by the Insurance and Private Pension Regulation and Supervision Agency (“IPRSA”) established by the Presidential Decree dated 18 October 2019. Prior to the establishment of IPRSA and the commencement of regulation activities in the insurance sector, the insurance legislation was issued by the Republic of Türkiye Ministry of Treasury and Finance (“Ministry of Treasury and Finance”).

The financial statements are prepared in accordance with the Insurance Chart of Accounts included in the communiqué issued by the Ministry of Treasury and Finance regarding the Insurance Chart of Accounts and Prospects, published in the Official Gazette (No:25686) dated 30 December 2004 (Insurance Accounting System Communiqué No:1) and Sector Announcement Regarding Opening New Account Codes in Insurance Chart of Accounts dated 27 December 2011 and numbered 2011/14. Content and the format of the financial statements prepared and explanations and notes thereof are determined in accordance with the Communiqué on Presentation of Financial Statements published in the Official Gazette numbered 26851 dated 18 April 2008 and numbered 2012/7 and dated 31 May 2012 Notice regarding to the Presentation of the New Account Codes and Financial Statements.

The Company recognizes its operations as of 1 January 2008 in accordance with the “Communiqué on Financial Reporting of Insurance, Reinsurance and Private Pension Companies” published on 14 July 2007 and entered into force on January 1, 2008, in accordance with the said communiqué and Turkish Financial Reporting Standards (“TFRS”) announced by the Public Oversight, Accounting and Auditing Standards Authority (formerly known as Turkish Accounting Standards Board) and other regulations, explanations and circulars issued by the Ministry of Treasury and Finance on accounting and financial reporting principles.

As of 31 December 2024, the Company has calculated its insurance technical provisions in accordance with the Insurance Law No. 5684, which was published in the Official Gazette dated 28 July 2010 and numbered 27655; and reflected in the financial statements in accordance with the ‘Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves’ (‘Communiqué on Technical Reserves’) and other related regulations after the amendments published in the Official Gazette numbered 28356 on 17 July 2012.

Financial institutions such as institutions established to carry out at least one of the activities stipulated in the Banking Law No. 5411 dated 19 October 2005, development and investment banks and financial holding companies, and financial institutions established to carry out insurance, private pension or capital market activities within the framework of the Capital Markets Law No. 6362 dated 6 December 2012, the Insurance Law No. 5684 dated 3 June 2007 and the Individual Pension Savings and Investment System Law No. 4632 dated 28 March 2001 and their related legislation are subject to their own special provisions.

The financial statements are prepared in accordance with the accounting and financial reporting regulations in force as per the insurance legislation and in accordance with TFRS for the matters not regulated by these regulations.

Comparative figures have been reclassified, where necessary, to conform to the presentation of the financial statements in the current period.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont’d)

b. Adjustment of Financial Statements in High Inflation Periods

With the announcement dated 23 November 2023 published by the Public Oversight Authority, the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies Standard (TAS 29), however, the institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the application of the provisions of TAS 29.

In this context, Insurance and Private Pension Regulation and Supervision Agency, in its circular dated 6 December 2023 and numbered 2023/30 based on this announcement of the Public Oversight Authority, stated that insurance, reinsurance and pension companies will not subject their financial statements dated 31 December 2023 to inflation adjustment required to be made within the scope of TAS 29, and in its circular dated 11 March 2024 and numbered 2024/10, the transition date of insurance, reinsurance and pension companies to inflation accounting application was determined as 1 January 2025. In accordance with the related circulars issued by the Insurance and Private Pension Regulation and Supervision Agency, no inflation adjustment has been made in accordance with TAS 29 while preparing the financial statements as of 31 December 2024 and 31 December 2023.

With the “Circular on Inflation Accounting Application in the Insurance Sector” dated 6 December 2024 and numbered 2024/32, SEDDK decided that insurance, reinsurance and pension companies would not apply inflation accounting in 2025 and the SEDKK circular numbered 2024/10 was repealed.

c. Comparative Information and Adjustment of Prior Period Financial Statements

The Company's balance sheet as of 31 December 2024 and 31 December 2023, and the income statement, equity change statement and cash flow statement for the accounting period of 1 January - 31 December 2024 are presented in comparison with the income statement, equity change statement and cash flow statement for the period of 1 January – 31 December 2023.

d. Technical Provisions

Unearned Premiums Reserve

Reserve for unearned premiums consists of the portion of premiums accrued for insurance contracts in force that will be carried forward to the next accounting period or accounting periods on a gross daily basis without any commission or other deduction. For commodity transport insurance contracts without a specific end date, 50% of the amount remaining after the premiums accrued in the last three months is recognized as reserve for unearned premiums. Unearned premium reserve is calculated on a daily basis for all policies in force as of balance sheet date for unearned portions of premium written. During the calculation of unearned portion of premiums written on a daily basis, it is supposed that the policies start at 12:00 noon and finish at 12:00 noon again.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont’d)

d. Technical Provisions (cont’d)

Unearned Premiums Reserve (cont’d)

Unearned portion of the commissions paid to the intermediaries for written premiums and commissions received from reinsurers for the premiums ceded are recognized in short term Prepaid Expenses and Income Accruals and Deferred Income and Expense Accruals respectively in the balance sheet. They are also recognized in the operating expenses after netting off. In accordance with the Communiqué on Technical Reserves, for the calculation of reserve for unearned premium of foreign currency indexed insurance agreements, foreign currency selling exchange rates announced by Turkish Central Bank in the Official Gazette are used, unless there is a specified exchange rate in the agreement (Note 20).

Deferred Commission Expenses and Income

Within the framework of the Circular numbered 2007/25 and dated 28 December 2007 published by Treasury, the unearned portion of commissions paid to agencies for the written premiums and commissions received from reinsurers for the ceded premium, are recorded as in deferred expenses and deferred income”, respectively on the balance sheet, and as operating expenses on a net basis in the income statement.

Unexpired Risk Reserve (“URR”)

In accordance with the Regulation on Technical Reserves, insurance companies are required to recognise a reserve for unexpired risk reserve against the probability that the claims arising from insurance contracts in force will exceed the unearned premium reserves for the related contracts, taking into account the expected loss ratio. With the “Circular No. 2022/27 on the Provision for Unexpired Risks” (“Circular No. 2022/27”) published by the Insurance and Private Pensions Regulation and Supervision Agency, the gross loss premium rate to be used in the calculation of the provision for continuing risks to the insurance companies is determined. It is possible to calculate by dividing the amount of final claim found for each quarter (including indirect works) of the last year, based on the current year, by the earned Premium. In accordance with the Circular no 2022/27, the amounts of the direct works (including the works transferred to the Risky Insured Pool) related to the works in which 100% of the direct production is transferred to the pools established in Türkiye are not included in the gross loss premium calculation. Since the liabilities of the companies in relation to these productions arise only from indirect production (such as the works from the Risky Insured Pool and the works received from the pool under the reinsurance agreement, such as the Yeşilkart insurance pool), only indirect productions can be used to determine the actual liability of the company for these works and similar works. The calculation is made separately from the other production of the branch, taking into account the damages and other income and expense items in this division. If the company considers that the weight of the specific production in the branch or the general portfolio of the company is insignificant, a separate calculation may not be made for this production.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Unexpired Risk Reserve ("URR") (cont'd)

If a separate calculation is made for the business in which 100% of the direct production is transferred to the pools established in Turkey, if the gross loss premium rate is above 100%, and for other works, the gross loss premium rate is above 85%, the net URR amount is determined by multiplying the excess amount by the gross unearned premium reserve (URR) and multiplying the gross URR by the net URR.

The loss premium rate (after discount) and net reserve amounts calculated by branch are presented below:

	31 December 2024		31 December 2023	
	Damage/ Premium (%)	Net URR(TL)	Damage/ Premium (%)	Net URR(TL)
Motor Liability	131%	943,727,319	114%	520,805,988
Air Crafts	-	-	151%	213
		943,727,319		520,806,201

Bonuses and rebates reserve

The bonus and rebate reserve is the reserve that must be set aside in case a bonus or discount commitment is made to the insured in the subsequent periods, regardless of renewal, regarding the policies that are active in the current period. In case the company implements a bonus and rebates application, the bonus and rebates reserve that must be set aside in accordance with Article 16 of the Insurance Law consists of the bonus and rebates amounts set aside for the insured or beneficiaries according to the technical results of the current year.

As of 31 December 2024, the Company has recorded a Bonus and Rebates Provision of TL 299,946 gross and TL 15,643 net (as of 31 December 2023, TL 259,040 gross and TL 13,293 net) (Note 20).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.2 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Outstanding Claims Reserve

The Company accounts for accrued and calculated outstanding claim provision for ultimate cost of the claims incurred, but not paid in the current or prior periods or for the estimated ultimate cost if the cost is not calculated yet, and for the incurred but not reported claims. Claim provisions are accounted for based on reports of experts or initial assessments of policyholders and experts, and in the related calculations claim recoveries, salvage and similar gains are not deducted.

In accordance with the Communiqué on Technical Reserves and the 'Circular on Explanations Regarding Litigated Files, ACML and Accounting for Uncollectible Subrogation and Salvage Income' dated 14 January 2011 and numbered 2011/1, provisions for outstanding claims for receivable lawsuits with uncertain amounts and/or defined as pilot lawsuits are calculated on the basis of average values calculated within the framework of the methods and procedures determined by the Ministry of Treasury and Finance as of 1 July 2012. In addition, provision updates are made according to the amounts determined in accordance with the expert reports and judgements from the courts.

Claims incurred before the accounting periods but notified after these dates are considered as incurred but not reported claims.

In accordance with the "Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" published in the Official Gazette dated 28 July 2010 and numbered 27655 and the 'Circular on Provision for Outstanding Claims' dated 5 December 2014 and numbered 2014/16, by using actuarial chain ladder methods ('ACLM'), the Company's Incurred but not Reported Claims Reserve ('IBNR') has been calculated.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Outstanding Claims Reserve (cont'd)

In accordance with the circular of the Ministry of Treasury and Finance dated 5 December 2014 and numbered 2014/16, the selection of the data to be used on the basis of branches in the calculations made as of 1 January 2015, correction procedures, selection of the most appropriate method and development factors and intervention in development factors are made by the company actuary using actuarial methods. In the calculation of incurred but not reported claims, Standard Chain, Damage / Premium, Cape Cod, Frequency Intensity, Munich Chain or Bornhuetter-Ferguson actuarial chain ladder methods ("ACLM") will be used and companies have the right to choose one of these methods for each branch.

Branch	Method Used	31 December 2024		Method Used	31 December 2023	
		Gross Additional Provision	Net Additional Provision		Gross Additional Provision	Net Additional Provision
Motor Liability	Standard/Frequency	11,469,967,934	6,445,012,621	Standard/Frequency	6,361,432,752	4,490,219,150
General Liability	Standard/Frequency	1,525,304,103	244,115,939	Standard/Frequency	988,104,451	143,157,164
Fire and Natural Disasters	Standard Chain	489,063,567	94,691,808	Standard Chain	59,165,311	10,453,124
General Losses	Standard Chain	160,590,461	9,200,753	Standard Chain	30,604,835	116,907
Financial Losses	Standard Chain	44,232,584	2,942,180	Standard Chain	27,099,006	762,027
Watercraft	Standard Chain	19,868,851	3,080,476	Standard Chain	8,484,788	2,014,090
Indemnity	Standard Chain	749,491	282,948	Standard Chain	2,528,658	814,284
Accident	Standard Chain	8,920,574	3,553,309	Standard Chain	2,926,245	1,329,997
Air Craft Liability	Standard Chain	92,427	-	Standard Chain	124,479	1
Legal Protection	Standard Chain	(45,887)	(45,887)	Standard Chain	281,494	281,494
Credit	Standard Chain	17,337	712	Standard Chain	29,540	1,476
Air Crafts	Standard Chain	2,045,965	2	Standard Chain	10,951,853	2
Logistics	Standard Chain	9,176,855	635,227	Standard Chain	4,823,886	(74,868)
Health	Standard Chain	(4,150,511)	223,070	Standard Chain	3,175,669	(8,447)
Motor own damage	Standard Chain	198,948,379	185,819,783	Standard Chain	(3,152,418)	(138,045)
Total		13,924,782,130	6,989,512,941		7,496,580,549	4,648,928,356

With the regulation numbered 18145 published by the Ministry of Treasury and Finance on 5 July 2017, 'Risky Insurance Pool' was established to be effective as of 12 April 2017. Accordingly, the premiums and claims that the Company will transfer to the pool in Compulsory Traffic branch are excluded from the data used in the calculation of IBNR. For the claims that the Company will take over from the aforementioned pool, a provision amounting to TL 1,593,301,361 has been reflected in the financial statements with a loss premium ratio of 194% calculated by Bayes weighting of the loss premium rates published by the Turkish Bureau of Motor Vehicles and the rates in the pool portfolio written by the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Outstanding Claims Reserve (cont'd)

In accordance with the 'Discounting of Net Cash Flows Arising from Outstanding Claims Provision' dated 10 June 2016 and numbered 2016/22 and 'Circular on Amendment to Circular No. 2016/22 on Discounting of Net Cash Flows Arising from Provision for Outstanding Claims' dated 15 September 2017 and numbered 2017/7 issued by the Insurance and Private Pension Regulatory and Supervisory Authority, the Company has calculated a net outstanding claims reserve discount of TL 4,905,099,416 (31 December 2023: TL 3,736,342,608) for all branches as of 31 December 2024. In accordance with the Circular No. 2024/3, the discount calculation as of 31 December 2024 is based on an annual rate of 35%.

Discount calculation is based on the development of paid claims. In the aforementioned calculation, the distribution of payments for material and bodily damages for the Motor Liability branch over the years has been evaluated separately. As of 31 December 2024, the Company's net outstanding claims reserves by branch before and after discount are as follows:

Branch	31 December 2024		Discounted Net Provision for Outstanding Claims
	Net Outstanding Claims Reserve Before Discount	Discount Amount	
Motor Liability	8,226,884,604	4,172,780,416	4,054,104,188
Motor	845,240,352	68,808,046	776,432,306
General Liability	689,236,029	518,995,783	170,240,246
Fire and Natural Disasters	265,983,400	101,521,128	164,462,272
General Losses	87,470,363	22,078,891	65,391,472
Logistics	49,839,104	-	49,839,104
Financial Losses	14,328,720	3,070,779	11,257,941
Watercraft	33,473,486	10,528,677	22,944,809
Indemnity	12,842,085	2,383,596	10,458,489
Health	9,491,023	525,948	8,965,075
Accident	10,324,884	4,216,263	6,108,621
Legal Protection	247,239	174,047	73,192
Credit	713	-	713
Air Crafts Liability	36,668	15,842	20,826
Air Crafts	2	-	2
Total	10,245,398,672	4,905,099,416	5,340,299,256

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Outstanding Claims Reserve (cont'd)

31 December 2023

Branch	Net Outstanding Claims Reserve Before Discount	Discount Amount	Discounted Net Provision for Outstanding Claims
Motor Liability	5,845,001,203	3,184,429,320	2,660,571,883
Motor	665,340,894	62,259,373	603,081,521
General Liability	450,282,710	331,008,806	119,273,904
Fire and Natural Disasters	205,448,701	111,550,136	93,898,565
General Losses	62,335,153	13,840,805	48,494,348
Logistics	47,651,282	3,241,114	44,410,168
Financial Losses	26,564,783	20,391,806	6,172,977
Watercraft	21,260,338	3,569,225	17,691,113
Indemnity	14,602,126	1,263,431	13,338,695
Health	8,127,051	502,752	7,624,299
Accident	8,692,028	3,969,537	4,722,491
Legal Protection	590,517	310,184	280,333
Credit	1,810	918	892
Air Crafts Liability	30,439	5,200	25,239
Air Crafts	2	1	1
Total	7,355,929,037	3,736,342,608	3,619,586,429

While the Company's actuary was determining the threshold values for extreme losses, which are considered as major losses, with the Box-Plot method permitted by the Ministry of Treasury and Finance only in the Compulsory Traffic branch before the 2014/16 Circular, in order to make calculations with a more homogeneous data set while determining the IBNR amount, since 2015, it has determined the threshold values for extreme losses, which are considered as major losses, with plot analysis instead of this method. The files exceeding the threshold value determined by this method were characterized as major losses. Since the loss development of these files is separate from the other files, IBNR amounts are determined separately for these files and added to the provisions. As at 31 December 2024 and 31 December 2023, the threshold values determined, the total number of files subject to the calculations, the number of files determined as major claims and their shares in total files are as follows;

31 December 2024					31 December 2023				
Threshold Value	Number of Major Damage Files	Total Number of Files	Percentage of Major Damage		Threshold Value	Number of Major Damage Files	Total Number of Files	Percentage of Major Damage	
General Liability	2,000,000	318	60.506	0.5%	1,500,000	284	56,497	0.5%	
General Losses	2,500,000	243	175,486	0.1%	999,999	370	227,403	0.2%	
Logistics	1,000,000	270	40,166	0.7%	499,999	389	70,411	0.6%	
Fire and Natural Disasters	3,000,000	310	326,776	0.1%	999,999	1043	359,911	0.3%	
Accident	500,000	35	6,974	0.5%	400,000	48	9,235	0.5%	
Voluntary Financial Liability	2,000,000	62	11,340	0.5%	500,000	103	14,579	0.7%	
Financial Losses	500,000	95	42,402	0.2%	100,000	134	41,105	0.3%	

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.2 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Outstanding Claims Reserve (cont'd)

In the branches where major claims are identified, the gross and net additional provisions made for these files and added to the Outstanding Claims Reserves are shown in the table below.

Branches	Gross Additional Amount	Net Additional Amount
Voluntary Financial Liability	75.153.944	75.153.944
General Liability	265.469.641	8.657.183
Financial Losses	44.715.876	3.327.583
Fire and Natural Disasters	358.955.872	27.903.650
Accident	3.971.745	587.036
Logistics	236.117	25.460
General Losses	135.921.373	4.943.945

In accordance with the Circular, IBNR has been calculated by the Company's actuary on a gross basis on the basis of Accident Periods by using the above mentioned methods. For these gross IBNR amounts, reinsurer shares are calculated by taking into account the types of reinsurance agreements and reinsurance rates applicable in the relevant branches in the relevant accident periods.

In accordance with the 'Circular on Explanations Regarding the Calculation of Incurred but Not Reported Claims Reserve (IBNR)' dated 26 November 2011 and numbered 2011/23 of the Republic of Türkiye Ministry of Treasury and Finance, companies can calculate a winning rate based on the amounts of the lawsuits filed against the company in terms of sub-branches according to the last five years of realizations by taking into account the date of the lawsuit conclusion and can make a deduction from the outstanding files accrued for the files in the litigation process, provided that the rate does not exceed 25%. Within the scope of the related regulation, net TL 608,196,215 (31 December 2023: TL 427,569,989) has been deducted from the provision for outstanding claims by taking into account the winning rates calculated by using the Company's last five-year litigation file data set.

