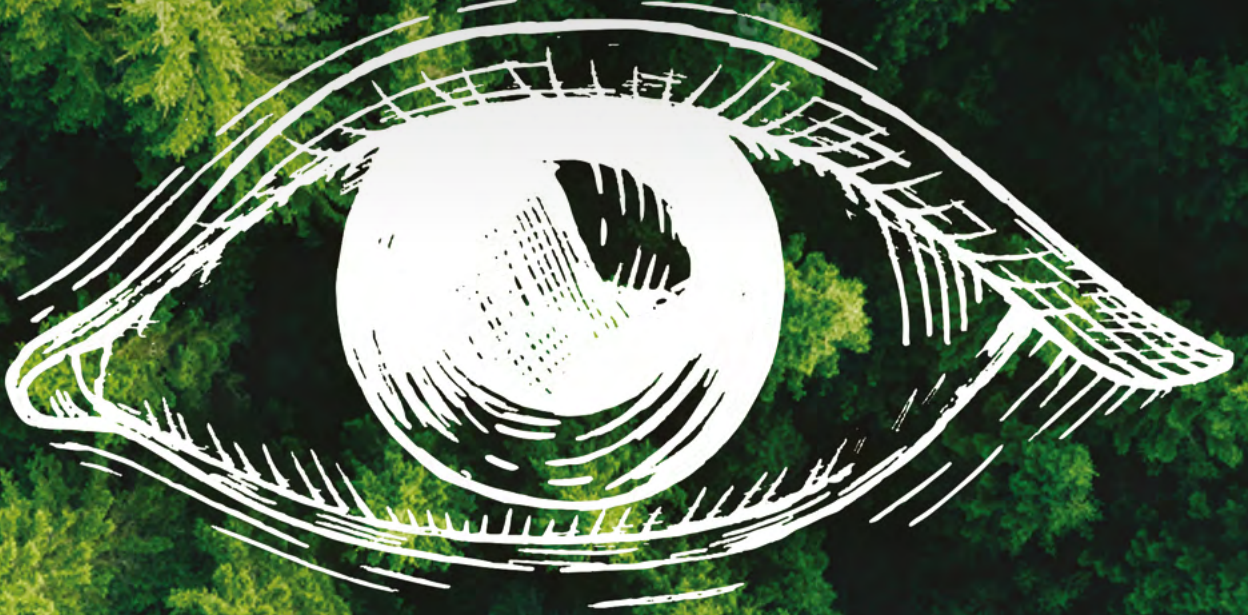


**ANADOLU  
SİGORTA**  
Never lose.



2021  
INTEGRATED  
SUSTAINABILITY  
REPORT





**2021  
INTEGRATED  
SUSTAINABILITY  
REPORT**





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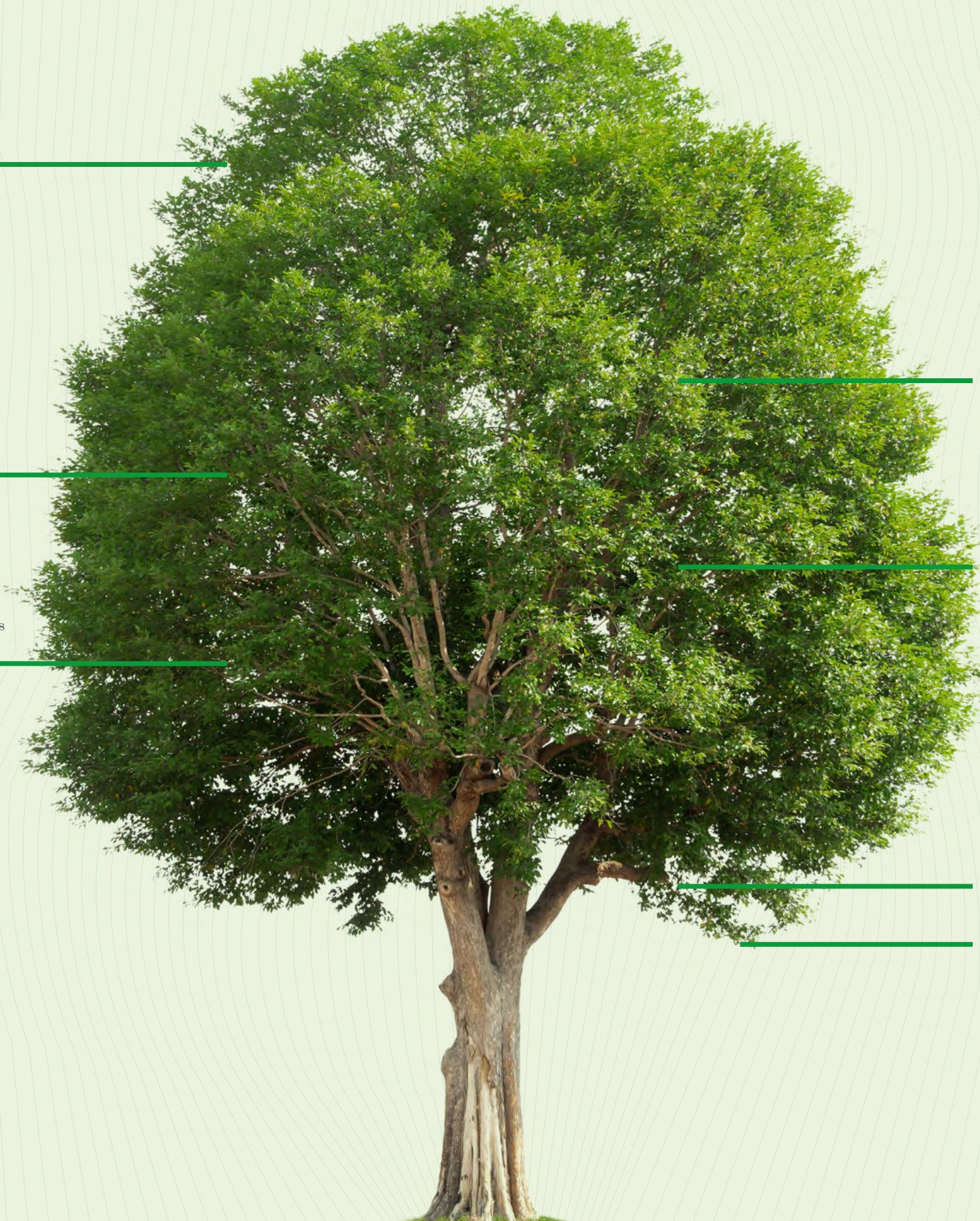
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## Presentation & About the Report