Branch	31 December 2024 Win Rate Used	31 December 2023 Win Rate Used
Indemnity	12.82%	10.00%
Financial Losses	25.00%	25.00%
General Liability	25.00%	25.00%
General Losses	25.00%	25.00%
Air Crafts	25.00%	25.00%
Air Crafts Liability	7.27%	25.00%
Legal Protection	25.00%	25.00%
Voluntary Financial Liability	24.38%	24.00%
Motor	25.00%	25.00%
Motor Liability	25.00%	25.00%
Accident	20.94%	25.00%
Credit	-	5.00%
Logistics	25.00%	25.00%
Watercraft	25.00%	25.00%
Fire and Natural Disasters	25.00%	25.00%

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

d. Technical Provisions (cont'd)

Equalization Reserve

In accordance with the Regulation on Technical Reserves insurance companies are required to record an equalization reserve for the insurance contracts including earthquake and credit coverage, in order to cover the catastrophic risks and in order to equalize the fluctuations within the claim ratios that may occur during the following accounting periods. Such reserve is calculated over 12% of net earthquake and credit premiums corresponding to each year. In the calculation of the net premium, the amounts paid for the non- proportional reinsurance agreements are regarded as ceded premiums.

It is possible to deduct from the equalization provision the compensation payments made due to earthquake and the provision for outstanding claims based on evidence such as expert report or documents to be obtained from official institutions in case of disaster, provided that it is not from the equalization provision set aside in the current year.

As of 31 December 2024, the Company has recognized equalization provision amounting to TL 178,444,224 (31 December 2023: TL 85,298,741) in the 'other technical provisions' account under non-current liabilities in the financial statements (Note 20).

Life Profit Share and Mathematical Reserves

Life branch mathematical reserves consist of actuarial mathematical and profit share reserves and represent the Company's liabilities to policyholders in the life insurance branch.

Mathematical Reserves are calculated by using the methods and assumptions specified in the Tariffs approved by the Ministry of Treasury and Finance and the Profit Share Technical Principles to be applied to them (Note 20).

e. Subrogation and Salvage Income

As of 31 December 2024, in the financial statements prepared in accordance with the 'Circular on Subrogation and Salvage Income' dated 10 February 2015 and numbered 2015/6 published by the Ministry of Treasury and Finance, the Company accrues subrogation receivables up to the coverage limit of the debtor insurance company, provided that a release or a document stating that the payment has been made and a notification has been made to the counter insurance company or third parties. In the event that the said amount cannot be collected from the counter insurance company within six months following the indemnity payment or from third parties within four months following the indemnity payment, a provision for receivables is set aside for these receivables and recognized under the Provision for Receivables from Insurance Operations account in the balance sheet.

In this context, the amount of subrogation and salvage receivables accrued as of 31 December 2024 is TL 190,530,603 (31 December 2023: TL 170,652,465) and the provision for these receivables is TL 13,610,370 (31 December 2023: TL 27,651,242) (Note 12.1).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

e. Subrogation and Salvage Income (cont'd)

Net subrogation and salvage income collected during the period and net subrogation and salvage receivables accrued as of the end of the period by branches in relation to the claims paid by the Company are as follows:

	31 December 2024					
	Collection			Accrual		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Motor	1,345,660,337	(302,360,496)	1,043,299,841	200,591,213	(51,608,310)	148,982,903
Motor Liability	137,767,180	(35,382,064)	102,385,116	37,918,541	(16,691,538)	21,227,003
Logistics	25,351,916	(18,334,421)	7,017,495	6,625,493	(5,258,427)	1,367,066
Fire and Natural Disasters	38,926,706	(22,484,456)	16,442,250	99,338,762	(80,716,067)	18,622,695
General Losses	1,383,716	(1,060,279)	323,437	1,105,453	(848,475)	256,978
Watercraft	5,204,164	(2,996,618)	2,207,546	246,525	(172,567)	73,958
General Liability	421,014	(264,936)	156,078	-	-	-
Indemnity	693,775	(433,020)	260,755	-	-	-
Legal Protection	100,169	-	100,169	-	-	-
Accident	908	(817)	91	-	-	-
Total	1,555,509,885	(383,317,107)	1,172,192,778	345,825,987	(155,295,384)	190,530,603

	31 December 2023					
	Collection			Accrual		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Motor	826,317,597	(61,598,728)	764,718,869	162,561,147	(28,311,958)	134,249,189
Motor Liability	102,199,677	(8,989,839)	93,209,838	31,201,259	(7,098,490)	24,102,769
Logistics	16,867,415	(11,397,645)	5,469,770	3,859,757	(2,101,196)	1,758,561
Fire and Natural Disasters	15,671,432	(6,850,289)	8,821,143	27,363,220	(17,964,279)	9,398,941
General Losses	1,578,495	(1,931,674)	(353,179)	4,998,972	(4,624,971)	374,001
Watercraft	183,716	(117,499)	66,217	196,970	(169,467)	27,503
General Liability	205,807	(355,153)	(149,346)	126,163	(81,386)	44,777
Indemnity	147,354	(74,076)	73,278	1,393,447	(696,723)	696,724
Legal Protection	6,900	-	6,900	-	-	-
Accident	20,903	-	20,903	-	-	-
Total	963,199,296	(91,314,903)	871,884,393	231,700,935	(61,048,470)	170,652,465

f. Premium Income and Claims

Premium income consists of policy income issued during the year. Reserve for unearned premiums is calculated on a day basis over the policies in force at the balance sheet date.

Claims are recognized as an expense as they are paid. Provision for outstanding claims is recognized for claims reported but not yet paid and claims incurred but not reported at the end of the period. Reinsurers' share of outstanding and paid claims are netted off within these provisions.

g. Receivables from Insurance Activities

As of 31 December 2024, in the financial statements prepared in accordance with the 'Circular on Subrogation and Salvage Income' dated 10 February 2015 and numbered 2015/6 published by the Ministry of Treasury and Finance, the Company accrues subrogation receivables up to the coverage limit of the debtor insurance company, provided that a release or a document indicating that the payment has been made from the insured and a notification has been made to the counter insurance company or third parties. In the event that the said amount cannot be collected from the counter insurance company within six months following the indemnity payment or from third parties within four months following the indemnity payment, a provision for receivables is set aside for these receivables and recognized under the Provision for Receivables from Insurance Operations account in the balance sheet.

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(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont’d)

g. Receivables from Insurance Activities (cont’d)

The Company provides provision for doubtful receivables in administrative and legal follow-up considering the value and nature of the receivable. As at 31 December 2024, provision amounting to TL 25,196,338 (31 December 2023: TL 60,376,259) is provided for receivables under administrative and legal follow-up under ‘Provision for Doubtful Receivables from Main Operations’ and provision amounting to TL 26,629,512 (31 December 2023: TL 44,623,073) is provided for overdue receivables not under legal follow-up under ‘Provision for Receivables from Insurance Operations’. In addition, provision amounting to TL 762,774,405 (31 December 2023: TL 518,334,778) has been provided for the portion remaining in the retention for subrogation transactions through litigation and execution followed under the ‘Provision for Doubtful Receivables from Main Operations’ account (Note 12).

h. Earnings/(Loss) per Share

Earnings per share disclosed in these statements of profit or loss are determined by dividing net profit by the weighted average number of shares that have been outstanding during the year concerned.

Companies in Türkiye can increase their capital by distributing “bonus shares” from accumulated profits and reassessment funds to current shareholders based on the number of shareholders’ shares. When calculating earnings per share, the issuance of bonus shares is considered to be the same as shares issued. Therefore, the weighted average number of shares, which is used when calculating the earning per share, is gained by retrospectively counting the issuance of bonus shares.

i. Events After the Reporting Period

Events after the reporting period include all events that take place between the balance sheet date and the date of authorization for the release of the balance sheet, although the events occurred after the announcements related to the profit or even after the public disclosure of other selective financial information.

In the case that events occur requiring an adjustment, the Company adjusts the amounts recognized in its financial statements to reflect the adjustments after the balance sheet date (Note 46).

i. Provisions (Except Technical), Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provision amounts are estimated over expenditures expected to be required to settle the obligation at the balance sheet date by considering the risks and uncertainties related to the obligation. When the provision is measured by using the estimated cash outflows that are required to settle the obligation, the carrying value of the provision is equal to the present value of the related cash outflows.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as an asset if and only if it is virtually certain that reimbursement will be received and the reimbursement can be reliably estimated.

Liabilities that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are classified as contingent liabilities and not included in the financial statements. (Note 23.2).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont’d)

j. Changes in Accounting Estimates and Errors

Significant changes in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements are restated. If the changes in accounting estimates are related with one period only, they are applied in the current period when the change is applied; if they are related with future periods, they are applied prospectively both in the period of change and in the future periods.

k. Corporate Taxes

Income tax expense comprises corporate tax expense and deferred tax income or expense.

Corporate tax

In Türkiye, corporate tax rate for 2024 is 30% for financial institutions and 25% for other corporations. Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and other incentives (prior year’s losses if any and investment incentives used if preferred) utilized.

Dividends paid to non-resident corporations, which have a place of business in Türkiye, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution thus does not incur withholding tax and no stoppage is applied.

Corporations calculate advance tax on their quarterly financial profits at the tax rate of the relevant period and declare and pay advance tax until the last day of the second month following that period and declare and pay it until the evening of the last day. Advance tax paid by corporations is credited against the annual corporation tax liability.

The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However financial losses cannot be offset from prior year’s profits. The Company has no deductible financial losses as of the balance sheet date. In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to tax office which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

k. Corporate Taxes (cont'd)

Corporate tax (cont'd)

The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on 20 January 2022. It has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2021 and 2022 accounting periods, including the temporary accounting periods and in the provisional tax periods of the 2023 accounting period regardless of whether the conditions for the inflation adjustment within the scope of the repeated Article 298 are met.

With the Law numbered 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be taken into account in determining the corporate tax base.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of financial statements and specific accounting policies used (cont'd)

k. Corporate Taxes (cont'd)

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

As at 31 December 2024, the Company reflected net deferred tax assets amounting to TL 574,240,766 (31 December 2023: TL 356,155,032) in its financial statements.

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are Turkish residents and Turkish branches of foreign companies. Income tax withholding tax will be applied at the rate of 10% until it is changed by a new Council of Ministers Decree. Dividends that are not distributed but added to capital are not subject to income tax withholding.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.2 Other accounting policies that are appropriate for the understanding of the financial statements

Accounting policies are disclosed in Note 2.1.1, 'Basis of preparation of financial statements and information on specific accounting policies used'.

2.1.3 Currency used

The financial statements are expressed in TL, which is the functional currency and the presentation currency for the financial statements.

2.1.4 The degree of rounding of amounts presented in the financial statements

TL amounts presented in the financial statements are rounded to the nearest whole TL value.

2.1.5 New and Amended Turkish Financial Reporting Standards

When preparing financial statements in conformity with Turkish Financial Reporting Standards (TFRS), amendments and interpretations to standards should be disclosed in the notes to the financial statements as follows:

a. Amendments that are mandatorily effective from 2024:

The Company has evaluated the effects of the standards and amendments mentioned below on the financial statements and concluded that the amendments made have no significant impact on the financial statements for the period between 1 January – 31 December 2024, except for the effects of TFRS 17. The Company has established the necessary accounting policies within the scope of TFRS 17. Analyses and assessments of the effects of TFRS 17 are ongoing.

- **Amendments to TAS 1 Classification of Liabilities as Current or Non-Current;**

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

- **Amendments to TFRS 16 Lease Liability in a Sale and Leaseback;**

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.5 New and Amended Turkish Financial Reporting Standards (cont'd)

- **Amendments to TAS 1 Non-current Liabilities with Covenants;**

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

- **Amendments to TAS 7 and TFRS 7 Supplier Finance Arrangements;**

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

- **TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information;**

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The Company will fulfill its relevant obligations within the reporting period.

- **TSRS 2 Climate-related Disclosures;**

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The Company will fulfill its relevant obligations within the reporting period.

b. New and revised TFRSs in issue but not yet effective:

The Company has not yet adopted the following standards and amendments and interpretations to the existing standards:

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.5 New and Amended Turkish Financial Reporting Standards (cont'd)

- **TFRS 17 Insurance Contracts;**

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2026.

- **Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information;**

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

- **Amendments to TAS 21 Lack of Exchangeability**

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Company evaluates the effects of these standards, amendments and improvements on the financial statements.

2.2 Consolidation

In accordance with the "Communique on the Preparing Consolidated Financial Statements of Insurance, Reinsurance and Pension Companies" ("Consolidation Communique") published by the Republic of Türkiye Ministry of Treasury and Finance in the Official Gazette dated 31 December 2008 and numbered 27097, insurance, reinsurance and pension companies are required to publish consolidated financial statements as of 31 March 2009. In this context, consolidated financial statements are prepared and published separately from the unconsolidated financial statements in accordance with the relevant regulations of the Ministry of Treasury and Finance.

The Company does not have any subsidiaries, associates or joint ventures included in the scope of consolidation as of 31 December 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Consolidation (cont'd)

Medisa Sigorta A.Ş. (Formerly known as "Sabancı Ageas Sağlık Sigorta A.Ş."), which is a 100% subsidiary of the Company as of 31 December 2023, decided to increase its capital by TL 629,000,000 with a nominal value of TL 400,000,000 at TL 1.5725 per share at the Board of Directors meeting held on 4 March 2024. In accordance with the decision of our Board of Directors dated 4 March 2024, it has been decided not to participate in the capital increase to be made by Medisa Sigorta A.Ş. (Formerly known as "Sabancı Ageas Sağlık Sigorta A.Ş.") by issuing premium shares, and that our partnership share as a result of the capital increase will be TL 100,000,000, corresponding to 100,000,000 shares. After the transaction, our Company's partnership rate in Medisa Sigorta A.Ş. (Formerly known as "Sabancı Ageas Sağlık Sigorta A.Ş.") became 20%. The total transaction profit of TL 105,031,678 arising from the premium issue aforementioned is included as the effect of mergers involving jointly controlled enterprises or businesses under subsidiaries and joint ventures.

However, in accordance with the decision of our Board of Directors dated 22 November 2024, it has been decided to sell 100,000,000 shares representing 20% of the capital of our Company, Medisa Sigorta A.Ş. (Formerly known as "Sabancı Ageas Sağlık Sigorta A.Ş.") to AgeSA Hayat ve Emeklilik A.Ş. for TL 157,250,000 and to completely withdraw from the partnership. The total transaction profit of TL 27,854,476 arising after this sale is included in the income from associates account. The remaining amount in the income from associates account consists of affiliate income consolidated by the equity share method.

2.3 Segment Reporting

The Company's segment reporting is organised in a way to ensure uniformity with the reporting to the chief operating decision maker. The chief operating decision maker is responsible for making decisions about resources to be allocated to operating segments and for assessing the performance of operating segments. Operating segment reporting details are disclosed in Note 5.

2.4 Discontinued Operations

As of 31 December 2024 and 31 December 2023, the Company has no discontinued or disposed operations.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.5 Foreign Currency Translation

The functional currency of the Company is Turkish Lira. In preparing the financial statements of the Company, transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira at the exchange rates prevailing at the balance sheet date.

Non-monetary items at fair value through profit or loss that are denominated in foreign currencies are translated into TL at the exchange rates prevailing on the date when the fair value was determined. Non-monetary items in foreign currencies measured at historical cost are not subject to retranslation.

Changes in the fair value of monetary assets denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortized cost of the asset and other changes in the fair value of the asset. Translation differences related to changes in amortized cost are recognized in income statement, and other changes in fair value are recognized in equity.

Foreign exchange differences arising from the translation of non-monetary financial assets and liabilities are considered as part of the fair value changes and those differences are accounted for in the accounts in which the fair value changes are accounted for.

2.6 Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their estimated useful lives, using the straight-line method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.6 Property, Plant and Equipment (cont’d)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over the shorter of their expected useful lives and the lease term, in the same manner as owned property, plant and equipment.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Depreciation periods of property, plant and equipment are as follows:

	Useful life
Properties held for use	50 years
Furniture, fixtures, fittings and property, plant and equipment acquired under lease	10 years
Motor vehicles	5 years
Other property, plant and equipment	5 years

Right-of-use asset

The right-of-use is measured initially at cost value and subsequently measured at cost less accumulated depreciation and accumulated impairment losses and adjusted for the re-measurement of the lease obligation. The Company applies the depreciation provisions of TAS 16 Property, Plant and Equipment when depreciating the right-of-use asset.

Lease liability

At the effective date of the lease, the Company measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Group’s average borrowing interest rates. The Company uses the Company’s alternative borrowing interest rate if this rate cannot be easily determined. As of 31 December 2024, the weighted average of the alternative borrowing rates used by the Company for Turkish Lira leases is 28.58% per annum (31 December 2023: 26% per annum).

2.7 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are carried at cost less accumulated depreciation and any accumulated impairment losses.

The Company has no investment property as at 31 December 2024 (31 December 2023: None).

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Intangible Assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (1-10 years).

Costs associated with developing or maintaining computer software programmes are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as non-current assets are depreciated over their useful lives (5 years) from the date of their initial use.

2.9 Financial Assets

Financial investments are recognised at fair market value less costs directly attributable to the acquisition, except for financial assets at fair value through profit or loss, which are recognised at fair value.

Investments are recognised or derecognised on the trade date, which is the date on which a contractual obligation to deliver the investment instruments in accordance with the terms specified by the relevant market is entered into.

Financial assets are classified as "Financial assets at fair value through profit or loss", "Held-to-maturity financial assets", "Available-for-sale financial assets" and "Loans and receivables".

Effective interest method

Effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Financial assets held for trading

Financial assets measured at fair value through profit or loss are classified as financial assets held for trading in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Financial Assets (cont'd)

Financial assets held for trading (cont'd)

Financial assets measured at fair value through profit or loss are financial assets acquired for generating a profit from short-term fluctuations in price or other similar factors in the market or financial assets that are part of a portfolio in which a pattern of short-term profit making exists, regardless of the reason for the acquisition, and financial assets whose performance is assessed by the Company based on their fair value and classified in this category at the time of acquisition.

Financial assets at fair value through profit or loss are initially recognised at fair value and subsequently remeasured at fair value. Gains and losses arising from the valuation are recognised in the income statement (Note 11).

Available-for-sale financial assets

Available-for-sale financial assets are initially recognised at fair value, provided that they can be reliably measured. Securities whose fair value cannot be reliably measured and which do not have an active market are carried at cost. Gains or losses on available-for-sale financial assets are recognised in the income statement of the related period. Changes in the fair value of such assets are recognised in equity. When the related asset is disposed of or impaired, the amount in the equity accounts is transferred to the income statement as profit or loss. Impairment losses recognised in the income statement arising from investments in equity instruments classified as available-for-sale financial assets cannot be reversed through the income statement in subsequent periods.

With the exception of equity instruments classified as available-for-sale, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss can be reversed through the income statement.

Held-to-maturity financial assets

Held-to-maturity financial assets are financial assets, other than loans and receivables, that are held to maturity with the intent to hold to maturity and for which the conditions necessary to hold to maturity, including the ability to fund, are met, that have fixed or determinable payments and fixed maturities, that are not classified as financial assets at fair value through profit or loss at initial recognition and that are not classified as available-for-sale financial assets. Such assets are initially recognised at acquisition cost and this value is considered as fair value. The fair value of acquired held-to-maturity assets is determined based on the transaction price or market prices of similar financial instruments. Held-to-maturity financial assets are measured at amortised cost. Contribution income related to held-to-maturity financial assets is recognised in the income statement.

The Company does not recognise impairment losses on debt securities classified as held-to-maturity financial assets based on short-term market fluctuations, provided that there is no collection risk. If collection risk arises, the amount of the impairment loss is the difference between the carrying amount of the financial asset and the present value of the cash flows expected to be collected from the financial asset, discounted at the original effective yield rate.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Impairment of Assets

Financial Assets at Risk of Life Policyholders

These assets are classified as available-for-sale financial assets. Assets classified as available-for-sale financial assets are valued at fair value; the valuation difference arising from the discounted value is recognised in the income statement, 5% of the difference between the fair value and the discounted value is recognised under shareholders' equity and 95% of the difference belonging to the insured is recognised under Insurance Technical Provisions - Life Mathematical Provision account. Assets with no fair value are carried at amortised cost using the effective interest rate.

Loans and receivables

Non-derivative financial assets that have fixed or determinable payments which are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are initially recognized at acquisition value and subsequently measured at cost less provision for impairment, if any.

Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate, that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than goodwill that are impaired, are reviewed for possible reversal of the impairment at each reporting date.

Impairment of financial assets

The Company assesses its financial assets, other than those at FVTPL, at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets classified as held-to-maturity, available-for-sale or loans and receivables is impaired.

A financial asset or portfolio of financial assets is impaired, and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset.

For loans and receivables, the amount of impairment is the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate of the financial asset.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets except for trade receivables where the carrying amount is reduced using an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Impairment of Assets (cont'd)

Impairment of financial assets (cont'd)

Except for AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

For AFS equity securities, any increase in fair value after an impairment loss is recognized directly in equity.

2.11 Derivative Financial Instruments

The Company uses foreign currency swap and option contracts and uses period-end market exchange rates and interest rates to calculate the market value of these contracts. The Company has no derivative financial instruments as at 31 December 2024 (31 December 2023: None).

As of 31 December 2024, the Company has no income accrual arising from the valuation of derivative instruments held (31 December 2023: None.)

2.12 Offsetting of Financial Assets

Financial assets and liabilities are offset only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or when the realization of the asset and the settlement of the liability take place simultaneously.

2.13 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits held at banks, other short-term highly liquid investments with original maturities of three months or less. (Note 14).

2.14 Share Capital

As of 31 December 2024, the nominal share capital of the Company is TL 1,612,000,000 (31 December 2023: TL 1,612,000,000) and consists of 161,200,000,000 shares with a par value of Kr 1 (one) each. The distribution of share capital according to shareholders is as follows:

	31 December 2024		31 December 2023	
	Share Ratio %	Share Amount TL	Share Ratio %	Share Amount TL
Hacı Ömer Sabancı Holding A.Ş.	36.00	580,320,000	36.00	580,320,000
Ageas Insurance International NV	36.00	580,320,000	36.00	580,320,000
Other Real and Legal Persons	28.00	451,360,000	28.00	451,360,000
	100.00	1,612,000,000		1,612,000,000

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.15 Insurance and Investment Contracts – Classification

Insurance Contracts

An insurance contract is a contract in which one party (the insurer) accepts a significant insurance risk from another party (the insured) by agreeing to pay compensation to the insured in the event that an uncertain future event (the insured event) adversely affects the insured. The Company enters into reinsurance contracts, which are insurance contracts organized by an insurer (ceding entity) to reimburse another insurer (reinsurer) for losses that may arise from one or more contracts.

The classification of insurance contracts includes insurance contracts entered into and reinsurance contracts held by the Company.

The Company's contracts are recognised on the date of transfer of the insurance risk and classified as insurance contracts until the maturity and/or redemption of all rights and obligations arising from the contract.

Investment Contracts

The Company is able to separately measure the accumulation component of a portion of its life insurance products; however, the insurance and accumulation components are not separated as accounting policies require the recognition of all rights and obligations arising from the accumulation component, regardless of the basis used to measure those rights and obligations.

Reinsurance Agreements

Reinsurance agreements are the agreements that agreed by the Company and reinsurance company for the loss which may occur in one or more insurance agreements signed by the Company, and those meet all conditions to be classified as insurance contract and those whose costs are paid.

The Company has excess of loss, exceedane and proportional quota share agreements depending on the branches in which the Company operates. Premiums paid under excess of loss reinsurance contracts are recognised on an accrual basis over the relevant period. Premiums and claims ceded under other contracts are recognised on the same basis as the income and liabilities arising from the insurance contracts to which they relate.

The Company has an ex-insurance agreement in fire, marine, engineering and other accident branches. The Company has proportional annual quota share treaties with a certain cession ratio in professional liability, electronic equipment, machinery breakdown, compulsory bus seat, cyber risks, credit, political violence, health, traffic, motor insurance and personal accident branches. These reinsurance treaties are run-off treaties where the reinsurer's liability continues after the termination of the treaty. There are also excess of loss treaties in fire, marine, engineering and motor branches. These excess of loss treaties cover the losses incurred during the period the treaty is in force and the reinsurer's liability for the losses incurred after the termination of the reinsurance treaty ends. The Company has no proportional reinsurance contracts in motor and motor liability. Protection is also provided for natural disasters such as floods and earthquakes with the catastrophic excess of loss reinsurance agreement in motor insurance branch. In the motor branch, we have an excess of loss treaty covering Voluntary Financial Liability risks. In addition, the Company has facultative reinsurance agreements for certain risks on an insurance contract basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.15 Insurance and Investment Contracts – Classification (cont’d)

Premiums transferred to the Social Security Institution

With Article 98 of the Highway Traffic Law No. 2918 amended by Article 59 of the Law No. 6111 on the "Restructuring of Certain Claims and Amending the Social Insurance and General Health Insurance Law and Some Other Laws and Decrees" ("Law") published in the Official Gazette on 25 February 2011, the collection and liquidation of the health care costs incurred due to traffic accidents are subject to new procedures and principles. In this context, the health service costs offered by all public and private health institutions and organizations due to traffic accidents will be covered by the Social Security Institution ("SSI"), regardless of whether the casualty has social security or not. Again, according to the Provisional Article 1 of the Law, it is stipulated that the costs of health services offered due to traffic accidents that occurred before the date of publication of the Law shall be covered by the SSI.

Liability of insurance companies in relation to the service fees to be incurred has been determined according to the principles explained within the framework of the aforementioned articles of the Law, "Regulation on Procedures and Principles Regarding the Collection of Health Service Fees Provided to Related Persons Due to Traffic Accidents" ("Regulation"), dated 27 August 2011, published by the Ministry of Treasury and Finance, "Circular on Procedures and Principles Regarding the Procedures and Principles Regarding the Collection of Health Service Fees Provided to Relevant Persons Due to Traffic Accidents" dated 15 September 2011 and numbered 2011/17 ("Circular No. 2011/17"), Circular dated 17 October 2011 and numbered 2011/18 on "Recognition of Payments Made to the Social Security Institution (SSI) for Treatment Costs and Opening a New Account Code in the Insurance Accounting Plan ("Circular No. 2011/18"), "Circular on the Amendment of the Circular on the Procedures and Principles Regarding the Application of the Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Related Persons Due to Traffic Accidents, dated 16 March 2012 and numbered 2012/3" (Circular No. 2012/3) and the "Sector Announcement Regarding the Amendment to the Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to Persons Related to the Relevant Persons Due to Traffic Accidents" dated 30 April 2012 and numbered 2012/6 ("Sector Announcement No. 2012/6"). In this context, regarding the treatment costs arising from traffic accidents that occurred after the publication of the Law, regarding the policies made on 25 February 2011 in the branches of "Mandatory Transport Insurance", "Compulsory Traffic Insurance" and "Mandatory Seat Personal Accident Insurance", the Company is required to transfer the premiums determined within the scope of the Regulation, Circular No. 2011/17, Circular No. 2012/3 and Sector Announcement No. 2012/6 to SSI.

Within the framework of the principles explained above, the Company has calculated premiums to be transferred amounting to TL 681,990,582 (1 January – 31 December 2023: TL 434,053,951) and unearned premium reserve amounting to TL 166,366,796 as of 1 January - 31 December 2024 (1 January - 31 December 2023: TL 102,242,133 as of 1 January - 31 December 2024 and accounted under 'Premiums transferred to SSI' and 'SSI share of unearned premiums reserve' accounts respectively (Note 20).

However, at the Board of Directors meeting of the Association of Insurance and Reinsurance Companies of Türkiye dated 22 September 2011 and numbered 18, it has been decided to file a lawsuit with the Council of State for the stay of execution and cancellation of the Regulation and Circular numbered 2011/17 and for the cancellation of the related articles of the Law due to unconstitutionality and the legal process is ongoing as of the date of preparation of the financial statements.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15 Insurance and Investment Contracts – Classification (cont'd)

Premiums transferred to the Social Security Institution (cont'd)

Insurance companies shall declare the transfer amounts calculated over the independently audited and finalised financial statements for the previous year by the end of May each year via the Centre with e-signature or mobile signature, and the independently audited and finalised financial statements and footnotes based on the calculation of the declared amounts shall be made available to the Social Security Institution simultaneously. The calculated transfer amount shall be included in the footnotes of the independently audited and finalised financial statements. If there is a difference in favour of the Social Security Institution between the transfer amounts determined within the scope of the first paragraph and the transfer amounts declared within the scope of this paragraph, the aforementioned amount shall be associated with the first transfer period of the year to which it belongs, and shall be transferred to the Social Security Institution by the insurance company until the tenth day of July of the same year together with the amount determined in accordance with the second paragraph of Article 89 of the Law No. 5510 as of the day following the last payment date of the first transfer period. If there is a difference in favour of the insurance company, the said amount shall be deducted from the subsequent transfer to be made to the Social Security Institution within the framework of this Regulation.

Premiums Transferred to the Turkish Motor Vehicles Bureau

As determined by the "Regulation Amending the Regulation on Tariff Implementation Principles in Highways Motor Vehicles Compulsory Liability Insurance", which was published in the Official Gazette dated 11 July 2017 and numbered 30121 by the Ministry of Treasury and Finance "Risk Insured Pool" ("Pool") has been established to be valid for traffic insurance policies written as of 12 April 2017 for step and/or vehicle groups with high damage frequency. According to the Working Principles of the Risky Insured Pool, which entered into force with the said regulation, premiums and damages related to traffic insurance policies within the scope of the pool are calculated in two stages by the Turkish Motor Vehicles Bureau ("TMVB"). Accordingly, 50% of premiums and claims are shared equally among insurance companies, and the remaining 50% is distributed taking into account the share of insurance companies in traffic insurance premiums in the last 3 years.

According to the Risky Insured Pool Rules published by TMVB on 15 August 2017, for the policies issued after 11 July 2017 and transferred to the Pool, the premium transferred to the Pool is transferred to the Pool at the rate of 76%, after deducting the deductions taken from the insured from the premiums determined in the regulation. On 6 June 2021, with the amendment made in the official gazette in the Regulation on Tariff Implementation Principles in Highways Motor Vehicles Compulsory Liability Insurance, the premium to be transferred to the pool for the policies to be transferred to the pool will be transferred to the pool at the rate of 74% after deducting the deductions received from the insured from the premiums determined in the regulation.

As of 31 December 2024, the Company has recorded the premium, indemnity and commission amounts transferred to the Pool within the scope of the arrangement and transferred from the Pool within the scope of the Company's share, taking into account the monthly receipts finalised and transmitted by TMTB. As of 31 December 2024, the Company has recognised TL 3,491,064,200 of premium, TL 2,320,747,872 of compensation paid and TL 29,178,495 of subrogation income transferred to the Pool; TL 959,164,751 of premium, TL 1,006,510,488 of compensation paid, TL 14,702,174 of subrogation income and TL 4,442,563 of salvage amount reported as the Company's share from the Pool in accordance with the relevant legislation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16 Optional Participation Features in Insurance and Investment Contracts

None (31 December 2023: None).

2.17 Investment Contracts without Discretionary Participation Feature

None (31 December 2023: None).

2.18 Loans

None (31 December 2023: None).

2.19 Employee Benefits

The Company accounts for its liability related to employment termination and vacation benefits accordance with "Turkish Accounting Standards Regarding Employee Benefits" ("TAS 19"). Employment termination is classified in balance sheet under the account "Provision for Employment Termination Benefits" and "Expense Accruals".

According to the Turkish labour legislation, the Company is required to pay termination benefits to each employee whose jobs are terminated except for the reasons such as resignation, retirement and attitudes determined in the Labour Law. The provision for employment termination benefits is calculated over present value of the possible liability in accordance with the Labour Law by considering determined actuarial estimates (Note 22).

2.20 Provisions (Except Technical)

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provision amounts are estimated over expenditures expected to be required to settle the obligation at the balance sheet date by considering the risks and uncertainties related to the obligation. When the provision is measured by using the estimated cash outflows that are required to settle the obligation, the carrying value of the provision is equal to the present value of the related cash outflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Liabilities that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity are classified as contingent liabilities and not included in the financial statements (Note 23).

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Revenue Recognition

Bonus and Commission Income

Premium income represents the amount remaining after cancellations are deducted from the policy premiums issued during the year. The unearned premium reserve is calculated on a daily basis based on the policies in force on the balance sheet date.

The portion of the commissions received due to the premiums transferred to the reinsurers corresponding to the future period or periods are accounted as deferred commission income.

The portion of the amounts paid for support services that fall into future periods has been deferred in accordance with the Technical Provisions Regulation, which was published in the Official Gazette dated 28 July 2010 and numbered 27655 and entered into force.

Interest income and expenses

Interest income and expenses are recognized in the income statement in the relevant period on an accrual basis. Interest income includes income from coupons of fixed-income investment instruments and valuations of discounted government bonds based on the internal discount principle.

The Company accrues the interest costs incurred on the loans it has used in its income statement on a periodicity basis.

Dividend income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

2.22 Dividend Distribution

Publicly traded companies distribute dividends in accordance with the CMB's Communiqué on Dividend Distribution numbered II-19.1, which became effective as of 1 February 2014.

Companies distribute their profits within the framework of the profit distribution policies to be determined by the general assembly and in accordance with the provisions of the relevant legislation. Within the scope of the Communiqué, a minimum distribution rate has not been determined. Companies pay dividends as specified in their articles of association or dividend distribution policies. In addition, dividends may be paid in instalments of equal or different amounts and advance dividends may be distributed in cash over the profit in the financial statements at the end of the period.

Unless and until the reserves required to be set aside pursuant to the Turkish Commercial Code and the dividend determined for shareholders in the articles of association or dividend distribution policy are set aside, no decision can be made to set aside other reserves, to transfer profits to the following year or to distribute dividends to holders of usufruct shares, members of the board of directors, employees of the Company and persons other than shareholders, and no dividend can be distributed to such persons unless the dividend determined for shareholders is paid in cash.

The portion of accumulated losses exceeding the sum of retained earnings, general legal reserves including share premiums, and amounts arising from the restatement of shareholders' equity items excluding share capital in accordance with inflation accounting is taken into consideration as a deduction item in the calculation of net distributable profit for the period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Related Parties

A related party is a person or entity that is related to the Company that is preparing its financial statements ('reporting Company').

- a) An individual or a family member of this individual are approved to be related with the Company in cases of listed below:
- i) If the individual has management or common management right or controls over Company,
- ii) If the individual has significant influence on the Company,

If the reporting entity is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

2.24 Foreign currency transactions

The functional currency of the Company is Turkish Lira ("TL"). Transactions in foreign currencies are recorded at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange buying rate at the reporting date and at the foreign exchange selling rate at the reporting date, respectively, and are recognized as foreign exchange profit or losses in the financial statements.

As of the balance sheet date, receivables denominated in foreign currencies are translated at the Central Bank of the Republic of Türkiye ("CBRT") foreign exchange buying rate and payables denominated in foreign currencies are translated at the Central Bank of the Republic of Türkiye ("CBRT") foreign exchange selling rate.

The CBRT exchange rates used at the end of the period are presented below:

	31 December 2024		31 December 2023	
	USD / TL	EUR / TL	USD / TL	EUR / TL
Foreign exchange buying rate	35.2803	36.7362	29.4382	32.5739
Foreign exchange selling rate	35.3438	36.8024	29.4913	32.6326
Foreign exchange effective selling rate	35.3969	36.8576	29.5355	32.6815

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Preparation of financial statements requires the use of estimations and assumptions which may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the balance sheet date and reported amounts of income and expenses during the financial period. Accounting estimates and assumptions are continuously evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. Although the estimations and assumptions are based on the best knowledge of the management for existing events and operations, they may differ from the actual results.

The estimation of the ultimate liability for technical expenses that can be incurred for the existing insurance contracts is the one of the most critical accounting estimates for the Company. Estimation of the insurance liabilities, by nature, includes the evaluation of several uncertainties.

4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

4.1 Insurance Risk

4.1.1 Objective of managing risks arising from insurance contracts and policies used to minimize such risks

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of the insurance contracts, this risk is random and therefore unpredictable. The maximum risk incurred by the Company is limited to the sum insured.

The Company has adopted a central risk assessment policy. This policy applies to all marketing channels. In principle, during the risk assessment process, the likelihood of possible losses is determined through past loss experiences, comparisons of similar risks and process risks within the production process. The location of the insured risk, geographical region, field of activity, fire and theft precautions are the main criteria taken in risk assessment.

Information about insurance risk, including information about (before and after risk reduction through reinsurance);

The Company manages its insurance risk through its policy production strategy, reinsurance agreements and effective settlement and payment procedures.

The Company's policy production strategy is based on the most effective risk assessment during policy production and is based on the most accurate distribution of the risk undertaken according to the type, size, industry and geographical region.

Reinsurance agreements include excess of loss, quota, surplus and catastrophic coverage (couverture). In addition, the Company may enter into facultative reinsurance agreements for insurance risks within the framework of the Company's reinsurance program.