At Anadolu Anonim Türk Sigorta Şirketi (Anadolu Sigorta), we take an important step in our sustainability journey and present our first “Integrated Sustainability Report” to our valuable stakeholders. We aimed to present the value we created for all our stakeholders in an international format by presenting our sustainability efforts, which we have meticulously carried out for a long time at Anadolu Sigorta and integrated into our main business strategies, within the framework of integrated

reporting. We have identified the theme of our 2021 Integrated Sustainability Report as “The Eyes of the Forest”, that is our social responsibility project whose feasibility studies were completed in 2021 and will be implemented in 2022. Based on the motto of “being like a forest”, we shared a summary of how we integrate our sustainability strategy into our main business strategies as a strong, well-established and future-oriented institution.

## The Eyes of the Forest

*Within the scope of our research on a corporate social responsibility project that creates a sustainable social impact, we have concluded that nature is the subject that is in line with our brand identity, will be accepted by the public and its target audience, and that should require action with the “Never Lose” mission. From this point of view, we are starting our project, which we call “The Eyes of the Forest”, aiming to raise awareness and mindfulness in order to prevent forest fires, to renew the existing fire watchtowers, to expand unmanned fire watchtowers and to raise awareness about the ownership of forests by all segments of society.*

*Our aim with the Eyes of the Forest project is to improve fire towers, which have a critical place in preventing forest fires that our country has been exposed to in recent years and providing early intervention. We will work with the Turkish Ministry of Agriculture and Forestry - General Directorate of Forestry and our contracted PR agency Lobby PR on the project.*



With our 2021 Integrated Sustainability Report, we present our value creation process, how we integrate this process into our business strategies, the positive and negative impacts we cause while creating this value, the capital items we benefit from, our key stakeholders and the UN Sustainable Development Goals to which we contribute to the opinions of our stakeholders. We also included our performance on the UN Global Compact and UN Women's Empowerment Principles (UN WEPs), of which we are a signatory, within the scope of the report.

While preparing our 2021 Integrated Sustainability Report, we reviewed the issues we focused on in the field of sustainability through a series of studies we carried out. At the end of this prioritization process, in which we sought the opinions of our internal and external stakeholders and conducted extensive researches, we gathered our focus areas under three main headings: Operational Sustainability, Climate Action and Human & Society.

➤ In the “**Operational Sustainability**” section, we aimed to present a summary of how we, as an insurance company, shape our activities and strategies according to the insurance understanding of the future. In this section, we have reported our essential corporate governance tradition, which we believe will carry us to the future, as well as our strategies, goals and practices in the fields of Insurance in the Digital Era, Responsible Insurance and Customer-Oriented Approach.

In the “**Climate Action**” section, we shared our activities and approach for combating climate change, which is one of the top priority global problems of our time and is classified as a trend with a very high impact on our industry. In this section, we have reported our climate action approach, the effects of climate change on our products and services, and our efforts to reduce the environmental impact of our operations within the scope of combating climate change.

➤ In the “**Human & Society**” section, we shared the value we created for our employees and the society. In the Preferred Employer section, we reported the working environment we offer as Türkiye’s insurance school, our goals and projects in this area. We also shared a summary of our corporate social responsibility efforts and the dialogue we established with our stakeholders in this section.

We have also reserved a special section for our work on the coronavirus pandemic, which continues to have effects all over the world in 2021.

At Anadolu Sigorta, we are striving to become a reliable business partner of a green and inclusive economy by making further progress in our sustainability journey every year.

We establish long-term, trust-based, win-win relationships with all our stakeholders. We continue our work in the field of sustainability under the leadership of our senior management with the participation of all our employees. While preparing our company for the future, we will continue to evaluate our risks and opportunities in the field of sustainability and improve our performance in this field.

## About the Report

Anadolu Sigorta Integrated Sustainability Report has been prepared in accordance with the “GRI Standards: Core” option (See. GRI Standards Content Index, p. 96 - 100). The report complies with the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC). While creating the report content, we benefited from the Standards for the Insurance Industry of the Sustainability Accounting Standards Board (SASB), Principles for Sustainable Insurance Guide of the United Nations Environment Program Finance Initiative (UNEP FI), and the Stakeholder Capitalism Metrics of the World Economic Forum (WEF).

The content of the report covers all the activities of Anadolu Anonim Türk Sigorta Şirketi between 01.01.2021 and 31.12.2021. The report also fulfils the requirements of the United Nations Global Compact (UNGC) Communication on Progress.