4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.1 Insurance Risk (cont'd)

4.1.1 Objective of managing risks arising from insurance contracts and policies used to minimize such risks (cont'd)

Rating of Reinsurance Companies Worked with

Reinsurance Companies	2024	Standard & Pairs Rate	Reinsurance Companies	2023	Standard & Pairs Rate
African Re	A-		African Re	A-	
Agas	A+		Labuan Re	NR	
Allianz Re	AA		Malaysian Re	NR	
American Agricultural	NR		General Insurance Corporation of India (GIC)	NR	
Arab Re	NR		China Property & Casualty Reinsurance	A	
Arch Re	A+		Aspen	A	
Asian Re	NR		Taiping Re	A-	
Aspen Re	A-		MS Amli AG	A	
BMI (Trust Re)	NR		Dongbu Re (DB Insurance)	A	
BMI (Oman Re)	NR		Korean Re	A	
CCR Algeria	NR		Central Re	A	
Central Re	A		Agas	A	
Cica Re	NR		Sava Re	A+	
China Property & Casualty Reinsurance	A		Odyssey Re	A	
Coface	A+		Hannover Rueck SE	A	
Dongbu Re (DB Insurance)	A+		Munich Re	A+	
Eurasia Insurance Company (GIC)	BBB		New Re	A/A-	
Europa Re	NR		LF Re	A+	
GIC Re	NR		Cathay Century	A+	
Hannover Re - Bermuda	AA-		American Family	A-	
Hannover Re- Germany	AA-		Blenheim Syndicate	A+	
IKC International	A+		HCC	A+	
IGI	A-		QBE	A+	
Klanton Re	NR		Covea Cooperations	A	
Korean Re	A		Toa Re	A	
Kuwait Re	A-		Lib Synd Paris	A+	
Labuan Re	NR		Mapfre Re	A+	
Liberty Mutual	A		Cathedral	A+	
Lloyds of London	AA-		Partner Re	A+	
Mapfre Re	A+		Everest Re	A+	
Marilla (Hannover Re)	AA-		VHV Re	NR	
Marilla (Partner Re)	A+		DEVK	A+	
Mus Insurance	NR		VIG	A+	
Milli Re	trBBB-		Samsung Fire&Marine Re	AA-	
Munich Re	AA		Scor	A+	
New Re	AA-		R+V Versicherung AG (R+V Re)	A+	
Odyssey Re	A+		American Agricultural	NR	
Polish Re	NR		Shelter Re	NR	
PVI	NR		EMC	NR	
QBE Re	A+		Unipol Re	NR	
Santam	BB		Turk Re	NR	
Saudi Re	A-		Milli Re	trBBB-	
Singapore Re	NR				
Swiss Re	AA-				
SOPAC	NR				
Specialty MGA (PVI)	NR				
Sukoon	A				
Triglav Re	A				
Tunis Re	NR				
Turk Re	NR				
VHV Re	NR				
VIG Re	A+				

The Company generally provides insurance contracts in fire and natural disasters, logistics, accident, motor, air craft, watercraft, general damages, motor liability, air craft liability, general liability, financial losses, legal protection, health and life branches. Accordingly, the concentration of insurance risk according to the nature of the insured in the insurance contracts issued is summarized in the table below as gross and net (after reinsurance).

	31 December 2024			31 December 2023		
	Gross Total Claims Liability	Net Total Claims Liability	Gross Total Claims Liability	Net Total Claims Liability	Net Total Claims Liability	
Total Claims Liability (*)	Claims Liability	Reinsurer Share	Claims Liability	Reinsurer Share	Claims Liability	
Motor Liability	7,214,236,426	(3,160,132,240)	4,054,104,186	3,873,021,526	2,660,571,883	
Fire and Natural Disasters	3,396,155,385	(3,231,693,112)	164,462,273	3,145,108,435	93,898,566	
General Liability	900,853,388	(730,613,143)	170,240,245	992,619,472	119,273,906	
General Losses	1,066,442,753	(1,001,051,280)	65,391,473	1,144,958,716	48,494,347	
Air Craft Liability	984,513,944	(208,081,637)	776,432,307	744,922,559	603,081,522	
Logistics	288,934,677	(288,913,850)	20,827	335,692,825	25,239	
Financial Losses	617,796,469	(567,957,364)	49,839,105	539,061,860	44,410,167	
Financial Losses	717,315,152	(706,057,211)	11,257,941	1,440,096,066	6,172,978	
Watercraft	423,722,486	(413,263,999)	10,458,487	462,297,801	13,338,695	
Indemnity	141,012,787	(132,047,712)	8,965,075	102,748,501	7,624,298	
Health	17,966,485	(17,966,483)	2	48,972,289	1	
Air Crafts	16,087,742	(9,979,121)	6,108,621	9,118,414	4,722,493	
Accident	17,337	(16,624)	713	17,866	892	
Credit	73,192	-	73,192	280,332	280,332	
Legal Protection	121,234	-	121,234	140,216	140,216	
Total	16,073,709,684	(10,733,289,194)	5,340,420,490	12,949,691,736	3,619,726,646	

(*) Total claims liability includes outstanding claims reserve and IBNR reserve as of the balance sheet date.

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4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.1 Insurance Risk (cont'd)

4.1.1 Objective of managing risks arising from insurance contracts and policies used to minimize such risks (cont'd)

4.1.1.1 Comparison of incurred damages with past estimates (damages development process)

	31 December 2024			31 December 2023		
	Current Period Effect (Net)	Gross Total Damage Liability	Total Damage Liability Reinsurer's Share	Net Total Damage Liability	Gross Total Damage Liability	Total Damage Liability Reinsurer's Share
Outstanding Claims	729,511,275	17,150,227,782	(13,286,145,837)	3,864,081,945	15,940,438,84	(12,805,868,1)
Discount Effect of Reported Losses	(1,168,756,808)	(13,338,118,718)	8,433,019,302	(4,905,099,416)	(9,563,866,50)	5,827,523,912
Effect of the discount on litigated cases	(180,626,226)	(1,663,302,745)	1,055,106,530	(608,196,215)	(923,601,373)	496,031,384
Claims Provisions (*)	2,340,584,586	13,924,782,131	(6,935,269,189)	6,989,512,942	7,496,580,549	(2,847,652,193)
Non-Life Total	1,720,712,827	16,073,588,450	(10,733,289,19)	5,340,299,256	12,949,551,50	(9,329,965,09)
Life	(18,982)	121,234	-	121,234	140,216	-
General Total	1,720,693,845	16,073,709,684	(10,733,289,194)	5,340,420,490	12,949,691,736	(9,329,965,090)

(*) Provisions for damages comprise all additional provisions, other than unpaid damages, included in the total outstanding claims reserve at the balance sheet date.

Outstanding Claims Reserve:

	31 December 2024			31 December 2023		
	Gross Total Damage Liability	Total Damage Liability Reinsurer's Share	Net Total Damage Liability	Gross Total Damage Liability	Total Damage Liability Reinsurer's Share	Net Total Damage Liability
Beginning of the Period - 1 January	12,949,691,736	(9,329,965,090)	3,619,726,646	6,499,313,716	(3,710,864,552)	2,788,449,164
Opened during the period	24,456,363,484	(17,044,112,990)	7,412,250,494	24,532,336,723	(18,395,889,033)	6,136,447,690
Paid (-)	(20,255,827,438)	13,087,932,243	(7,167,895,195)	(15,091,211,575)	9,300,885,392	(5,790,326,183)
Claim Reported at Period End	17,150,227,782	(13,286,145,837)	3,864,081,945	15,940,438,84	(12,805,868,193)	3,134,570,671
Life	121,234	-	121,234	140,216	-	140,216
Discounting Effect of reported claims	(13,338,118,718)	8,433,019,302	(4,905,099,416)	(9,563,866,520)	5,827,523,912	(3,736,342,608)
Discount for litigated cases	(1,663,302,745)	1,055,106,530	(608,196,215)	(923,601,373)	496,031,384	(427,569,989)
Incurred but not reported claims	13,924,782,131	(6,935,269,189)	6,989,512,942	7,496,580,549	(2,847,652,193)	4,648,928,356
Total	16,073,709,684	(10,733,289,194)	5,340,420,490	12,949,691,736	(9,329,965,090)	3,619,726,646

The claim development tables used in the ACML calculations made in accordance with the Regulation on Technical Reserves are explained below.

Gross claim development table prepared on incurred claim basis as of 31 December 2024:

	1 January 2018 - 31 December 2018	1 January 2019 - 31 December 2019	1 January 2020 - 31 December 2020	1 January 2021 - 31 December 2021	1 January 2022 - 31 December 2022	1 January 2023 - 31 December 2023	1 January 2024 - 31 December 2024	Gross Claims
Claim incurred during the accident period	1,414,313,186	2,104,581,306	1,859,744,316	3,335,944,844	5,943,279,084	17,233,934,574	12,216,264,844	44,108,062,154
1 year later	595,685,185	927,129,747	1,212,967,928	2,399,486,495	4,399,999,751	10,485,571,060	-	20,020,840,166
2 years later	348,540,338	713,543,039	940,886,821	1,475,346,707	2,743,648,904	-	-	6,221,965,809
3 years later	670,824,015	568,630,770	897,740,309	1,243,502,750	-	-	-	3,380,697,844
4 years later	1,082,270,333	602,301,326	1,061,639,954	-	-	-	-	2,746,211,613
5 years later	1,576,765,986	639,616,449	-	-	-	-	-	2,216,382,435
6 years later	2,094,127,423	-	-	-	-	-	-	2,094,127,423
TOTAL	7,782,826,466	5,555,802,638	5,972,979,328	8,454,280,796	13,086,927,740	27,719,505,633	12,216,264,844	80,788,287,444

4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.1 Insurance Risk (cont'd)

4.1.1 Objective of managing risks arising from insurance contracts and policies used to minimize such risks (cont'd)

4.1.1.1 Comparison of incurred claims with past estimates (claims development process) (cont'd)

Gross claim development table prepared on incurred claim basis as of 31 December 2023:

	1 January 2017 - 31 December 2017	1 January 2018 - 31 December 2018	1 January 2019 - 31 December 2019	1 January 2020 - 31 December 2020	1 January 2021 - 31 December 2021	1 January 2022 - 31 December 2022	1 January 2023 - 31 December 2023	Gross Damage
Claims incurred during the accident period	1,366,238,878	1,564,047,984	2,299,878,599	2,069,675,811	3,650,161,929	6,551,391,294	18,413,551,086	35,914,945,580
1 year later	793,577,616	606,370,322	939,075,198	1,228,917,800	2,411,265,971	4,443,314,335	-	10,422,521,242
2 years later	633,208,482	352,446,585	717,625,507	942,527,562	1,478,022,495	-	-	4,123,830,631
3 years later	602,343,699	671,792,643	569,945,078	899,767,858	-	-	-	2,743,849,278
4 years later	438,319,539	1,082,822,405	604,082,644	-	-	-	-	2,125,224,588
5 years later	580,045,121	1,577,476,919	-	-	-	-	-	2,157,522,040
6 years later	784,878,729	-	-	-	-	-	-	784,878,729
TOPLAM	5,198,612,064	5,854,956,858	5,130,607,026	5,140,889,031	7,539,450,395	10,994,705,628	18,413,551,086	58,272,772,088

4.2 Financial Risk

4.2.1 Explanations on capital risk management and capital requirements

The Company's objective in capital management is to ensure the continuity of the Group as an income generating business, to safeguard the interests of shareholders and institutional partners and legal adequacy, and to maintain the most efficient capital structure in order to reduce the cost of capital.

The Company's Capital Adequacy is assessed twice a year, in June and December, within two months following these periods in accordance with the Communiqué on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies published in the Official Gazette No. 26761 dated 19 January 2008. The required equity capital amount was determined as TL 3,343,936,445 in the calculation made by the Company for the last period of 31 December 2024 as of the reporting period. The Company's equity capital amount accepted as of December 2024 in accordance with the relevant regulation provisions is TL 1,926,432,743 above the required equity capital amount calculated for the same period.

4.2.2 Financial Risk Factors

The Company's activities expose it to market risk (currency risk, fair value interest rate risk, cash flow interest and price risk), credit risk and liquidity risk. The Company's risk management programme generally focuses on uncertainty in financial markets and minimizing potential negative effects on the Company's financial performance. The Company is generally exposed to interest rate risk on financial investments and credit risk on insurance receivables.

Market risk

Market risk is exposed to movements that may occur in exchange rates, interest rates and market differences in stocks.

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4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.2 Financial Risk (cont'd)

4.2.2 Financial Risk Factors (cont'd)

Foreign currency risk

The Company is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency denominated and foreign currency indexed assets and liabilities. These risks are monitored by analyzing the foreign currency position. As of 31 December 2024 and 2023, the details of foreign currency denominated assets and liabilities are given in Note 12.4.

Foreign currency risk sensitivity

The Company's sensitivity to a 10% increase and decrease in the US Dollar and Euro exchange rates is shown below. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit/loss or other equity items.

	31 December 2024		31 December 2023	
	USD Effect	EUR Effect	USD Effect	EUR Effect
Profit / loss increase	159,496,667	90,853,174	211,377,180	50,670,584
Profit / loss (decrease)	(159,496,667)	(90,853,174)	(211,377,180)	(50,670,584)

Interest rate risk

Since the changes in market interest rates cause fluctuations in the prices of financial instruments, the Company is required to manage interest rate risk. The main risk to which financial assets available-for-sale in the Company's portfolio are exposed is the losses arising from the decrease in the fair value of financial assets as a result of changes in market interest rates.

Interest rate sensitivity is the effect of changes in interest rates on the fair value of financial assets available-for-sale in the portfolio as at 31 December 2024 and 31 December 2023. During this analysis, other variables are assumed to be constant. The tax effects of such changes in the calculations are not taken into account.

Financial assets available-for-sale	Effect on profit and profit reserves	
Increase / (decrease) in market interest rate	TL	TL
+1%	(87,321,971)	(30,675,022)
-1%	117,751,510	37,085,192

4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.2 Financial Risk (cont'd)

4.2.2 Financial Risk Factors (cont'd)

Price risk

The Company is exposed to price risk arising from its financial assets. As at 31 December 2024 and 31 December 2023, the sensitivity to a 10% increase and decrease in the valuation method with all other variables held constant is as follows:

	31 December 2024	31 December 2023
Total	Financial assets	
Price increase / (decrease)	TL	TL
+10%	813,716,084	168,674,027
-10%	(813,716,084)	(168,674,027)

Credit risk

Credit risk is the risk that counterparties to contracts to which the Company is a party will fail to fulfill their contractual obligations. This risk is managed by setting limits and collateralizing the receivables from a particular party. Limits and collateral amounts are determined based on the evaluation of criteria such as financial strength and commercial capacity of the related parties. The Company's credit risk is predominantly in Türkiye, where it operates.

As of 31 December 2024, the Company's receivables from insurance operations, guarantees received for these receivables and provisions for doubtful receivables are disclosed in Note 12.1.

Liquidity risk

Liquidity risk is the Company's failure to fulfil its net funding obligations. Occurrence of events that cause a decrease in fund resources, such as deterioration in the markets or a decrease in credit score, causes liquidity risk. The Company management manages the liquidity risk by distributing the funds and keeping sufficient cash and similar resources to fulfil its current and possible liabilities.

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4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.2 Financial Risk (cont'd)

4.2.2 Financial Risk Factors (cont'd)

Liquidity risk table

31 December 2024	Up to 1 month	1 - 3 months	3 months - 1 year	1 year-5 years	5 years and above	Unallocated	Total
Cash and Cash Equivalents	3,046,177,163	2,020,770,795	2,059,873,107	-	-	16,524,756	7,143,345,821
Financial Assets Available for Sale	13	89,217,705	-	492,709,967	1,791,555,019	-	2,373,482,704
Financial Assets Held for Trading	-	-	-	-	-	5,765,258,137	5,765,258,137
Financial Assets Held-to-Maturity	-	-	87,941,941	473,177,175	-	-	561,119,116
Financial Investments with Risks Attributable to Life Policies	-	-	-	2,753,400	-	-	2,753,400
Receivables from Operating Activities	1,035,105,982	2,216,902,334	2,593,449,462	53,195,287	-	-	5,898,653,065
Receivables from Related Parties	2,138,621	-	-	-	-	-	2,138,621
Other Receivables	-	-	132,454,493	-	-	-	132,454,493
Deferred Expenses and Income	-	-	-	-	-	-	-
Accruals	-	-	30,053,748	-	-	-	30,053,748
Future Income and Expense	-	-	-	-	-	-	-
Accruals	-	-	-	260,000	-	-	260,000
Total Monetary Assets	3,861,950,477	4,326,890,834	4,903,772,751	1,022,095,829	1,791,555,019	6,003,254,195	21,909,519,105
Financial Liabilities	-	-	26,646,103	143,198,301	-	-	169,844,404
Payables from Operating Activities	257,613,710	2,414,371,650	1,379,669,379	4,911,050	-	151,264,603	4,207,830,392
Payables to Related Parties	323,200	-	-	-	-	-	323,200
Other Payables	-	826,922,856	-	-	-	77,734,272	904,657,128
Insurance Technical Provisions	717,974,530	1,436,070,296	984,518,431	1,098,213,490	1,103,643,743	-	5,340,420,490
Taxes and Similar Liabilities	-	-	-	-	-	-	-
Payable	-	364,125,317	-	-	-	-	364,125,317
Total Monetary Liabilities	975,911,440	5,041,490,119	2,390,833,913	1,246,322,841	1,103,643,743	228,998,875	10,987,200,931

31 December 2023	Up to 1 month	1 - 3 months	3 months - 1 year	1 year-5 years	5 years and above	Unallocated	Total
Cash and Cash Equivalents	2,210,084,391	1,046,292,557	1,147,938,620	616,328,393	-	194,356,928	5,215,000,889
Financial Assets Available for Sale	-	243,930,016	94,452,253	987,558,432	381,306,505	-	1,707,247,206
Financial Assets Held for Trading	-	-	-	-	-	3,719,402,547	3,719,402,547
Financial Assets Held-to-Maturity	27,871,222	149,252,819	186,209,070	456,549,808	-	-	819,882,919
Financial Investments with Risks Attributable to Life Policies	-	-	-	2,205,350	-	-	2,205,350
Receivables from Operating Activities	1,142,294,434	1,842,197,057	3,798,316,528	24,453,196	-	-	6,807,261,215
Receivables from Related Parties	17,384	-	125,510,565	-	-	-	125,527,949
Other Receivables	-	-	87,211,432	-	-	-	87,211,432
Deferred Expenses and Income	-	-	-	-	-	-	-
Accruals	-	-	66,320,536	-	-	-	66,320,536
Future Income and Expense	-	-	-	-	-	-	-
Accruals	-	-	-	732,079	-	-	732,079
Total Monetary Assets	3,380,267,431	3,281,672,449	5,505,959,004	2,087,827,258	381,306,505	3,913,759,475	18,550,792,122
Financial Liabilities	-	-	28,600,258	28,576,031	-	-	57,176,289
Payables from Operating Activities	3,425,907,438	377,932,473	1,352,015,345	-	-	-	5,155,855,256
Payables to Related Parties	621,896	-	-	-	-	-	621,896
Other Payables	48,974,023	562,287,327	-	-	-	-	611,261,350
Insurance Technical Provisions	522,337,969	1,044,675,938	743,441,205	770,648,371	538,623,163	-	3,619,726,646
Taxes and Similar Liabilities	-	-	-	-	-	-	-
Payable	-	456,367,979	-	-	-	-	456,367,979
Total Monetary Liabilities	3,997,841,326	2,441,263,717	2,124,056,808	799,224,402	538,623,163	-	9,901,009,416

(*) Outstanding claims provisions are subject to maturity distribution by taking into account the estimated payment dates and all outstanding claims provisions are indicated in short-term liabilities in the accompanying financial statements.

4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont'd)

4.2 Financial Risk (cont'd)

4.2.2 Financial Risk Factors (cont'd)

Current Financial Assets	31 December 2024		31 December 2023	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets Available for Sale	2,373,482,704	2,373,482,704	1,707,247,206	1,707,247,206
Financial Assets Held-to-Maturity	561,119,116	460,452,199	819,882,919	786,276,955
Financial Assets Held for Trading	5,765,258,137	5,765,258,137	3,719,402,547	3,719,402,547
Financial Investments at Risk of Life Policyholders	2,753,400	2,753,400	2,205,350	2,205,350
Total Financial Assets	8,702,613,357	8,601,946,440	6,248,738,022	6,215,132,058

Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The fair value classifications of the Company's financial assets and liabilities are as follows:

- Quoted prices (unadjusted) in active markets (Level 1),
- Based on observable inputs, either directly (through prices in active markets) or indirectly (derived from prices in active markets) (Level 2),
- Inputs for assets and liabilities that cannot be determined based on observable market data (unobservable inputs) (Level 3).

Financial assets classified as available-for-sale in the balance sheet are assets carried at fair value. Classification requires the use of observable market data where available.

In this context, the fair value classification of financial assets and liabilities measured at fair value is as follows:

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4. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (cont’d)

4.2 Financial Risk (cont’d)

4.2.2 Financial Risk Factors (cont’d)

Fair value of financial instruments (cont’d)

	31 December 2024	Category 1	Category 2	Category 3
Financial assets available-for-sale				
Private Sector Bonds	15,095,612	-	15,095,612	-
Eurobond	2,303,355,620	2,303,355,620	-	-
Share Certificates	4,333,410	-	-	4,333,410
Government Bond	50,698,062	50,698,062	-	-
Financial assets held for trading				
Investment Funds	5,765,258,137	5,765,258,137	-	-
Financial assets held-to-maturity				
Eurobond	2,753,400	2,753,400	-	-
Total	8,141,494,241	8,122,065,219	15,095,612	4,333,410
	31 December 2023	Category 1	Category 2	Category 3
Financial assets available-for-sale				
Private Sector Bonds	14,195,113	-	14,195,113	-
Eurobond	1,634,218,648	1,634,218,648	-	-
Share Certificates	5,417,412	3,684,686	-	1,732,726
Government Bond	53,416,033	53,416,033	-	-
Financial assets held for trading				
Investment Funds	3,719,402,547	3,719,402,547	-	-
Financial assets held-to-maturity				
Eurobond	2,205,350	2,205,350	-	-
Total	5,428,855,103	5,412,927,264	14,195,113	1,732,726

The estimated fair values of financial instruments have been determined by the Company, using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the company could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value.

Financial assets

The fair values of financial assets carried at cost, including cash and cash equivalents and other financial assets, are considered to approximate their carrying values due to their short-term nature and the possibility of immaterial losses.

Market prices are taken as basis in determining the fair value of government debt securities and equity securities.

Financial liabilities

The fair value of financial liabilities approximates their carrying amount due to their short-term nature.

5. SEGMENT INFORMATION

5.1 Segment Reporting

Information on the Company's operational reporting with the authorized decision-making authority regarding the activities is disclosed in this section within the scope of “TFRS 8 - Operating Segments” standard.

In addition to the reports given to the senior management in determining the sub-segments to be reported, the numerical lower limits within the scope of “TFRS 8 - Operating Segments” standard were also taken into consideration and the segments according to premium production and technical profitability were evaluated as a separate operating segment.

The Company operates in Türkiye. Geographical segmentation is not disclosed since the results of operations in foreign operations are immaterial to the financial statements.

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5. SEGMENT INFORMATION (cont'd)

5.1 Segment Reporting (cont'd)

Segment results for the period 1 January - 31 December 2024:

	Fire	Logistics	Motor (Automobile insurance)	Motor Liability (Compulsory Traffic)	Other Accident	Engineering	Agriculture	Health	Life	Unallocated	Total
TECHNICAL INCOME	2,088,721,262	258,999,657	5,817,971,278	3,667,244,691	1,463,537,932	393,114,329	205,319,272	977,611,584	228,202	-	14,872,748,207
1- Earned Premiums (Net of Reinsurers' Share)	880,024,198	140,901,120	5,006,813,789	2,657,443,502	853,586,097	173,113,696	202,649,178	362,431,305	-	-	10,276,962,885
1.1- Written Premiums (Net of Reinsurers' Share)	1,293,103,086	143,964,661	4,186,362,835	3,483,672,179	1,056,799,278	232,489,142	205,253,791	455,379,160	-	-	11,057,024,132
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	(413,078,888)	(3,063,541)	820,450,954	(403,307,345)	(203,213,393)	(59,375,446)	(2,604,613)	(92,947,855)	-	-	(357,140,127)
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-	-	-	(422,921,332)	212	-	-	-	-	-	(422,921,120)
2- Investment Income Transferred from Non-Technical Part	1,199,473,310	118,443,577	751,218,397	1,012,676,954	535,249,537	220,262,391	2,670,094	530,357,026	228,202	-	4,370,579,488
3- Other Technical Income - (Net of Reinsurer's Share)	-	-	45,205,379	-	75,299,064	-	-	84,823,253	-	-	205,327,696
4- Claim Recovery and Salvage Income Accruals (+)	9,223,754	-	10,654,384	-	-	-	-	-	-	-	19,878,138
TECHNICAL EXPENSE	(1,296,784,304)	(119,332,844)	(4,615,257,034)	(5,532,767,525)	(684,098,034)	(107,475,388)	(10,115,521)	(401,215,971)	(333,516)	-	(12,767,380,137)
1- Incurred Losses - (Net of Reinsurer's Share)	(534,567,205)	(63,612,548)	(3,077,241,126)	(4,836,234,405)	(263,825,473)	(98,360,424)	(4,683,947)	(10,082,893)	(333,516)	-	(8,888,941,537)
1.1- Paid Claims - (Net of Reinsurer's Share)	(459,819,410)	(52,929,913)	(2,903,890,340)	(3,442,702,102)	(213,584,795)	(81,766,883)	(4,459,636)	(8,742,116)	(352,498)	-	(7,168,247,693)
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	(74,747,795)	(10,682,635)	(173,350,786)	(1,393,532,303)	(50,240,678)	(16,593,541)	(224,311)	(1,340,777)	18,982	-	(1,720,693,844)
2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	-	(1,660)	-	-	(689)	-	-	-	-	-	(2,349)
3- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	(75,052,458)	(7,820,275)	(9,434,110)	-	(249,858)	(588,781)	-	-	-	-	(93,145,482)
4- Operating Expenses	(551,379,901)	(40,841,900)	(1,048,794,793)	(540,845,185)	(373,206,238)	2,663,904	(5,278,720)	(288,617,124)	-	-	(2,846,299,957)
4.1- Production Commissions (-)	(1,147,727,093)	(132,733,384)	(1,071,596,470)	(635,788,275)	(511,234,666)	(164,100,074)	(3,029,939)	(608,643,629)	-	-	(4,274,853,530)
4.2- Reinsurance Commissions (+)	1,079,301,046	134,226,831	495,577,470	572,693,049	331,468,634	248,077,684	(8,528)	513,165,794	-	-	3,374,501,980
4.3- General Administrative Expenses	(482,953,854)	(42,335,347)	(472,775,793)	(477,749,959)	(193,440,206)	(81,313,706)	(2,240,253)	(193,139,289)	-	-	(1,945,948,407)
5- Change in Mathematical Provisions (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-	-	-	-	(944,522)	-	-	-	-	-	(944,522)
6- Other Technical Expenses (Net of Reinsurers' Share)	(135,784,740)	(7,056,461)	(479,787,005)	(155,687,935)	(45,871,254)	(11,190,087)	(152,854)	(102,515,954)	-	-	(938,046,290)
TECHNICAL PROFIT/(LOSS)	791,936,958	139,666,813	1,202,714,244	(1,865,522,834)	779,439,898	285,638,941	195,203,751	576,395,613	(105,314)	-	2,105,368,070
Financial income	-	-	-	-	-	-	-	-	-	6,358,264,120	6,358,264,120
Depreciation expense	-	-	-	-	-	-	-	-	-	(165,264,984)	(165,264,984)
Provision expenses, net	-	-	-	-	-	-	-	-	-	(179,397,114)	(179,397,114)
Tax expense	-	-	-	-	-	-	-	-	-	(15,578,453)	(15,578,453)
Financial expense	-	-	-	-	-	-	-	-	-	(6,266,504,358)	(6,266,504,358)
Other	-	-	-	-	-	-	-	-	-	19,694,873	19,694,873
Net Profit / (Loss) for the Period	791,936,958	139,666,813	1,202,714,244	(1,865,522,834)	779,439,898	285,638,941	195,203,751	576,395,613	(105,314)	(248,785,916)	1,856,582,154

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5. SEGMENT INFORMATION (cont'd)

5.1 Segment Reporting (cont'd)

Segment results for the period 1 January - 31 December 2023:

	Fire	Logistics	Motor (Automobile insurance)	Motor Liability (Compulsory Traffic)	Other Accident	Engineering	Agriculture	Health	Life	Unallocated	Total
TECHNICAL INCOME	1,439,751,338	186,922,390	4,804,902,695	2,631,604,885	723,827,670	240,303,016	173,040,237	511,816,337	153,360	-	10,712,321,928
1- Earned Premiums (Net of Reinsurers' Share)	617,406,117	114,169,861	3,988,887,586	2,114,068,147	382,986,718	84,353,233	171,445,206	203,395,649	-	-	7,676,712,517
1.1- Written Premiums (Net of Reinsurers' Share)	1,052,727,782	132,996,969	4,681,342,295	2,840,097,716	589,663,381	150,110,915	174,060,161	281,123,283	-	-	9,902,122,502
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	(435,321,665)	(20,037,526)	(692,454,709)	(357,230,218)	(206,677,474)	(65,757,682)	(2,614,955)	(77,727,634)	-	-	(1,857,821,863)
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-	1,210,418	-	(368,799,351)	811	-	-	-	-	-	(367,588,122)
2- Investment Income Transferred from Non-Technical Part	820,883,410	71,867,795	747,813,150	518,537,061	340,432,601	155,727,777	1,595,031	249,388,578	153,360	-	2,906,398,763
3- Other Technical Income - (Net of Reinsurer's Share)	-	-	31,486,368	-	-	-	-	59,032,110	-	-	90,518,478
4- Claim Recovery and Salvage Income Accruals (+)	1,461,811	884,734	36,715,591	(1,000,323)	408,351	222,006	-	-	-	-	38,692,170
TECHNICAL EXPENSE	(682,238,175)	(80,453,006)	(3,596,765,725)	(4,140,864,363)	(329,690,829)	(51,288,691)	(7,098,263)	(133,149,172)	(229,659)	-	(9,021,777,883)
1- Incurred Losses - (Net of Reinsurer's Share)	(390,743,977)	(60,021,042)	(2,412,977,331)	(3,563,603,757)	(136,178,172)	(49,551,964)	(3,794,159)	(4,734,735)	(229,479)	-	(6,621,834,616)
1.1- Paid Claims - (Net of Reinsurer's Share)	(415,956,997)	(26,832,340)	(2,095,028,047)	(3,070,872,892)	(133,234,132)	(39,515,089)	(3,391,298)	(5,495,388)	(230,953)	-	(5,790,557,136)
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	25,213,020	(33,188,702)	(317,949,284)	(492,730,865)	(2,944,040)	(10,036,875)	(402,861)	760,653	1,474	-	(831,277,480)
2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	-	(2,348)	-	-	(721)	-	-	-	-	-	(3,069)
3- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	54,824,849	10,903,076	7,056,637	-	(165,571)	(3,017,529)	-	-	-	-	69,601,462
4- Operating Expenses	(225,459,115)	(24,415,979)	(982,584,781)	(455,813,879)	(153,483,472)	15,626,255	(3,085,421)	(103,563,610)	(180)	-	(1,932,780,182)
4.1- Production Commissions (-)	(567,181,703)	(86,285,040)	(832,805,889)	(376,683,032)	(260,873,654)	(100,193,719)	(2,034,825)	(330,721,756)	-	-	(2,556,779,618)
4.2- Reinsurance Commissions (+)	562,454,486	80,999,187	105,980,516	196,840,647	192,742,030	153,985,987	64,549	273,302,911	-	-	1,566,370,313
4.3- General Administrative Expenses	(220,731,898)	(19,130,126)	(255,759,408)	(275,971,494)	(85,351,848)	(38,166,013)	(1,115,145)	(46,144,765)	(180)	-	(942,370,877)
5- Change in Mathematical Provisions (Net of Reinsurers' Share and Reserves Carried For) (+/-)	-	-	-	-	(698,081)	-	-	-	-	-	(698,081)
6- Other Technical Expenses (Net of Reinsurers' Share)	(120,859,932)	(6,916,713)	(208,260,250)	(121,446,727)	(39,164,812)	(14,345,453)	(218,683)	(24,850,827)	-	-	(536,063,397)
TECHNICAL PROFIT/(LOSS)	757,513,163	106,469,384	1,208,136,970	(1,509,259,478)	394,136,841	189,014,325	165,941,974	378,667,165	(76,299)	-	1,690,544,045
Financial income	-	-	-	-	-	-	-	-	-	5,414,557,421	5,414,557,421
Depreciation expense	-	-	-	-	-	-	-	-	-	(93,720,568)	(93,720,568)
Provision expenses, net	-	-	-	-	-	-	-	-	-	(58,241,663)	(58,241,663)
Tax expense	-	-	-	-	-	-	-	-	-	(73,515,494)	(73,515,494)
Financial expense	-	-	-	-	-	-	-	-	-	(5,450,617,447)	(5,450,617,447)
Other	-	-	-	-	-	-	-	-	-	(243,835,112)	(243,835,112)
Net Profit / (Loss) for the Period	757,513,163	106,469,384	1,208,136,970	(1,509,259,478)	394,136,841	189,014,325	165,941,974	378,667,165	(76,299)	(505,372,863)	1,185,171,182

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

6. PROPERTY AND EQUIPMENT

31 December 2024

Cost value	Properties for Use	Motor Vehicles	Fixtures and Installations and Property and Equipment Acquired through Leasing	Other Property and Equipment (including leasehold improvements)	Right-of-Use Assets	Advances Related to Property and Equipment	Total
1 January	5,329	1,878,421	65,548,397	54,885,056	97,563,052	-	219,880,255
Additions	-	-	49,405,519	16,504,238	142,782,617	-	208,692,374
Disposals	-	-	(2,816,590)	(134,869)	(30,942,663)	-	(33,894,122)
31 December	5,329	1,878,421	112,137,326	71,254,425	209,403,006	-	394,678,507
Accumulated Depreciation							
1 January	(4,304)	(1,468,910)	(32,909,072)	(20,973,845)	(50,512,171)	-	(105,868,302)
Charge for the period	(107)	(192,164)	(17,916,405)	(9,668,278)	(33,833,633)	-	(61,610,587)
Disposals	-	-	2,645,639	115,709	30,942,663	-	33,704,011
31 December	(4,411)	(1,661,074)	(48,179,838)	(30,526,414)	(53,403,141)	-	(133,774,878)
31 December net book value	918	217,347	63,957,488	40,728,011	155,999,865	-	260,903,629

There is no additional impairment loss on property and equipment recognized during the period (1 January- 31 December 2023: None).

31 December 2023

Cost value	Properties for Use	Motor Vehicles	Fixtures and Installations and Property and Equipment Acquired through Leasing	Other Property and Equipment (including leasehold improvements)	Right-of-Use Assets	Advances Related to Property and Equipment	Total
1 January	5,329	1,878,421	42,385,919	24,233,834	68,313,445	-	136,816,948
Additions	-	-	26,735,012	31,691,147	29,249,607	-	87,675,766
Disposals	-	-	(3,572,534)	(1,039,925)	-	-	(4,612,459)
31 December	5,329	1,878,421	65,548,397	54,885,056	97,563,052	-	219,880,255
Accumulated Depreciation							
1 January	(4,196)	(737,949)	(27,011,407)	(16,839,095)	(38,092,581)	-	(82,685,228)
Charge for the period	(108)	(730,961)	(9,118,800)	(5,144,912)	(12,419,590)	-	(27,414,371)
Disposals	-	-	3,221,135	1,010,162	-	-	4,231,297
31 December	(4,304)	(1,468,910)	(32,909,072)	(20,973,845)	(50,512,171)	-	(105,868,302)
31 December net book value	1,025	409,511	32,639,325	33,911,211	47,050,881	-	114,011,953

7. INVESTMENT PROPERTIES

As of 31 December 2024, the Company does not have any investment property (31 December 2023: None).

The Company has no rental income from investment properties for the period 1 January - 31 December 2024 (1 January -31 December 2023: None).

8. INTANGIBLE ASSETS

31 December 2024

	Advances Related to Intangible Assets (*)	Rights	Total
Cost Value			
1 January	127,607,793	404,832,134	532,439,927
Additions	190,835,448	253,852,240	444,687,688
Disposals	-	(1,507,986)	(1,507,986)
Transfer	(73,803,229)	73,803,229	-
31 December	244,640,012	730,979,617	975,619,629
Accumulated Amortization			
1 January	-	(235,119,065)	(235,119,065)
Charge for the period	-	(103,654,397)	(103,654,397)
Disposals	-	85,853	85,853
31 December	-	(338,687,608)	(338,687,608)
31 December net carrying value	244,640,012	392,292,009	636,932,021

(*) Advances related to intangible assets consist of general administrative expenses incurred for ongoing projects. As of the balance sheet date, the related intangible assets are not amortized as they are not ready for use.

31 December 2023

	Advances Related to Intangible Assets (*)	Rights	Total
Cost Value			
1 January	38,653,013	303,780,421	342,433,434
Additions	118,004,090	72,002,403	190,006,493
Disposals	-	-	-
Transfer	(29,049,310)	29,049,310	-
31 December	127,607,793	404,832,134	532,439,927
Accumulated Amortization			
1 January	-	(179,726,504)	(179,726,504)
Charge for the period	-	(55,392,561)	(55,392,561)
Disposals	-	-	-
31 December	-	(235,119,065)	(235,119,065)
31 December net carrying value	127,607,793	169,713,069	297,320,862

(*) Advances related to intangible assets consist of general administrative expenses incurred for ongoing projects. As of the balance sheet date, the related intangible assets are not amortized as they are not ready for use.

As of 31 December 2024, the Company has no impairment losses recognized for intangible assets (31 December 2023: None).

There is no goodwill in the financial statements of the Company.

9. INVESTMENTS IN ASSOCIATES

The Company's investments in associates as of 31 December 2024 and 31 December 2023 are presented in the table below.

	31 December 2024		31 December 2023	
Financial Assets	Company Share (%)	Share Capital (TL)	Company Share (%)	Fair value
Medisa Sigorta A.Ş.	-	-	100.00	100,000,000
Total Financial Assets		-		100,000,000

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10. REINSURANCE ASSETS

The Company's balances related to reinsurance assets are disclosed in Note 17.16.