You can send your comments and suggestions about Anadolu Sigorta Integrated Sustainability Report to [surdurulebilirlik@anadolusigorta.com.tr](mailto:surdurulebilirlik@anadolusigorta.com.tr)



# About Anadolu Sigorta

- ◀ Corporate Profile
- ◀ Anadolu Sigorta in Numbers
- ◀ Partnership Structure
- ◀ Vision-Mission-Goals-Values-Strategy



## About Anadolu Sigorta

### Pioneer establishment of the Turkish insurance industry

Anadolu Sigorta, one of Türkiye's well-established companies, operates in all branches (Accident, Personal Accident, Fire, Transport, Engineering, Health, Agriculture, Legal Protection, Liability, Aviation, Credit, Surety and Special Risk) except life and pension branches.

We provide services to more than 2.5 million customers with more than 2,500 professional agencies across the country. All branches of Türkiye İş Bankası A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş., Arap Türk Bankası A.Ş., Alternatifbank A.Ş., Albaraka Türk Katılım Bankası A.Ş. and QNB Finansbank A.Ş. branches also operate as our agency.

In 2021, we realized a premium production of 10,735 million TL. As of the end of December 2021, we have a total asset of 16.1 billion TL and an equity of 2.5 billion TL on a consolidated basis. Anadolu Sigorta's grade was confirmed as 9.55 in the Corporate Governance Rating Report prepared in November 2021.

As of October 1st, 2021, Anadolu Sigorta has been qualified to be included in the BIST Sustainability Index, which includes companies traded on Borsa Istanbul with a high level of corporate sustainability performance.

[www.anadolusigorta.com.tr/en](http://www.anadolusigorta.com.tr/en)

### OUR VISION

- To make Anadolu Sigorta Company the insurance brand preferred by everyone who needs insurance,
- To achieve a strength that makes it a reference point in the worldwide insurance industry as well.

### OUR MISSION

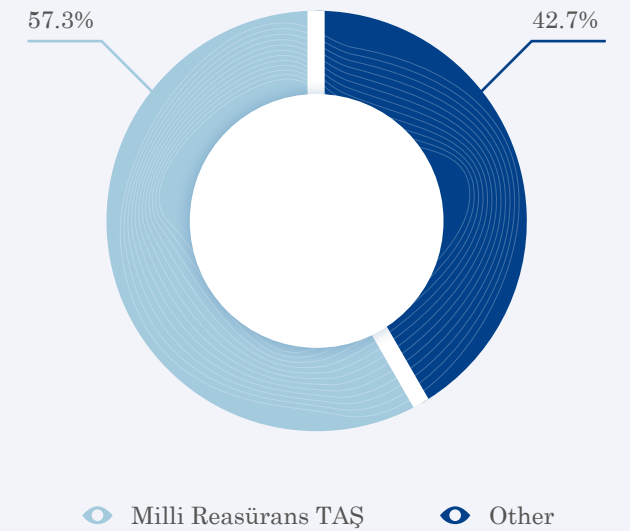
Under the light of our corporate values, our mission is;

- To lead the sector,
- Help create a broad public awareness of insurance in Türkiye,
- Implement a customer-focused approach to service,
- Increase our financial strength to international standards,
- Enhance the value of our Company.



### Shareholder Structure (%)

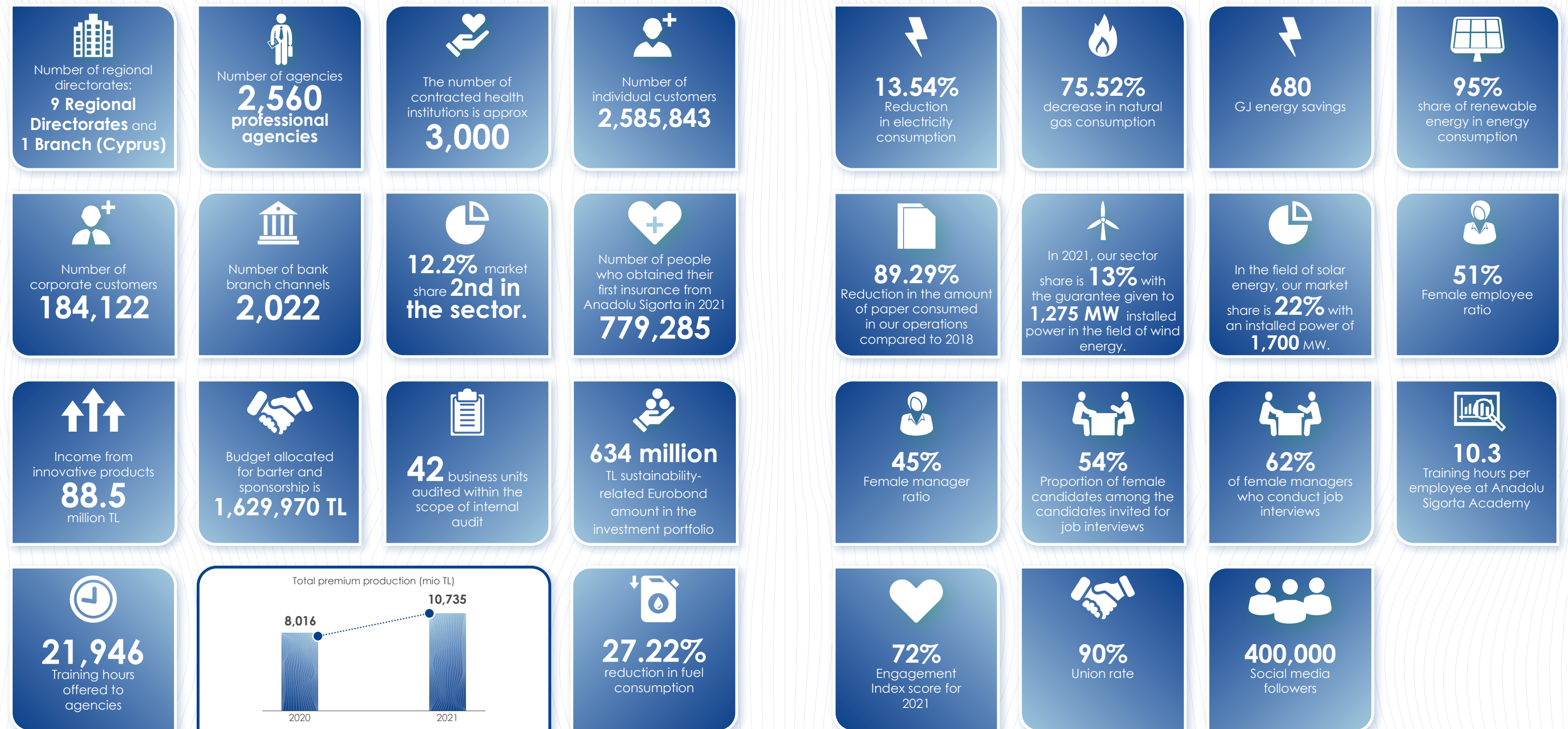
48% shares of Anadolu Sigorta, a subsidiary of Türkiye İş Bankası, are traded on Borsa Istanbul.





## About Anadolu Sigorta

### Anadolu Sigorta in Numbers





# Messages from the Executives

## Message from the Chairperson



**Füsun Tümsavaş**  
Chairperson of the Board of Directors

Dear stakeholders,

The year 2021 was left behind as a year in which the effects of the coronavirus pandemic continued all over the world, however the increasing vaccination rates gave way to cautious optimism instead of economic shock. The pandemic, which started as a health problem, brought with it the biggest global change in recent years with its effects in economic, social and cultural areas. It is estimated that most of the change and transformation in many areas from working life to education, from production to consumption habits will become permanent. In a period of such important transformations, it has become inevitable for all institutions that adopt long-term sustainable success to review their own processes and systems. The concept of sustainability continued to be at the top of the agendas of the entire business world.

### Significant transformations in the industry

During the pandemic period, the insurance industry continued its growth trend in the last decade with its rapid adaptation to changing conditions and its reflection on performance. The pandemic changed the perspective of individuals on risk, and the importance of insurance, especially health insurance, was once again understood.

An important trend that has accelerated with the pandemic but has been going on for a long time in our industry has been digitalization. The shift from a product-oriented perspective to a service-oriented perspective in insurance has further increased the importance of digitalization. Our Company, which is very aware of this issue, continues to work intensively to benefit from the opportunities of digital transformation.

### Well-established sustainability vision

Anadolu Sigorta has been the symbol of trust and prestige in its sector and the pioneer of many innovations for 97 years. The basis of this sustainable success of our company is its ability to foresee future expectations while meeting the current needs of its stakeholders. With this visionary perspective, which also constitutes the basic principle of sustainable development, our Company implements proactive practices against many global developments, such as the assessment of the risks posed by climate change or the difficulties in accessing talented workforce.

### New generation work life

At Anadolu Sigorta, we implement many projects and practices in order to bring the competencies of the future to our employees and to become the preferred employer for the new generation. In order to hear the expectations of the new generation regarding business life, and to help students prepare for professional business life and plan their careers, we launched the Anadolu Sigorta Youth Senate/Young Vision program, which we prepared for university students, for the first time in 2021. We have moved our internship program, which we have implemented for university students, to the digital platform, which provides the opportunity to work in an environment that supports teamwork, interact with our leaders, and prepare for professional business life by working on real projects.

In 2021, we also established Anadolu Sigorta Academy in cooperation with Sabancı University. We aimed to create a dynamic structure that will contribute to all the planning, goals and developments required for the careers of all our employees, touch our agencies, interns, all business partners we work with, and provide benefits whenever they wish. We continued our efforts to ensure gender equality in business life without interruption.

### The impacts of climate change

It is seen that climate change causes an increase in extreme weather conditions and natural disasters, and there has been a significant increase in the frequency and severity of natural disasters in recent years. The economic and social repercussions of the climate crisis are expected to have direct or indirect impacts on the industry. It is predicted that the green economy that will be implemented within the scope of combating the climate crisis will change underwriting and claims dynamics of many branches. Climate change also offers opportunities to the insurance industry. The fight against the climate crisis and the transformation of economies in this context bring important responsibilities to the insurance sector. In this respect, it is important both to work to raise awareness and to choose the areas to be covered within the framework of sustainability.

At Anadolu Sigorta, we meticulously analyse the risks and opportunities created by climate change and review all our processes from this perspective. Our main portfolio strategy in combating climate change is to be the sought-after insurance solution partner of renewable

energy investments. We aim to increase our presence in this area in the future, with our innovative services for renewable energy investments, which we see as a great opportunity for our country.

### Social welfare

As one of Türkiye's deep-rooted organizations, we have been supporting education, sports organizations and cultural and artistic events since our foundation, in order to contribute to the welfare of the country.