11. FINANCIAL ASSETS

11.1 Subcategorization of Financial Assets

Financial Assets and Financial Investments at Risk on Policy Holders

	31 December 2024	31 December 2023
Financial Assets Available for Sale	2,373,482,704	1,707,247,206
Financial Assets Held-to-Maturity	561,119,116	819,882,919
Financial Assets Held for Trading	5,765,258,137	3,719,402,547
Financial Investments at Risk on Life Policyholders	2,753,400	2,205,350
Total	8,702,613,357	6,248,738,022

Financial Assets Available for Sale

	31 December 2024			31 December 2023		
	Cost Value	Stock Market Price	Carrying Value	Cost Value	Stock Market Price	Carrying Value
Eurobond	2,339,436,800	2,303,355,620	2,303,355,620	1,475,950,701	1,634,218,648	1,634,218,648
Private Sector Bonds	14,000,000	15,095,612	15,095,612	13,379,379	14,195,113	14,195,113
Government Bonds	50,421,456	50,698,062	50,698,062	81,145,316	53,416,033	53,416,033
Equity Shares (Quoted on the stock exchange)	-	-	-	5,659,676	3,684,686	3,684,686
Equity securities (Unquoted)	4,333,410	-	4,333,410	1,732,726	-	1,732,726
Total	2,408,191,666	2,369,149,294	2,373,482,704	1,577,867,798	1,705,514,480	1,707,247,206

Financial Assets Held-to-Maturity

	31 December 2024			31 December 2023		
	Cost Value	Stock Market Price	Carrying Value	Cost Value	Stock Market Price	Carrying Value
Eurobond	95,675,547	109,929,358	128,122,325	477,512,845	483,846,200	481,866,122
Government Bonds	309,097,489	350,522,841	432,996,791	281,766,687	302,430,755	337,400,843
Private Sector Bonds	-	-	-	615,954	-	615,954
Total	404,773,036	460,452,199	561,119,116	759,895,486	786,276,955	819,882,919

Financial Assets Held for Trading

	31 December 2024			31 December 2023		
	Cost Value	Stock Market Price	Carrying Value	Cost Value	Stock Market Price	Carrying Value
Investment Funds	3,006,968,933	5,765,258,137	5,765,258,137	3,007,489,655	3,719,402,547	3,719,402,547
Total	3,006,968,933	5,765,258,137	5,765,258,137	3,007,489,655	3,719,402,547	3,719,402,547

Investments at the Risk on Life Policyholders

	31 December 2024			31 December 2023		
	Cost Value	Stock Market Price	Carrying Value	Cost Value	Stock Market Price	Carrying Value
Government Bonds	2,796,556	2,753,400	2,753,400	1,997,788	2,205,350	2,205,350

11. FINANCIAL ASSETS (cont'd)

11.1 Subcategorization of Financial Assets (cont'd)

The breakdown of shares classified in financial assets available-for-sale is as follows:

31 December 2024

Stocks	Share Ratio %	Cost Value TL	Stock Market Price TL	Carrying Value TL
Tarım Sigortaları				
Havuz İşletmesi A.Ş.	3.70	4,333,410	-	4,333,410
Unquoted	-	4,333,410	-	4,333,410
Total		4,333,410	-	4,333,410

31 December 2023

Stocks	Share Ratio %	Cost Value TL	Stock Market Price TL	Carrying Value TL
Borsa İstanbul Quoted	-	5,659,676	3,684,686	3,684,686
Tarım Sigortaları				
Havuz İşletmesi A.Ş.	3.70	1,732,726	-	1,732,726
Unquoted	-	1,732,726	-	1,732,726
Total		7,392,402	3,684,686	5,417,412

The Company's blockage amounts at IPRSA as of 31 December 2024 and 31 December 2023 are disclosed in Note 17.1.

11.2 Securities other than shares issued during the period:

None (31 December 2023: None).

11.3 Debt securities amortized during the period:

None (31 December 2023: None).

11.4 Information on the values of marketable securities and financial fixed assets stated at cost in the balance sheet according to their stock market values, and the values of marketable securities and financial fixed assets stated at stock market values according to their cost values

None (31 December 2023: None).

11.5 Amounts of securities included in the securities and related securities group and issued by shareholders, associates and subsidiaries of the entity and the partnerships that issued them:

None (31 December 2023: None).

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11. FINANCIAL ASSETS (cont'd)

11.6 Value increases/(decreases) in financial assets in the last three years

Value increases and decreases (excluding deferred tax) reflect the differences between the carrying amounts of financial assets at the end of the period and their cost values.

Type of Financial Asset	31 December 2024	31 December 2023	31 December 2022
Financial Assets Available for Sale	39,639,677	(74,056,429)	(2,508,795)

11.7 Financial Instruments

- Information that enables users of the financial statements to assess the significance of financial instruments in terms of the financial position and performance of the entity is provided in Note 4.2.
- Information on the carrying amounts of financial assets is provided in Note 11.1 above.
- The fair value of financial assets and the comparison of the fair value with the carrying amount are disclosed in Note 11.1.
- Financial assets that are past due or impaired are disclosed in Note 11.1 above.

11.8 Financial Instruments

Information on hedge accounting is disclosed in Note 34.5.

11.9 Effects of Exchange Rate Change

The Company recognizes in profit or loss any exchange differences arising on settlement or translation of monetary items at rates different from those at which they were translated during the period or at initial recognition.

12. PAYABLES AND RECEIVABLES

12.1 Details of the Company's Receivables

	31 December 2024	31 December 2023
Receivables from insurance operations		
Receivables from intermediaries	4,166,707,875	4,773,031,239
Bank guaranteed credit card receivables with maturities longer than 3 months	688,502,508	1,478,733,244
Subrogation and salvage receivables - net (Note 2.1.1)	190,530,603	170,652,465
Receivables from reinsurance companies	864,305,147	401,807,474
Other receivables	848,079	396,804
Receivables from insurance operations	5,910,894,212	6,824,621,226
Subrogation receivables in administrative and legal proceedings	762,774,405	518,334,778
Doubtful receivables from operating activities	39,584,703	87,639,321
Total doubtful receivables	802,359,108	605,974,099
Receivables from operating activities	6,713,253,320	7,430,595,325
Provision for receivables from insurance operations (-) (*)	(26,629,512)	(44,623,073)
Provision for doubtful receivables from operating activities (-) (**)	(25,196,338)	(60,376,259)
Provision for net doubtful subrogation receivables under legal follow-up (-) (**)	(762,774,405)	(518,334,778)
Amounts of doubtful receivables allocated for receivables that are due and not yet due	(814,600,255)	(623,334,110)
Receivables from operating activities - net	5,898,653,065	6,807,261,215

(*) Provisions for receivables from reinsurance operations consist of provisions for subrogation receivables under administrative follow-up and provisions for premium receivables.

(**) It is presented under the provision for doubtful receivables arising from operating activities in the balance sheet.

12. PAYABLES AND RECEIVABLES (cont'd)

12.1 Details of the Company's Receivables (cont'd)

The aging of the Company's receivables from insurance operations is as follows:

	31 December 2024	31 December 2023
0-90 days	3,030,537,014	2,806,903,995
Over 90 days	2,658,885,896	3,822,769,725
Receivables not due	221,471,302	194,947,506
Total	5,910,894,212	6,824,621,226

The details of collaterals pledged for the Company's receivables are as follows:

	31 December 2024		31 December 2023	
Type of Collateral	Standard Receivables	Doubtful Receivables	Standard Receivables	Doubtful Receivables
Real Estate Mortgage	58,032,313	406,000	61,758,193	462,100
Letter of Guarantee	250,722,817	-	118,978,002	-
Cash Collaterals	77,734,272	-	48,974,023	-
Government Bonds and Shares	66,519,951	117,500	43,832,150	22,500
Total	453,009,353	523,500	273,542,368	484,600

The Company recognizes a provision for doubtful receivables at 100% of the unsecured amount.

	2024	2023
Beginning of the period - 1 January	(578,711,037)	(361,998,642)
Charge for the period	(361,738,074)	(216,712,395)
Collections	152,478,368	-
End of the period – 31 December	(787,970,743)	(578,711,037)

12.2 Receivable and payable relationship of the entity with shareholders, associates and subsidiaries

As of 31 December 2024, the Company has no payables to shareholders (31 December 2023: None). The Company has no associates as of 31 December 2024 (31 December 2023: TL 125,510,565).

12.3 Total amount of mortgages and other guarantees received for receivables

Total amount of mortgages and other guarantees received for receivables is TL 453,009,353 (31 December 2023: TL 273,542,368).

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

12. PAYABLES AND RECEIVABLES (cont'd)

12.4 The amounts of the Company's receivables and payables denominated in foreign currencies and not guaranteed by foreign exchange rates are as follows:

31 December 2024

Banks (DTH)	Foreign Currency Amount	Rate of Exchange	Amount TL
USD	7,668,845	35.2803	270,559,173
EUR	5,572,052	36.7362	204,696,017
Total			475,255,190
Securities			
USD	67,222,542	35.2803	2,371,631,434
Total			2,371,631,434
Receivables from Insurance Operations			
USD	74,284,825	35.2803	2,620,790,911
EUR	66,923,296	36.7362	2,458,507,587
Other			30,687,875
Total			5,109,986,373
Outstanding Claims Reserve			
USD	(8,542,492)	35.3438	(301,924,129)
EUR	(4,717,868)	36.8024	(173,628,865)
Other			(1,329,936)
Total			(476,882,930)
Payables from Insurance Operations			
USD	(91,617,357)	35.3438	(3,238,105,542)
EUR	(42,951,069)	36.8024	(1,580,702,422)
Other			(17,007,838)
Total			(4,835,815,802)
Payables to Suppliers			
USD	(3,807,942)	35.3438	(134,587,114)
EUR	(95,172)	36.8024	(3,502,558)
Total			(138,089,672)
Net Foreign Currency Position			2,506,084,593

12. PAYABLES AND RECEIVABLES (cont'd)

12.4 The amounts of the Company's receivables and payables denominated in foreign currencies and not guaranteed by foreign exchange rates are as follows: (cont'd)

31 December 2023

Banks (DTH)	Foreign Currency Amount	Rate of Exchange	Amount TL
USD	535,456	29.4382	15,762,861
EUR	22,920,612	32.5739	746,613,723
Pound Sterling	71,326	37.4417	2,670,567
Swiss Franc	6,651	34.9666	232,563
Other			13,285
Total			765,292,999
Securities			
USD	62,616,261	29.4382	1,843,310,007
Total			1,843,310,007
Receivables from Insurance Operations			
USD	117,474,160	29.4382	3,458,227,817
EUR	73,006,223	32.5739	2,378,097,407
Other			20,928,749
Total			5,857,253,973
Outstanding Claims Reserve			
USD	(10,213,303)	29.4913	(301,203,583)
EUR	(3,882,622)	32.6326	(126,700,051)
Other			(4,040,350)
Total			(431,943,984)
Payables from Insurance Operations			
USD	(96,857,461)	29.4913	(2,856,452,440)
EUR	(76,275,199)	32.6326	(2,489,058,059)
Other			(8,013,506)
Total			(5,353,524,005)
Payables to Suppliers			
USD	(1,751,409)	29.4913	(51,651,319)
EUR	(213,436)	32.6326	(6,964,972)
Total			(58,616,291)
Net Foreign Currency Position			2,621,772,699

13. DERIVATIVE FINANCIAL INSTRUMENTS

The Company has no short-term swap contract transactions during the period (1 January – 31 December 2023: The Company recognized a total expense of TL 8,864,491 arising from the market valuation of short-term swap contract transactions under income and expense from derivative instruments).

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

14. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Banks	4.789.809.217	2.892.019.906
Time Deposits	4.773.284.461	2.697.662.978
Demand Deposits	16.524.756	194.356.928
Credit Card Receivables with Bank Guarantees and Maturities Less Than Three Months	2.353.536.604	2.322.980.983
Total	7.143.345.821	5.215.000.889
Interest income accrual on cash and cash equivalents (-)	(663.345.298)	(382.121.797)
Deposits with original maturities longer than 3 months	(1.722.659.313)	(1.400.000.000)
Blocked bank deposits	(162.852.000)	-
General total for cash flow purposes	4.594.489.210	3.432.879.092

The interest rates of the Company's time deposit as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024 Annual Interest Rate (%)	31 December 2023 Annual Interest Rate (%)
TL	39.00 – 52.23	32.00 – 52.23
USD	0.01 – 0.01	0.05 – 0.05
EUR	0.01 – 0.01	0.01 – 3.93

As of 31 December 2024, maturities of TL deposits are between 2 January 2025 and 30 July 2025; maturities of foreign currency deposits are 2 January 2025.

As of 31 December 2024, the Company does not have any repo transactions accounted under Other Financial Liabilities (31 December 2023: None).

15. SHARE CAPITAL

15.1 Amounts of the entity's voluntary transactions with shareholders, showing distributions to shareholders separately

The shareholders and capital structure of the Company as of 31 December 2024 and 31 December 2023 are disclosed in Note 2.14.

A detailed explanation of the Company's transactions with its shareholders during the period and their balances as of the end of the period is given in the note "Related party disclosures".

According to the provisions of the tax legislation, 50% of the gains arising from the sale of real estate in the assets of companies are exempt from corporate tax, provided that they are kept in a special fund account in liabilities for at least five full years. The exempted gain cannot be transferred to another account or withdrawn from the entity in any way other than capitalization within five years. The Sales Profits to be Added to Capital account item includes the amounts transferred to equity from real estate sales.

15.2 Reconciling the beginning and end of period carrying amounts of each class of capital and each reserve, showing each change separately

Legal Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses unless they exceed 50% of paid-in share capital and are not available for any other usage. As of 31 December 2024, the Company has legal reserves amounting to TL 111,936,210 (31 December 2023: TL 111,936,210).

Special Funds (Reserves)	31 December 2024	31 December 2023
Actuarial loss / (gain)	15,457,785	10,248,582
Total	15,457,785	10,248,582

Share Premiums

As of 31 December 2024, the Company has share premium amounting to TL 3,463,617 (31 December 2023: TL 3,463,617).

Sales Profit to be added to Capital

As of 31 December 2024, there is no sales profit to be added to capital (31 December 2023: None).

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

15. SHARE CAPITAL (cont'd)

15.2 Reconciling the beginning and end of period carrying amounts of each class of capital and each reserve, showing each change separately (cont'd)

Extraordinary Reserves

As of 31 December 2024, the Company has Extraordinary Reserves amounting to TL 200,091,508 (31 December 2023: TL 200,091,508).

15.3 For each class of capital divided into shares

15.3.1 Explanation on the number of shares constituting the authorized capital

The issued share capital of the Company is divided into 161,200,000,000 shares with a par value of Kr 1 each and these shares are represented by tenth order shares (31 December 2023: 161,200,000,000 shares with a par value of Kr 1).

15.3.2 Explanation on the number of shares issued and fully paid and issued but not fully paid

None (31 December 2023: None).

15.3.3 The nominal value of a share or a statement that the share certificates have no nominal value

The nominal value of the shares is Kr 1 per share (31 December 2023: Kr 1).

15. SHARE CAPITAL (cont'd)

15.3 For each class of capital divided into shares (cont'd)

15.3.4 Explanation on the reconciliation of the number of shares at the beginning and end of the period

	Number of Share Certificates	
	2024	2023
Beginning of the period, 1 January	161,200,000,000	161,200,000,000
Issued during the period	-	-
End of Period 31 December	161,200,000,000	161,200,000,000

15.3.5 Rights, privileges and limitations (restrictions) on the distribution of dividends and repayment of capital, including restrictions on the redemption of capital

In accordance with the provisions of Article 61 of the Company's Articles of Association, corporate tax payable is deducted from the net profit calculated and determined according to the balance sheet. Legal reserves are set aside at the rate of 5% over the remaining amount. The first dividend at least at the rate and amount determined by the Capital Markets Board is set aside from the amount remaining after the legal reserve is set aside.

There are no privileged shares in the Company's capital.

In accordance with the Capital Markets Board (Board), decree issued as of 27 January 2010, in relation to dividend payment on earnings derived from the operations in 2010, minimum dividend distribution is not required for listed companies, and accordingly, dividend distribution should be made based on the requirements set out in the Boards' Communiqué Serial: IV, No:27 "Principles of Dividend Advance Distribution of Companies that are subject to the Capital Markets Board Regulations", terms of articles of corporations and profit distribution policies publicly disclosed by the companies.

15.3.6 Disclosure of the entity's own shares held by the entity or by its subsidiaries or affiliates

None (31 December 2023: None).

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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

15. SHARE CAPITAL (cont'd)

15.3 For each class of capital divided into shares (cont'd)

15.3.7 Explanation on share certificates held in the organization to be issued for share sales to be made in accordance with forward transactions and contracts, their maturities and amounts

None (31 December 2023: None).

15.4 Share Based Payments

None (31 December 2023: None).

15.5 Events after the Reporting Period

Explained in Note 46.

16. OTHER PROVISIONS AND CAPITAL COMPONENT OF DISCRETIONARY PARTICIPATION

16.1 Items of income and expense for the period that are required by other standards or interpretations to be recognized directly in equity, and the total of these items

	31 December 2024	31 December 2023
Valuation difference on available-for-sale financial assets	(39,639,676)	74,056,429
Deferred tax effect	11,891,903	(22,216,929)
Deferred tax effect of TPL inflation differences	123,114,065	79,237,910
Total	95,366,292	131,077,410

16.2 Reconciliation of net foreign exchange differences classified separately as a component of equity and the amounts of such foreign exchange differences at the beginning and end of the period

None (31 December 2023: None).

16.3 Hedging transactions related to forecasted transaction and net investment hedges

None (31 December 2023: None).

16.4 Hedging transactions

Explained in Note 34.5.

16. OTHER PROVISIONS AND CAPITAL COMPONENT OF DISCRETIONARY PARTICIPATION (cont'd)

16.5 Gains or losses on available-for-sale financial assets recognized directly in equity during the period and amounts removed from equity and recognized in profit or loss for the period

	2024 Value increase / (decrease)	2023 Value increase / (decrease)
Beginning of the period, 1 January	131,077,410	1,881,596
Value increase / (decrease) recognized in equity during the period	(35,711,118)	129,195,814
Period end, 31 December	95,366,292	131,077,410

16.6 Gains or losses on associates recognized directly in equity during the period

None (31 December 2023: None).

16.7 Revaluation increase on revaluation of property, plant and equipment

None (31 December 2023: None).

16.8 Current and deferred tax related to items recognized directly in equity as a payable or receivable

None (31 December 2023: None).

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS

17.1 Collateral amounts required to be provided by the Company for life and non-life branches and collateral amounts provided for life and non-life branches by assets

The collateral amounts required to be provided by the Company for life and non-life branches and the collateral amounts provided for life and non-life branches by assets are as follows:

Branch	31 December 2024		31 December 2023	
	Required to be Established TL	Available Blockage TL	Required to be Established TL	Available Blockage TL
Life	3,089,714	3,264,110	2,165,648	2,205,350
Government bonds		2,753,400		2,205,350
Time Deposit		510,710		-
Non-Life (*)	1,164,726,795	1,888,180,879	1,065,256,537	1,822,621,919
Government bonds		354,751,781		340,467,696
Eurobond		1,533,429,098		1,484,259,573
Total	1,167,816,510	1,888,180,879	1,067,422,185	1,824,727,269

(*) As of 31 December 2024, the collateral amounts required to be established as of 31 December 2024 have been calculated using the Capital Adequacy Table.

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17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.2 Number of life insurance policies of the Company, number of life insurance policies issued, allocated and current life insurance policyholders and their mathematical reserves

	2024		2023	
	Number	Mathematical Provision TL	Number	Mathematical Provision TL
Beginning of the period – 1 January	155	2,023,958	155	1,325,877
Additions during the period	-	-	-	-
Allocated during the period	-	944,523	-	698,081
End of the period, 31 Decembers	155	2,968,481	155	2,023,958

In the table above, Mathematical Reserves amounting to TL 2,968,481 (31 December 2023: TL 2,023,958) includes Provisions for Investment Risk Life Insurance Policyholders' Policies amounting to TL 296,848 (31 December 2023: TL 202,396) and the number of cancelled policies and the corresponding Mathematical Reserves.