We strive to play an active role in sustainable development with our products and services. By transferring a certain amount of the premium of our boat insurance product to Turmepa, and a certain amount of the premium of our Patim Güvende (My Pet is Safe) product to Haçiko, we contribute to the cleanliness of the sea and animal welfare. With our sponsorship of ARYA Women Investment Platform, we aim to increase both investment and business development opportunities for women entrepreneurs.

### Sustainability integration

2021 was a year in which we increased the integration of our sustainability principles into our business processes. As we continue the preparations for our first Integrated Sustainability Report, as a result of the work we have carried out in the field of sustainability, we have been qualified to be included in the BIST Sustainability Index, which includes companies traded in Borsa Istanbul with a high level of corporate sustainability performance. We continued our projects without interruption to increase integration with our sustainability principles in our insurance and investment processes.

### Towards the 100th anniversary

As we prepare to celebrate our 100th anniversary at Anadolu Sigorta, we aim to continue growing with processes and products that respect people and nature. We intend to work with all our efforts to carry the value we create to higher levels with our goal of adding value to our country.

I would like to thank all of our stakeholders, who have glorified and strengthened Anadolu Sigorta, for their support and contributions during this process.

Sincerely,

**Füsun Tümsavaş**  
Chairperson of the Board of Directors



## Messages from the Executives

## Message from the CEO



**Mehmet Şencan**  
CEO

We left behind a successful year under difficult conditions.

2021 has been a year in which the shocks caused by the pandemic in the global economy have begun to be overcome and the signs of economic recovery have strengthened. Positive developments in vaccination and expansionary monetary policies of central banks also supported this scene.

Rapid economic recovery and high demand brought along supply problems, and global raw material and commodity prices showed record increases. Rapid increases in prices led by the raw material crisis, rising energy and food prices revealed the risk of a global inflation wave.

Despite what has happened in the world economy, global insurance demand has experienced a much faster recovery than the 2008-2009 global financial crisis. According to the Swiss Re Sigma report, it is estimated that global premium production will grow by 3.4% in real terms in 2021.

2021 was a successful year for Anadolu Sigorta. As of 2021, our premium production increased by 33.9% compared to the same period of the previous year and reached 10,735 million TL. Our net profit increased by 13.3% to 521.8 million TL; our total asset size has reached 16.8 billion TL.

## A new understanding of insurance emerges with the effects of the pandemic and climate change

2021 has been a year in which new risks and opportunities emerged for the sector. In the presence of the extraordinary conditions experienced in the last two years, the insurance sector has shown the necessary agility and flexibility. We have assumed an important social role with the services and support we provide to all our stakeholders, especially our customers. The strong financial structures of insurance companies and their investments in digitalization contributed greatly to this process.

While the pandemic increased risk awareness, especially in health, financial losses, and cyber

security issues, it also paved the way for an increase in the demand for insurance. In this period, new risk scenarios, in which supply chain and cyber security issues came to the fore, were reflected in the insurance demands of companies.

In 2021, extreme weather events and natural disruptions were experienced frequently. Climate change, the negative effects of which we have started to see more frequently in recent years, has become one of the priorities of the sector in risk management. According to Swiss Re Sigma Report, while the cost of natural disasters to the industry in 2020 was 81 billion dollars, the 42 billion dollars of claims payment made in the first half of 2021 reveals the danger in front of the insurance industry.

The Evaluation Report by the Intergovernmental Panel on Climate Change (IPCC) and the results of 2021 United Nations Climate Change Conference COP26 highlight the importance of proactively managing climate-related risks, planning public-private partnerships, working on risk-reducing strategies and developing innovative solutions related to climate change.

At Anadolu Sigorta, we meticulously monitor the effects of climate change on our industry and our customers. We make climate change a fundamental and unchangeable part of our risk management principles. With the implementation of the Environmental and Social Risk Management System, which was designed in accordance with international standards and good practices, we decided not to engage in insurance and investment activities in areas that are thought to contain irreversible risks for the society and nature.

With the contribution of the innovative solar energy system we installed on the roof of our Headquarters in order to benefit from renewable energy sources, we provided 95% of our energy from renewable sources.

We also support sustainability with our products. We appeal to our environmentally-friendly customers with the “Individual Rooftop Solar Energy Panel Insurance”,

which we have implemented in order to popularize the use of renewable energy sources, and the “Electric Vehicle Insurance” for electric and hybrid vehicle owners. In 2021, our revenue from products related to sustainability amounted to 56.5 million TL. In the field of solar energy, we increased our market share to 22% with an installed power of 1,700 MW. The amount of sustainability-related Eurobonds in our investment portfolio reached 634 million TL.

## Crucial steps in digitalization

With the pandemic process, we have come a long way in our digitalization roadmap. While increasing efficiency and speed in our operational processes by making use of digital technology, we started to offer new generation services to our customers with the competence we gained in the use of digital channels.

We carry out intensive studies and investments to make artificial intelligence and advanced analytical data models widespread in our business processes. Many different transactions can be made through our platforms such as Digital Agency Platform, Retail Online Branch, Commercial Online Branch, Sigortam Cepte (Insurance on my Mobile), Sağlıkım Cepte (My Health at my Mobile), Juno.

We make life easier for both our customers and agencies with our award-winning projects. With the Citizen Data Scientist Training project, we increased our productivity by accelerating our workflows. Thanks to the data enrichment we have made with our Social Network Analysis project and the analysis platform we have created; we have reduced the evaluation time of claims file analyses suspected of fraud.

With our image damage assessment project, which is designed with image processing technologies, we rapidly meet customer claims. Through the Asli.ai website, our artificial intelligence platform, the insured can directly reach “AS’li”, and they can find answers to their questions through the Google Assistant platform, corporate website and AS’li at Whatsapp.



## Messages from the Executives

## Message from the CEO

With our end-to-end digitized bodily compensation process, our Company meets certain claims through our digital channels. We have also come a long way in terms of using big data and advanced analytical methods.

## Innovative products that catch the era

We are constantly diversifying our products and services to meet the demands of our customers in the changing world.

As the leading company that develops the Cyber Security Insurance product to insure our customers against cyber risks, we protect commercial enterprises and SMEs against cyber risks, and warn our customers with security scans, reports and controls to prevent our individual policyholders from being exposed to any cyber-attacks. We strive to be an insurance company that not only pays when there is damage, but is always in touch with the customer, thinking about their health, safety and future.

Integration with wearable technology products for individual health brings along unique opportunities for the insurance industry and rapid response in health. Our “Sağlıgım Cepte” (My Health at my Mobile) application, which we offer to our policyholders and where data such as body mass index, blood sugar and blood pressure can be tracked, sets a good example in this area.

As a company that correctly perceives the expectations of its policyholders, we shape our products in a flexible and modular manner. Our products, which are the

most preferred by our individual and commercial policyholders, are differentiated by the contents of many packages with coverages and limits that vary according to their needs.

## Shaping the future

We continue to work on integration with Insurtechs in order to expand the digital insurance ecosystem, which we see as one of the basic building blocks of the future of insurance, and we work to keep the entrepreneurship universe alive. We form collaborations with new initiatives, especially with Türkiye İş Bankası (İşbank) acceleration program Workup, and contribute to innovative business ideas.

As we continue our digitalization activities to improve the customer experience, we are launching new APIs through the Open Insurance Platform we have created. While supporting the development of the insurance ecosystem, we also ensure that customers receive value-added services through different channels.

## Integration of sustainability into business processes

At Anadolu Sigorta, we see sustainability as an opportunity for growth and innovation. At the beginning of 2020, we became a signatory to the Global Compact, the world's largest sustainability initiative, and committed to being a supporter of the United Nations Sustainable Development Goals. We support the Young SDG Innovators (Young Sustainable Development Goals Innovators) program initiated globally by the

Global Compact. We are a signatory to the “Women’s Empowerment Principles” and a participant of the Target Gender Equality program.

As a result of these efforts carried out in the field of sustainability, our company was entitled to be included in the BIST Sustainability Index, which includes companies traded on Borsa Istanbul with a high level of corporate sustainability performance as of October 1st, 2021.

By publishing our first Integrated Sustainability Report in 2021, we aimed to share the integration of our sustainability priorities with our business processes with all our stakeholders. We reviewed our focus areas in this field with the comprehensive studies we carried out during our integrated report preparation process by seeking the opinions of our stakeholders.

## A happy work life

We are implementing new practices to offer a happier work environment to our employees. We are adding new talents to the Anadolu Sigorta family with our MT Young Talents Program and our IT Young Talents Program. With the Young Anatolia project, which we have implemented in order to support young people and provide employment, we offer agency opportunities to young people who have graduated or will graduate from insurance and related departments, and to people who have insurance experience but do not have an agency. We are launching Anadolu Sigorta Academy under the consultancy of Sabanci University in order to support the business and social lives of our employees, business

partners and all other stakeholders and contribute to their personal development.

As a company that meets the criteria for a great workplace with a high trust culture, we have been awarded with the “Great Place to Work” certificate in the Turkish Institute for the “Great Place to Work Certified 2021” research with these studies.

## Preparing to celebrate the 100th anniversary

Anadolu Sigorta, whose name is mentioned with Türkiye's insurance history and which has signed the most important milestones, continues to shape the sector, to reinforce our strong position in digital insurance, to spread insurance awareness, to establish life-long bonds with our customers, and to invest in technology, environment, education, people and the country.

Leaving 97 years behind in the insurance industry and taking firm steps towards becoming a century-old company, our Company will continue to work with determination, with the support of its employees, business partners, distribution channels, policyholders and shareholders, and the strength we derive from our deep-rooted past.

We would like to express our sincere thanks to all our stakeholders who have not withheld their trust from us throughout our deep-rooted history.

Sincerely,

**Mehmet Şencan**  
CEO





# Looking Towards the Future

- ◀ Our Operating Environment: General Evaluations
- ◀ Global Trends, Risks & Opportunities and Visions



## Looking Towards the Future

### Our Operating Environment: General Evaluations

#### World Economy

In 2021, the world economy recovered rapidly with the help of vaccinations to alleviate the effect of the pandemic and the support of the economic measures taken. According to IMF data, the world economy, which shrank by 3.1% in 2020, is expected to complete 2021 with a growth of 5.9% and to continue its growth trend to a large extent in 2022.

The rapid recovery experienced while the pandemic conditions continued with the effect of serious supply constraints and the problems caused by climate change led to inflationary pressures in the global economy. Annual rate of increase in producer prices reached double-digit levels in many countries. The novel coronavirus variant omicron also negatively affected expectations for global economic activity. Trade volumes were expected to increase by approximately 9.3% in 2021 and 6% in 2022. The World Trade Organization stated that supply problems such as the shortage of semiconductors (the chip crisis) and the inability to find containers in ports can strain supply chains and put pressure on trade in certain areas.