As explained in Note 11, assets classified as Available-for-Sale Financial Assets are valued at fair value and there is no difference between the fair value and discounted value recognized in the Life Mathematical Provision account as of 31 December 2024 (31 December 2023: None).

17.3 Amounts of insurance guarantees given to non-life and life insurances by branches

Branch	31 December 2024	31 December 2023
Motor Liability	264,558,577,546,635	83,452,316,316,024
Fire and Natural Disasters	29,600,156,847,031	5,746,715,688,745
Health	7,343,326,787,896	2,168,580,790,781
Logistics	8,320,245,518,816	1,632,088,040,277
General Losses	6,579,919,526,784	1,197,490,771,834
Motor	4,608,983,257,074	912,103,841,675
Financial Losses	2,563,540,580,668	676,738,718,010
General Liability	6,338,503,156,413	485,697,448,513
Air Craft Liability	2,087,688,491,098	483,716,520,050
Watercraft	695,362,062,585	98,405,718,756
Accident	361,625,625,870	74,236,508,834
Air Crafts	152,986,761,938	39,570,614,758
Suretyship	46,082,256,286	9,902,544,987
Legal Protection	38,884,117,621	10,174,524,143
Credit	22,994,951,334	1,981,124,051
Total	333,318,877,488,049	96,989,719,171,438

17.4 Pension investment funds established by the Company and their unit prices

None (31 December 2023: None).

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.5 Number and amount of participation certificates in portfolio and participation certificates in circulation

None (31 December 2023: None).

17.6 Number and portfolio amounts of entrants, leavers, cancellations and existing private pension and company pension participants during the period

None (31 December 2023: None).

17.7 Valuation methods used in the calculation of profit share in profit-sharing life insurances

None (31 December 2023: None).

17.8 Distribution of the number of new private pension participants and their gross and net participation shares as individual and corporate during the period

None (31 December 2023: None).

17.9 Distribution of the number of private pension participants transferred from another company during the period and their gross and net participation shares as individual and corporate

None (31 December 2023: None).

17.10 Distribution of the number of private pension participants who switched from the Group's life portfolio to private pension during the period and their gross and net participation shares as individual and institutional

None (31 December 2023: None).

17.11 Distribution of the number of individual pension participants who left the group's portfolio during the period and transferred to another company or did not transfer to another company, and their gross and net participation shares as individual and corporate

None (31 December 2023: None).

17.12 Number of new life insurance policyholders and gross and net premiums, individual and company breakdown

None (31 December 2023: None).

17.13 Number of life insurance policyholders who left the portfolio during the period, gross and net premiums and mathematical reserves by individuals and companies

All of the life insurance policyholders who left the portfolio during the period are individuals and their numbers and amounts are given in Note 17.2.

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17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.14 Dividend distribution rate to life policyholders during the period

Dividend distribution rate to life policyholders during the period is calculated as follows:

	31 December 2024	31 December 2023
	Dividend Distribution Rate (%)	Dividend Distribution Rate (%)
TL (Life Insurance)	9.00	9.00

17.15 Disclosure of information that identifies and presents amounts arising from insurance contracts in the financial statements

None (31 December 2023: None).

17.16 Recognized assets, liabilities, income and expenses and cash flows arising from insurance contracts, if the insurer is a ceding entity:

Reinsurance Assets	31 December 2024	31 December 2023
Reinsurer Share of Outstanding Claims Reserve (Note 4.1.1.1)	10,733,289,195	9,329,965,090
Reinsurer Share of Unearned Premiums Reserve (Note 20)	11,061,836,725	9,487,695,045
Reinsurer Share of Equalization Reserve (Note 20)	1,446,185,257	880,501,141
Receivables from Reinsurance Companies (12.1)	864,305,147	401,807,474
Reinsurer Share of Provision for Unexpired Risks (Note 20)	1,106,720,344	503,140,110
Reinsurer Share of Bonuses and Rebates (Note 20)	284,303	245,747
Total	25,212,620,971	20,603,354,607

Reinsurance Payables	31 December 2024	31 December 2023
Payables to Insurance and Reinsurance Companies (Note 19.1)	4,207,830,392	5,155,855,256
Deferred Commission Income (Note 19.1)	1,725,540,004	1,306,143,694
Total	5,933,370,396	6,461,998,950

Reinsurance Agreements Income and Expenses	1 January- 31 December 2024	1 January- 31 December 2023
Reinsurer Share of Outstanding Claims Reserve	1,403,324,105	5,619,100,538
Reinsurer Share of Unearned Premiums Reserve (Note 20)	1,574,141,469	5,679,103,174
Reinsurer Share in Paid Claims	13,087,932,243	9,300,885,392
Commissions Received (Note 32)	3,384,313,789	1,566,370,313
Reinsurer Share of Bonus and Rebates Reserve (Note 20)	38,556	12,088
Reinsurer Share of Provision for Unexpired Risks (Note 20)	603,580,233	301,710,899
Premiums Transferred to Reinsurers (-)	(23,814,785,882)	(17,396,625,668)
Total	(3,761,455,487)	5,070,556,736

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.16 Recognized assets, liabilities, income and expenses and cash flows arising from insurance contracts, if the insurer is a ceding entity: (cont'd)

Branch	31 December 2024			31 December 2023		
	Transferred Premiums (*)	Technical Reserves Reinsurer Share (**)	Claims Paid Reinsurer Share	Transferred Premiums	Technical Reserves Reinsurer Share	Claims Paid Reinsurer Share
Fire and Natural Disasters	(7,795,309,801)	354,058,624	3,578,310,380	(5,582,089,836)	3,480,380,607	5,653,144,919
Health	(3,891,298,054)	743,610,891	2,206,558,480	(2,278,162,883)	614,677,351	1,121,069,316
General Losses	(2,272,295,400)	(66,826,388)	1,399,987,539	(2,211,462,703)	1,313,428,988	601,274,963
Motor Liability	(4,945,808,789)	3,733,134,120	2,760,747,545	(2,850,890,884)	2,733,281,904	804,865,944
General Liability	(890,014,262)	(333,201,821)	1,612,032,803	(927,042,913)	143,304,005	129,541,361
Financial Losses	(1,160,873,854)	(823,778,019)	226,877,009	(1,125,830,418)	1,637,521,316	330,010,780
Logistics	(458,315,394)	65,940,536	199,422,150	(321,723,816)	301,668,650	72,248,193
Accident	(240,004,385)	71,062,632	12,033,245	(52,352,355)	17,624,034	8,479,613
Suretyship	(44,737,524)	(89,429,195)	12,252,632	(101,336,589)	455,197,380	1,648,285
Air Craft Liability	(255,176,889)	(147,398,518)	3,363,305	(288,836,525)	32,061,227	29,875
Air Crafts	(150,094,123)	(32,377,890)	61,973,530	(156,488,756)	89,656,354	68,754,22
Watercraft	(377,166,509)	202,834,505	92,580,856	(256,068,687)	100,988,938	48,497,282
Credit	(13,088,779)	489,863	521,135	(11,259,231)	1,741,767	8,938,593
Motor	(1,320,602,119)	(97,933,207)	921,271,634	(1,233,077,653)	678,392,409	452,374,762
Legal Protection	-	(1,770)	-	(2,419)	1,769	9,280
Total	(23,814,785,882)	3,581,084,363	13,087,932,243	(17,396,625,668)	11,599,926,699	9,300,885,392

(*) As explained in Note 2.15, the amount of premiums ceded includes premiums ceded to SSI amounting to TL 681,990,582 (31 December 2023: TL 434,053,951) in Traffic Branch as of 31 December 2024.

(**) Reinsurer Share of Technical Reserves includes the reinsurance share of Unearned Premium Reserves, Unexpired Risk Reserves, Outstanding Claims Reserves and Bonus and Rebates Reserves.

The Company defers commission income from reinsurance agreements purchased as a ceding entity.

17.17. Comparison of actual damages with past estimates

Explained in Note 4.1.1.3.

17.18. The effects of changes in assumptions used in the measurement of insurance assets and liabilities, showing separately the effect of each change that has a significant effect on the financial statements

Explained in Note 4.1.1.4.

17.19 Reconciliation of changes in insurance payables, reinsurance assets and related deferred acquisition costs, if any

	2024	
	Insurance payables	Reinsurance assets
Beginning of the period - 1 January	6,461,998,950	20,603,354,607
Net change for the period	(528,628,554)	4,609,266,364
Period end- 31 December	5,933,370,396	25,212,620,971

	2023	
	Insurance payables	Reinsurance assets
Beginning of the period - 1 January	2,583,781,752	8,348,505,025
Net change for the period	3,878,217,198	12,254,849,582
Period end- 31 December	6,461,998,950	20,603,354,607

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17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.20 Deferred production commissions and deferred commission income

Commissions paid to intermediaries for premiums written and commissions received from reinsurers for premiums ceded to reinsurers, corresponding to the future period or periods, are accounted for by netting off under 'Deferred production expenses' and 'Deferred commission income' accounts in the balance sheet and under operating expenses account in the income statement, respectively. As of 31 December 2024, deferred commission expenses and deferred commission income amounting to TL 2,158,803,724 (31 December 2023: TL 1,708,733,645) and TL 1,725,540,004 (31 December 2023: TL 1,306,143,694) are recognized under deferred production expenses and deferred commission income, respectively.

18. INVESTMENT AGREEMENT LIABILITIES

Presented in Note 17.3.

19. TRADE AND OTHER PAYABLES, DEFERRED INCOME

19.1 Sub-classifications of the items presented, appropriate to the activities of the organization

	31 December 2024	31 December 2023
Payables to insurance and reinsurance companies (Note 17.16)	4,207,830,392	5,155,855,256
Payables from Insurance Operations	4,207,830,392	5,155,855,256
Payables to vendors	321,787,524	198,662,469
TCIP current account	103,658,403	103,431,814
Payables to contracted services and institutions	188,294,476	73,293,131
TCIP debts to agencies	5,893,807	2,656,924
Other	4,628,370	5,611,596
Other Payables	624,262,580	383,655,934
Payables to SSI related to treatment expenses	202,660,276	178,631,352
Deferred Commission Income (Note 17.16)	1,725,540,004	1,306,143,694
Provision for Cost Expenses (Note 23.4)	471,624,508	267,331,731
Other Deferred Income and Expense Accruals	2,197,164,512	1,573,475,425
Total Short-Term Payables	7,231,917,760	7,291,617,967
Total Trade and Other Payables, Deferred Income	7,231,917,760	7,291,617,967

19.2 Related Party Disclosures

A detailed explanation of the Company's transactions with related parties and their balances at the end of the period is disclosed in Note 45.

20. BORROWINGS

Insurance Technical Provisions	31 December 2024	31 December 2023
Reserve for Unearned Premiums - Net	6,128,405,463	5,755,788,715
Outstanding Claims Reserve - Net (Note 4.1.1.1.1)	5,340,420,490	3,619,726,646
Equalization Provision - Net	178,444,224	85,298,741
Mathematical Reserves - Net	2,968,481	2,023,958
Provision for Unexpired Risks - Net	943,727,319	520,806,201
Bonus and Rebates Reserve - Net	15,643	13,293
Total	12,593,981,620	9,983,657,554

The movement of the Company's insurance technical provisions is as follows:

Unearned Premium Reserves:

	31 December 2024			31 December 2023		
	Gross	Reinsurance share (*)	Net	Gross	Reinsurance share (*)	Net
Beginning of the period –						
1 January	15,243,483,759	(9,487,695,044)	5,755,788,715	7,706,558,722	(3,808,591,870)	3,897,966,852
Net change	1,946,758,429	(1,574,141,681)	372,616,748	7,536,925,037	(5,679,103,174)	1,857,821,863
End of period –						
31 December	17,190,242,188	(11,061,836,725)	6,128,405,463	15,243,483,759	(9,487,695,044)	5,755,788,715

(*) Reinsurance share of reserve for unearned premiums receivable includes the share of SSI amounting to TL 166,366,796 (31 December 2023: TL 102,242,133 reinsurance share of reserve for unearned premiums receivable).

Provision for Continuing Risks:

	31 December 2024			31 December 2023		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Beginning of the period –						
1 January	1,023,946,311	(503,140,110)	520,806,201	354,647,290	(201,429,211)	153,218,079
Net change	1,026,501,352	(603,580,234)	422,921,118	669,299,021	(301,710,899)	367,588,122
End of period –						
31 December	2,050,447,663	(1,106,720,344)	943,727,319	1,023,946,311	(503,140,110)	520,806,201

Equalization Provision:

	31 December 2024			31 December 2023		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Beginning of the period - 1 January	965,799,882	(880,501,141)	85,298,741	640,364,640	(485,464,437)	154,900,203
Net change	658,829,600	(565,684,117)	93,145,483	325,435,242	(395,036,704)	(69,601,462)
End of period - 31 December	1,624,629,482	(1,446,185,258)	178,444,224	965,799,882	(880,501,141)	85,298,741

Provision for Bonus and Rebates

	31 December 2024			31 December 2023		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Beginning of the period - 1 January	259,040	(245,747)	13,293	243,883	(233,659)	10,224
Net change	40,905	(38,555)	2,350	15,157	(12,088)	3,069
End of period - 31 December	299,946	(284,303)	15,643	259,040	(245,747)	13,293

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20. BORROWINGS (cont'd)

Provision for Outstanding Claims:

The movement of the Company's provision for outstanding claims for the years 2024 and 2023 is disclosed in Note 4.1.1.1.1.

Lease Liability:

The total lease liability recognized by the Company and the movement of lease liabilities are as follows:

	31 December 2024	31 December 2023
Current lease liabilities	79,826,670	37,250,927
Non-current lease liabilities	389,159,784	38,721,193
Discount amount with alternative borrowing rate	(299,142,050)	(18,795,831)
Total lease liabilities	169,844,404	57,176,289
	31 December 2024	31 December 2023
Total lease liability as of 1 January	57,176,289	39,564,306
Rent payments (real estate and motor vehicles)	(61,162,513)	(36,878,233)
Interest payments	36,590,299	15,500,978
New Lease Agreement	142,782,617	29,249,607
Changes in lease agreements	(5,542,288)	9,739,631
Total lease liability as of the balance sheet date	169,844,404	57,176,289

Payables to Credit Institutions

The Company has no payables to credit institutions as of 31 December 2024. (31 December 2023: None).

21. DEFERRED INCOME TAX

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result from the recognition of revenue and expenses in different reporting periods for the financial statements prepared in accordance with TFRS and tax legislation.

The Company's deferred income tax amounts are disclosed in Note 35.

22. RETIREMENT BENEFIT OBLIGATIONS

Provisional Article 23 of the Banking Law No. 5411 stipulates that the pension funds established for the personnel of banks, insurance and reinsurance companies within the scope of the SSI Law shall be transferred to the SSI within three years following the publication of the law, and the procedures and principles regarding the transfer were determined by the Council of Ministers Decree No. 2006/11345 dated 30 November 2006. On the other hand, the relevant article of the law regarding the transfer was cancelled by the Constitutional Court's decision dated 22 March 2007 and numbered E.2005/39, K.2007/33 published in the Official Gazette dated 30 June 2007 and numbered 26479, based on the application made by the President of the Republic on 2 November 2005 and its execution was suspended as of the publication date of the decision.

On the other hand, with the 'Law on Amendments to the Social Security and General Health Insurance Law and Certain Laws and Decree Laws' numbered 5754 published in the Official Gazette dated 8 May 2008 and numbered 26870, it has been stipulated that the participants of the bank pension funds and those who have been granted a pension or income and their beneficiaries shall be transferred to the Social Security Institution within three years from the date of publication of the relevant article without the need for any action and shall be included within the scope of this Law, and that the three-year transfer period may be extended for a maximum of two years with the decision of the Council of Ministers.

In the aforementioned law, as of the transfer date, the cash value of the liability will be calculated by taking into account the income and expenses of the pension funds in terms of the insurance branches within the scope of the aforementioned Law, and the annual technical interest rate to be used in the actuarial calculation of the cash value will be based on 9.8%. In addition, it is also stated that after the transfer of the fund participants, those who have been granted a pension and/or income and their beneficiaries to the Social Security Institution, other social rights and payments that are not covered despite being included in the foundation deed to which these persons are subject, will continue to be covered by the funds and the organizations employing the fund participants.

Aksigorta A.Ş. is a member of Akbank T.A.Ş. Provident Fund and the Company pays its share of the liability to the fund at the end of each accounting period. As a result of the actuarial valuations performed for the funds established in accordance with the Provisional Article 20 of the Social Security Law No. 506, no deficit has been recognized and no payment has been made by the Company for this purpose. The assets of this foundation are sufficient to meet the total liabilities of the foundation and it is considered that there will be no additional liability to the Company as of the balance sheet date.

Provision for employment termination benefits:

Under the Effective Labor Law provisions, employees whose employment contract is terminated with eligibility for severance pay must be paid the statutory severance pays for which they are eligible.

The severance pay liability is calculated according to the estimation of the current value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 ("Employee Benefits") prescribes that the Company's liabilities are developed by using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

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22. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Therefore, provisions in the accompanying financial statements as of 31 December 2024 and 31 December 2023 are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. As of 31 December 2024, the discount rate of 3.0% (31 December 2023: 2.72%) has been taken into consideration in the calculation. The estimated rate of severance pay amounts that will not be paid as a result of voluntary resignations and will remain with the Company is also taken into consideration in the calculation.

However, during this estimation, severance pay payments to be made due to voluntary termination of employment after completing the insurance period (15 years) and the number of premium payment days (3600 days) foreseen for granting old-age pension according to temporary article 81 of the same law, other than the ages specified in subparagraph 5 of paragraph 1 of article 14 of the Labor Law No. 1475 and subparagraphs (a) and (b) of paragraph A of article 60 of the Law No. 506, have been excluded from the estimations regarding the amounts to be retained by the Company.

Actuarial loss amounting to TL 14,566,081 (31 December 2023: TL 8,401,928), net of deferred tax effect of TL 21,336,316 (31 December 2023: TL 1,291,809), arising from the calculation of provision for employment termination benefits is recognized in the special funds account under shareholders' equity (Note 15.2).

The maximum liability is revised semi-annually and as of 31 December 2024, the maximum amount of TL 46,655 effective from 1 January 2025 has been taken into consideration in calculating the provision for employment termination benefits of the Company (31 December 2023: TL 35,058).