Price pressures are expected to continue due to rising food prices in developing economies, the lagged effects of oil prices, and the depreciation of the local currency to increase the prices of imported goods. The US inflation data announced in February 2022 was 7.5%, the highest level since 1982; annual CPI inflation in the Euro Area was 5% in January, more than double the medium-term target of the ECB. With the effect of natural gas and crude oil prices, the rise in producer prices is expected to continue. It is predicted that supply problems in some raw materials and intermediate goods will remain on the agenda in the upcoming period as well.

#### Turkish Economy

With the increase in economic activity and the low base effect of last year, growth in the first three quarters of 2021 was recorded in Türkiye as 7.4%, 22% and 7.4%, respectively. In the 4th quarter, the growth is expected to be close to the previous quarter. Investment expenditures made a high contribution to growth in the first half of the year. The monthly export amount, which exceeded 20 billion USD for the first time in September, was also above this level in October and November.

In 2021, a positive picture was observed in terms of budget discipline. The strong increase in tax revenues due to the recovery in economic activity was the determining factor in this development. The external balance picture also improved in 2021 compared to 2020. With the contraction

in the foreign trade deficit and the recovery in tourism and transportation revenues in 2021, the current account deficit tended to decline.

Despite the positive picture drawn by the cautious stance in fiscal policy, strong growth and export performance, 2021 has become a challenging year for the Turkish economy in terms of price stability struggle. The ongoing upward trend in energy and food prices on a global scale continues to exert upward pressure on domestic inflation. The depreciation in TL also negatively affects the inflation outlook, especially the prices of the manufacturers. The recent increases in natural gas, fuel and electricity prices are expected to have a negative impact on inflation in the coming months.

According to the data of the Banks Association of Türkiye, as of November 2021, cash loans increased by 33% compared to the same month of the previous year and reached 5.04 billion TL. Individual loans extended by banks and non-bank financial institutions increased by 18% to 1.02 billion TL, of which 46% were consumer loans, 30% housing loans, 19% credit cards and 5% vehicle loans. The number of people using personal loans (excluding non-performing loans) reached 34.8 million with an increase of 800,000 in the last year.

#### Insurance Sector

Global warming and climate change are among the determining factors for the future of the insurance industry, as well as for the entire world economy. Increasing inflation rates throughout the world and the changes in interest rates are also prominent variables in terms of real growth and profitability performance of the insurance sector.

In the post-pandemic normalization period, the effects of claims frequencies that have increased to their former levels are seen on the sector results, and it is understood that the increase in the frequency and severity of cyber damage is one of the most important agenda items. Considering high inflation, claims payments in the non-life segment are expected to be more costly for insurance companies. Supply chains damaged by the pandemic and accelerating digitalization accelerate the transformation of many insurance branches, necessitating the design of some basic functions and branches in the light of new conditions. These conditions require employees to acquire new competencies and transform their abilities, and the changing priorities on human resources and labour market dynamics directly concern insurance companies. The approach of the transition calendar to IFRS 17 continues to constitute one of the most fundamental agendas of insurance companies in many countries, including Türkiye.

### Global Trends, Risks & Opportunities and Visions

As part of the prioritization work we carried out during the reporting period, we also identified global trends with a high potential to affect our operations. We reviewed our strategies and action plans against these trends with in-house workshops. We have created our roadmap to become the insurance company of the future.

#### Environmental Crises and Climate Change

2021 left behind as a year when the severity and frequency of extreme weather events increased all over the world and they were frequently covered in the media. After 2021, when COP26 and the European Green Deal were on the agenda, it is predicted that 2022 will be a year when more serious steps will be taken on the environment and expectations from the insurance sector will increase all over the world.

Climate change is an important global risk area for insurance sector, whose main job is to predict and manage risks. Managing the effects of physical and financial losses caused by extreme weather events on insurance companies is among the most important issues of the sector. For example, in 2020, global economic losses due to natural events reached 190 billion USD. The number of losses under insurance coverage is 81 billion USD, and this amount has reached 8 billion USD in human-induced disasters. In the first half of 2021, it is estimated that the winter storm, hailstorm and forest fires caused a loss of 40 billion USD. In the light of these developments, with the transformation in the insurance industry, insurers began to evaluate companies not only with their financial ratios, but also with their environmental, social and managerial impacts. It is a global trend that the investment portfolios of insurance companies shift from polluting sectors to institutions that support the transition economy and take care of social benefits.

Ensuring ESG (environmental, social, managerial) risk integration in insurance activities, comprehensive assessment of risks in this area, compliance with new regulations created for the transition to green economy, purification of investment portfolios from polluting sectors, creation of human resources that can manage these processes, new reporting obligations are important developments in front of insurance companies that are in the green transformation process.

Green transformation also offers important opportunities for the global economy. Many institutions and organizations act jointly in the financing of the transformation, innovative approaches and technologies are developed. The number of new employment sources and creative business lines in this field are increasing day by day.

At Anadolu Sigorta, we support the transition to a green economy based on our sustainability approach. In line with our responsible insurance approach, our company observes ESG indicators in insurance and investment activities, considers climate risks in all business processes and investments, develops products specific to these areas and offers them to the market.

You can review the “Climate Action” section to learn about our detailed performance and targets in this area.

#### Adaptation to Changing Regulations

Companies are faced with an increasingly complex and interconnected regulatory environment. Fields such as cloud technologies, artificial intelligence, climate change, sharing economy, cyber security and digital assets require new regulations and related risk approaches. Compliance with current and potential regulations in these areas poses significant risks for both insurance companies and their customers. Situations such as inadequacies in existing risk measurement methodologies and lack of qualified human resources have the potential for companies to be inconvenienced and unable to manage risks.