Movements in the provision for employment termination benefits during the period are as follows:

	2024	2023
Beginning of the period, 1 January	17,242,711	33,744,176
Increase during the period (Note 47)	6,146,975	9,525,177
Actuarial loss/gain	14,566,082	8,401,928
Employment termination benefits paid (-)	(11,396,839)	(34,428,570)
End of period, 31 December	26,558,928	17,242,711

23. OTHER LIABILITIES AND COST PROVISIONS

23.1 Provisions for personnel social security and others

	2024		2023	
	Provision for unused vacation	Social security deductions payable	Provision for unused vacation	Social security deductions payable
Beginning of the period, 1 January	20,789,730	909,688	7,694,606	525,318
Movement during the period	20,552,985	397,896,133	17,051,634	199,745,774
Paid during the period	(5,187,606)	(397,203,589)	(3,956,510)	(199,361,404)
End of the period, 31 December	36,155,109	1,602,232	20,789,730	909,688

23. OTHER LIABILITIES AND COST PROVISIONS (cont'd)

23.2 Total Amount of Commitments Not Included in Liabilities

As of 31 December 2024 and 31 December 2023, the Company's collateral, pledges and mortgages ("CPM") position are as follows:

	31 December 2024		31 December 2023	
	Main Currency Amount	Amount TL	Main Currency Amount	Amount TL
CPM's given by the Company				
A. Total amount of CPM's given in the name of its own legal personality	52,903,378	52,903,378	18,933,842	18,933,842
B. Total amount of CPM's given on behalf of the companies	-	-	-	-
C. Total amount of CPM's given on behalf of third parties for ordinary course of business				
Turkish Lira	-	-	-	-
US Dollar	-	-	-	-
D. Total amount of other CPM's given				
i. Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-
ii. Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C	-	-	-	-
iii. C. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-
Turkish Lira	-	-	-	-
Total	52,903,378	52,903,378	18,933,842	18,933,842

There is no ratio of other CPMs given by the Company to the Company's equity (31 December 2023: None).

23.3 Provisions, Contingent Liabilities and Contingent Assets

	31 December 2024	31 December 2023
Contingent liabilities		
Litigated Outstanding Claims (*)	6,602,681,490	3,695,399,914
Provision for unused vacation	36,155,109	20,789,730
Labor lawsuit provision	3,141,483	2,001,288
Total	6,641,978,083	3,718,190,932
Contingent assets		
Subrogation Receivable Litigations, Gross	1,425,905,008	966,382,419
Trade Receivable Litigations and Executions	153,019,851	9,754,253
Total	1,578,924,859	976,136,672

(*) Provision for outstanding claims in litigation consists of TL 3,817,322,734 (31 December 2023: TL 2,064,213,460) principal receivable, TL 1,264,706,908 (31 December 2023: TL 616,633,274) interest and TL 1,520,651,848 (31 December 2023: TL 1,014,553,180) costs and attorney fees.

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23. OTHER LIABILITIES AND COST PROVISIONS (cont'd)

23.4 Provision for Cost Expenses

	31 December 2024	31 December 2023
Commission provision (*)	193,571,896	111,760,501
Performance premium provision	105,164,562	45,367,360
Provision for guarantee fund	69,031,569	40,999,395
Expense provisions	53,613,303	7,665,855
Provision for labor lawsuits	3,141,483	2,001,288
Provision for unused vacation	36,155,109	20,789,730
BITT Fund provision	-	35,560,678
Donation Provision	7,308,481	-
Other	3,638,105	3,186,924
Total	471,624,508	267,331,731

(*) Provision for commissions to be distributed to agencies, banks and corporate channels for the current period.

24. NET INSURANCE PREMIUM INCOME

	1 January - 31 December 2024	
	Gross	Reinsurance Share
Motor	5,506,964,954	(1,320,602,119)
Motor Liability (*)	8,429,480,968	(4,945,808,789)
Fire and Natural Disasters	9,086,714,096	(7,795,309,801)
Health	4,346,677,214	(3,891,298,054)
General Losses	2,796,812,012	(2,026,494,602)
General Liability	1,266,258,566	(1,135,763,661)
Financial Losses	1,405,348,609	(1,160,873,854)
Logistics	552,897,112	(458,315,394)
Air Craft Liability	255,178,120	(255,176,889)
Accident	578,951,150	(240,055,784)
Watercraft	426,549,452	(377,166,509)
Air Crafts	150,094,295	(150,094,123)
Suretyship	49,197,403	(44,737,524)
Credit	13,572,845	(13,088,779)
Legal Protection	7,113,218	-
Total Non-Life Branches	34,871,810,014	(23,814,785,882)
Life - Gross Written Premium	-	-
Total	34,871,810,014	(23,814,785,882)

	1 January - 31 December 2023	
	Gross	Reinsurance Share
Motor	5,914,419,949	(1,233,077,654)
Motor Liability (*)	5,690,988,600	(2,850,890,884)
Fire and Natural Disasters	6,619,368,716	(5,582,089,837)
Health	2,559,286,166	(2,278,162,883)
General Losses	2,381,552,903	(1,942,663,027)
General Liability	1,301,548,487	(1,195,800,039)
Financial Losses	1,232,682,097	(1,125,830,418)
Logistics	415,300,903	(321,723,816)
Air Craft Liability	288,837,616	(288,836,525)
Accident	321,080,453	(52,394,903)
Watercraft	295,488,568	(256,068,687)
Air Crafts	156,489,043	(156,488,756)
Suretyship	104,250,161	(101,336,589)
Credit	11,446,411	(11,259,231)
Legal Protection	6,008,097	(2,419)
Total Non-Life Branches	27,298,748,170	(17,396,625,668)
Life - Gross Written Premium	-	-
Total	27,298,748,170	(17,396,625,668)

(*) Motor liability reinsurance share includes SSI share amounting to TL 681,990,582 (1 January- 31 December 2023: TL 434,053,951).

25. FEES (COST) INCOME

None (1 January- 31 December 2023: None).

26. INVESTMENT INCOME/EXPENSES

Realized Investment Income / Expenses	1 January- 31 December 2024	1 January- 31 December 2023
Eurobond	355,030,218	295,171,496
Time Deposit	949,125,766	465,614,069
Investment Fund	238,897,805	134,607,521
Share Certificates	8,028,629	47,306,259
Government Bond	6,420,865	148,925,777
Private Sector Bonds	27,761,166	30,011,430
Derivative Transactions	-	(8,864,491)
Treasury Bills	-	(4,169,246)
Total	1,585,264,449	1,108,602,815

Unrealized Investment Income/(Expenses)	1 January- 31 December 2024	1 January- 31 December 2023
Investment Fund	2,098,154,770	668,048,871
Time Deposit	281,224,326	315,052,550
Government Bond	104,518,918	(53,871,299)
Eurobond	(53,815,766)	(31,687,439)
Private Sector Bonds	(8,857,529)	3,677,815
Share Certificate	1,974,882	(1,974,869)
Treasury Bills	(228,202)	(153,360)
Repo	-	282,082
Total	2,422,971,399	899,374,351
Total Investment Income/Expenses, Net	4,008,235,848	2,007,977,166

27. NET ACCRUED INCOME FROM FINANCIAL ASSETS

Net accrual income of financial assets is presented in Notes 11 and 16.

28. ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As of the balance sheet date, the net gain amount of financial assets at fair value through profit or loss recognised in the income statement is TL 100,666,917 (1 January- 31 December 2023: TL 33,605,964 net gain).

29. INSURANCE RIGHTS AND CLAIMS

Outstanding Claims Reserve	1 January- 31 December 2024	1 January- 31 December 2023
Motor Liability	(1,393,532,302)	(492,730,865)
Motor	(173,350,786)	(317,949,284)
General Losses	(16,897,126)	(20,695,549)
Logistics	(5,428,938)	(23,287,687)
Financial Losses	(5,084,963)	6,136,222
Suretyship	2,880,208	(12,237,729)
Watercraft	(5,253,697)	(9,901,015)
Accident	(1,386,129)	(1,285,260)
Legal Protection	207,140	(35,674)
Credit	179	59,632
Air Craft Liability	4,412	(6,170)
Air Crafts	(1)	(122)
General Liability	(50,966,339)	20,804,235
Health	(1,340,777)	760,653
Fire and Natural Disasters	(70,563,707)	19,089,659
Total non-life	(1,720,712,826)	(831,278,954)
Life	18,982	1,474
Total (*)	(1,720,693,844)	(831,277,480)

(*) For the comparison of the current period and prior period, please refer to the explanations in Note 4.1.1.3.

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30. INVESTMENT AGREEMENT RIGHTS

None (31 December 2023: None).

31. OTHER EXPENSES

Expense types are explained in Note 32.

32. TYPES OF EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Production commissions (-)	(4,274,853,530)	(2,556,779,618)
Personnel salaries and expenses (-) (*) (Note 33)	(1,425,508,931)	(655,967,898)
IT expenses (-)	(174,008,652)	(104,121,166)
Meeting and training expenses (-)	(66,439,230)	(64,397,909)
Logistics expenses (-)	(34,242,636)	(17,066,833)
Advertisement and advertising expenses (-)	(32,199,297)	(19,078,479)
Reinsurance commissions (+)	3,374,501,980	1,566,370,313
Other (-)	(213,549,661)	(81,738,412)
Total	(2,846,299,957)	(1,932,780,002)

(*) The Company pays a monthly private pension participation fee of minimum TL 181 and maximum gross minimum wage for the personnel who fulfil the conditions and this amount is recognized under personnel salaries and expenses.

33. EMPLOYEE BENEFIT EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Salary, bonus and premium payments	(1,048,618,217)	(479,258,667)
Insurance payments	(238,633,126)	(118,333,717)
Social aid expenses	(102,827,521)	(43,981,501)
Other payments	(35,430,067)	(14,394,013)
Total (Note 32)	(1,425,508,931)	(655,967,898)

34. FINANCIAL COSTS

34.1 Finance Expenses:

The Company has an interest expense of TL 36,590,299 (1 January – 31 December 2023: TL 15,500,978) based on the lease agreements accounted for within the scope of TFRS 16 in the accounting period of 1 January– 31 December 2024. There is a lease expense of TL 55,838,170 related to finance lease agreements (1 January- 31 December 2023: TL 46,512,359).

34.2 Portion of financial expenses related to shareholders, subsidiaries and associates:

None (31 December 2023: None).

34.3 Sales and purchases with shareholders, subsidiaries and associates:

Explained in Note 45.

34.4 Interest, rent and similar amounts received from and paid to shareholders, subsidiaries and associates:

Explained in Note 45.

34. FINANCIAL COSTS (cont'd)

34.5 Hedge Accounting

Cash flow hedging principle

None (31 December 2023: None).

Type and principle of cash flow hedge

None (31 December 2023: None).

34.6 Other exchange differences recognized in profit or loss, except for exchange differences arising from the measurement of financial instruments at fair value through profit or loss

None (31 December 2023: None).

35. INCOME TAXES

	31 December 2024	31 December 2023
Current tax assets/liabilities:		
Provision for Taxes and Other Legal Liabilities for the Period	157,838,935	148,228,750
Prepaid Taxes and Other Liabilities (-)	(97,505,362)	(31,748,380)
Withholding taxes paid in advance through deduction	(15,890,123)	(3,871,204)
Total	44,443,450	112,609,166

Tax (expense) / income consists of the following:

	1 January- 31 December 2024	1 January- 31 December 2023
Current tax (expense) / income	(157,838,935)	(148,228,750)
Deferred tax (expense) / income related to temporary differences arising and temporary differences reversing	142,260,482	74,713,256
Total tax (expense)	(15,578,453)	(73,515,494)

The Company recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between its financial statements and the financial statements prepared in accordance with Turkish Financial Reporting Standards ("TFRS"). These differences are generally due to the tax base amounts of some income and expense items and the fact that they are included in different periods in the financial statements prepared in accordance with TFRS and are explained below.

In the financial statements dated 31 December 2024, deferred tax assets and liabilities are calculated at a rate of 30%, taking into account the time intervals in which the deferred tax assets consisting of deductible temporary differences will be realized by generating taxable profit in the future.

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35. INCOME TAXES (cont'd)

The movement of deferred tax assets/liabilities is as follows:

Deferred tax	2024	2023
Opening	356,155,032	227,091,664
Recognized in the Income Statement	142,260,482	74,713,256
Recognized in equity	75,825,252	54,350,112
Closing, 31 December	574,240,766	356,155,032

The items that constitute deferred tax are as follows:

	Temporary Differences	Temporary Differences	Deferred tax Asset/ Liability	Deferred tax Asset/ Liability
Deferred tax assets / (liabilities)	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Provision for unexpired risks	943,727,319	520,806,201	283,118,196	156,241,860
Provision for expenses	28,265,593	154,918,982	8,479,678	46,475,695
Property and equipment and intangible assets	156,981,790	375,492,020	47,094,537	112,647,606
Provision for doubtful receivables	27,114,854	45,108,415	8,134,456	13,532,525
Performance premium provision (Note 23.4)	105,164,563	45,367,360	31,549,369	13,610,208
Equalization provision	37,565,436	26,870,236	11,269,631	8,061,071
Provision for employment termination benefits (Note 22)	26,558,928	17,242,711	7,967,678	5,172,814
Provision for unused vacation (Note 23.4)	36,155,109	20,789,731	10,846,533	6,236,919
Property and Equipment Leases	13,844,542	10,125,409	4,153,363	3,037,623
Securities valuation effect	518,573,740	181,222,676	155,572,122	(24,871,107)
Other	20,184,012	53,366,059	6,055,203	16,009,818
Deferred tax assets / (liabilities)	1,914,135,886	1,451,309,800	574,240,766	356,155,032

The reconciliation of realised corporate tax is as follows:

	31 December 2024	31 December 2023
Profit/loss before tax	1,872,160,607	1,258,686,675
Tax rate	30%	30%
Provision for corporate tax	(561,648,182)	(377,606,003)
Non-deductible and other expenses	(53,946,871)	(21,456,724)
Income subject to tax exemption (*)	600,016,600	325,547,233
Total tax expense/income in the income statement	(15,578,453)	(73,515,494)

(*) The Company's tax exemption items consist of items such as investment fund exemption.

36. NET FOREIGN EXCHANGE GAINS / (LOSSES)

	1 January- 31 December 2024	1 January- 31 December 2023
Foreign exchange gains	2,166,620,203	3,254,937,083
Foreign exchange losses	(1,748,968,416)	(2,346,216,513)
	417,651,788	908,720,570

37. EARNINGS PER SHARE

	2024	2023
Number of shares in circulation	161,200,000,000	161,200,000,000
Beginning of the period, 1 January	161,200,000,000	161,200,000,000
Scrip issue	-	-
Share certificates issued against cash	-	-
Number of shares in circulation	161,200,000,000	161,200,000,000
End of the period, 31 December	161,200,000,000	161,200,000,000
Weighted average number of shares in circulation (1 share TL 0.01)	161,200,000,000	161,200,000,000
Net profit / (loss) for the period (TL)	1,856,582,154	1,185,171,182
Earnings / (loss) per share (TL)	11,517	7,352

38. DIVIDEND PER SHARE

Based on the decision taken at the Ordinary General Assembly Meeting held on 19 March 2024, the Company's capital adequacy ratio as of 31 December 2023 was below 115% in the financial statements including the operating results for 2023. Within the framework of the aforementioned regulations, it has been decided not to distribute any profit for the 2023 accounting period.

39. CASH GENERATED FROM OPERATING ACTIVITIES

Presented in the statement of cash flows.

40. CONVERTIBLE BONDS

None (31 December 2023: None).

41. REDEEMABLE PREFERENCE SHARES

None (31 December 2023: None).

42. RISKS

Information on the Company's contingent assets and liabilities is disclosed in Note 23.3.

43. COMMITMENTS

Information on the total amount of commitments not included in liabilities is disclosed in Note 23.2.

44. BUSINESS COMBINATIONS

None (31 December 2023: None).

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45. RELATED PARTY DISCLOSURES

Related party receivables / (payables)

The details of transactions between the Company and other related parties are explained below.

Bank Deposits	31 December 2024	31 December 2023
Group Companies	484,558,792	14,197,774
Total	484,558,792	14,197,774
Investment Funds	31 December 2024	31 December 2023
Group Company	5,765,258,137	3,719,402,606
Total	5,765,258,137	3,719,402,606
Related party receivables / (payables)	31 December 2024	31 December 2023
Group Companies	332,727,370	486,080,604
Receivables from Subsidiaries	-	125,510,565
Receivables from Shareholders	23,160	159,023
Total	332,750,530	611,750,192
Premium generation	1 January- 31 December 2024	1 January- 31 December 2023
Group Companies	1,973,518,946	1,416,693,662
Shareholders	34,586,247	24,150,885
Total	2,008,105,193	1,440,844,547
Paid claims	1 January- 31 December 2024	1 January- 31 December 2023
Group Companies	1,457,672,122	1,015,327,846
Shareholders	97,919	98,724
Total	1,457,770,041	1,015,426,570
Interest Income Received from Related Parties	1 January- 31 December 2024	1 January- 31 December 2023
Group Companies	15,606,025	41,140,252
Total	15,606,025	41,140,252
Commission Expense	1 January- 31 December 2024	1 January- 31 December 2023
Group Companies	810,855,553	413,257,199
Total	810,855,553	413,257,199

46. EVENTS AFTER THE REPORTING PERIOD

None.

47. OTHER

The names and amounts of the items classified as "other" in the financial statements that exceed 20% of the total amount of the group to which it belongs or 5% of the total assets of the balance sheet:

Other Miscellaneous Receivables	31 December 2024	31 December 2023
Tarım Sigortaları A.Ş. Current Account	82,388,088	58,508,939
Agencies in Debt for Compulsory Earthquake Insurance Premiums	22,009,416	10,096,361
Other Receivables	26,301,877	17,236,020
Total	130,699,381	85,841,320
Short-Term Other Miscellaneous Payables	31 December 2024	31 December 2023
TCIP current account	103,658,403	103,431,814
Payables to vendors	321,787,524	198,662,469
Payables to contracted services and institutions	188,294,476	73,293,131
Other	4,628,370	5,611,596
TCIP debts to agencies	5,893,807	2,656,924
Total	624,262,580	383,655,934
Deferred Other Expenses	31 December 2024	31 December 2023
Prepaid Expenses	30,053,748	66,320,536
Total	30,053,748	66,320,536
Deferred Other Expenses	31 December 2024	31 December 2023
Prepaid Expenses	260,000	732,079
Total	260,000	732,079

Other Technical Expenses item in the Income Statement consists of assistance services amounting to TL 938,046,290 (1 January – 31 December 2023: TL 536,063,397) deferral of these amounts and technical expenses related to these services.

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NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

47. OTHER (cont'd)

Income and Profit, Expenses and Losses from Other and Extraordinary Operations	1 January- 31 December 2024	1 January- 31 December 2023
Provisions account (+/-)	(36,184,090)	(58,241,663)
Provision for doubtful receivables (Note 12.1)	3,991,589	(4,322,894)
Provision for donations	(7,308,481)	-
Portfolio Management	(3,361,678)	(2,457,727)
Provision for employment termination benefits (Note 22)	(7,494,755)	(34,047,545)
Provision for unused vacation (Note 23.1)	(20,552,985)	(17,051,634)
Other expense provisions	(1,457,780)	(361,863)
Specialized Insurance Account (+/-)	8,263,419	12,996,481
Deferred tax asset account (+/-) (Note 35)	142,260,482	74,713,256
Other income and profit	22,869,552	17,780,403
Other expenses and losses (-)	(224,871,217)	(274,611,996)
Bank charges	(40,601,375)	(230,562,255)
Non-deductible expenses	(26,399,657)	(11,254,888)
Donation expenses	(143,213,024)	(9,144,036)
Other	(14,657,161)	(23,650,817)
Total	(87,661,854)	(227,363,519)

Fees for services received from independent auditor/independent audit firm:

	1 January- 31 December 2024	1 January- 31 December 2023
Independent audit fee for the reporting period(*)	3,024,000	5,537,050
Total	3,024,000	5,537,050

(*) Fees excluding VAT.

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