Anadolu Sigorta has a deep-rooted corporate risk management and compliance culture. Our company evaluates and manages ESG risks together with financial risks, and ensures compliance with laws, regulations and voluntary standards with its structure in accordance with Internal Systems legislation.

For detailed information about the performance in risk management and compliance, you can review the “Corporate Governance” section.



## Looking Towards the Future

### Global Trends, Risks & Opportunities and Visions

#### Industry 4.0, Artificial Intelligence, Robotics and Cyber Attacks

The prevalence of artificial intelligence and machine learning and its use in increasingly complex jobs is creating a paradigm shift in the insurance industry.

Thanks to this technology, it is possible for companies to continue their operations and develop customer-specific products with much less cost, delay and error. With these developments, which make significant contributions to operational sustainability and cause changes in organizational structure and qualifications of human resources, companies define new workflows. Problems that

may arise in cyber security constitute the most important risk item in these processes which are realized in parallel with digitalization. At Anadolu Sigorta, we offer products that provide assurance to individuals and businesses against these risks.

At Anadolu Sigorta, we integrate artificial intelligence, big data and machine learning into our operations. Every year, we increase the resources we allocate for information security.

For details of our performance in this area, you can visit the **“Insurance in the Digital Era”** section.

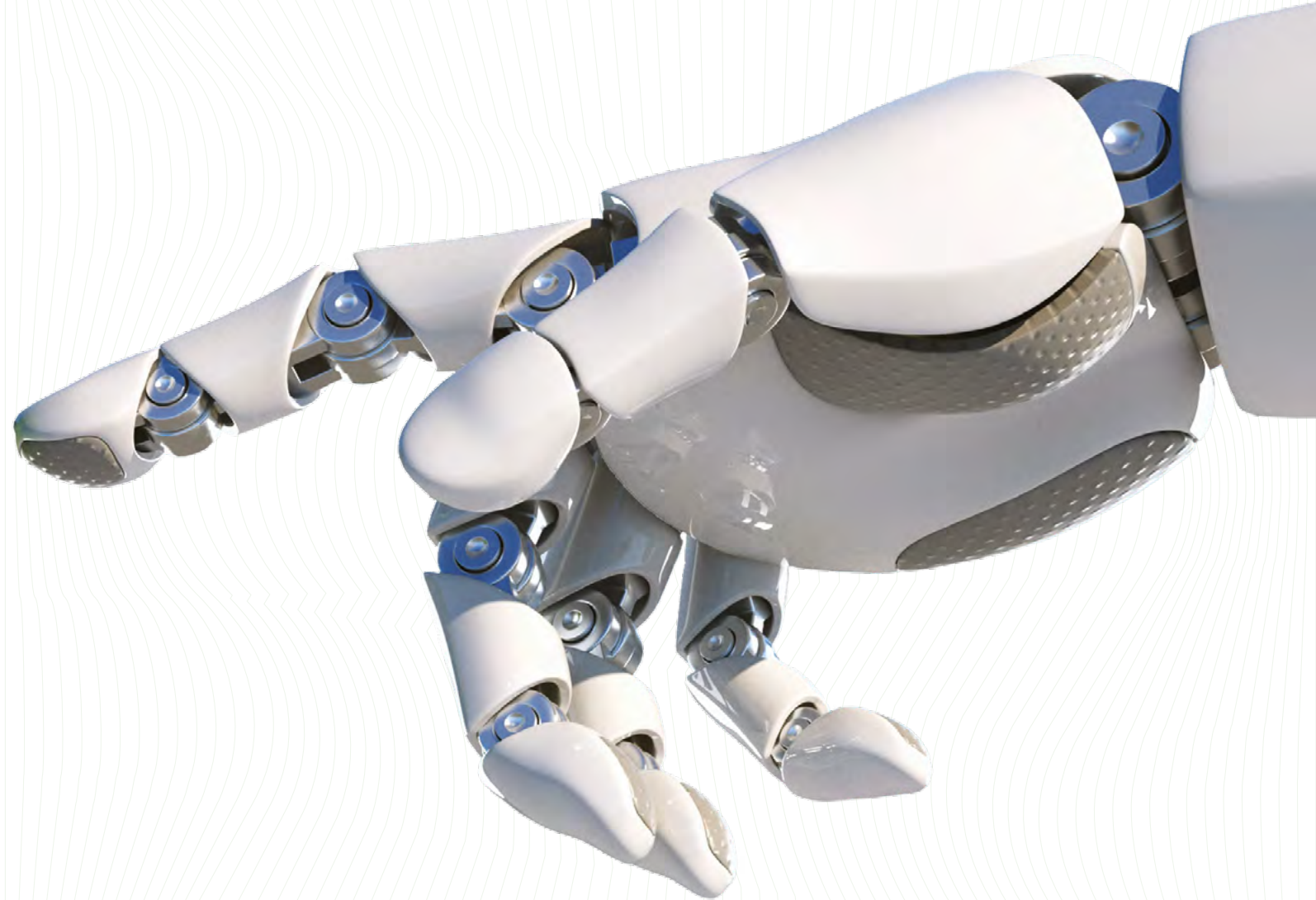
#### Sharing Economy and New Transportation Models

One of the global trends with the highest potential to replace traditional insurance products is the sharing economy and new transportation models. In the sharing economy, where companies bring users together through platforms, traditional ownership relationships are being redefined.

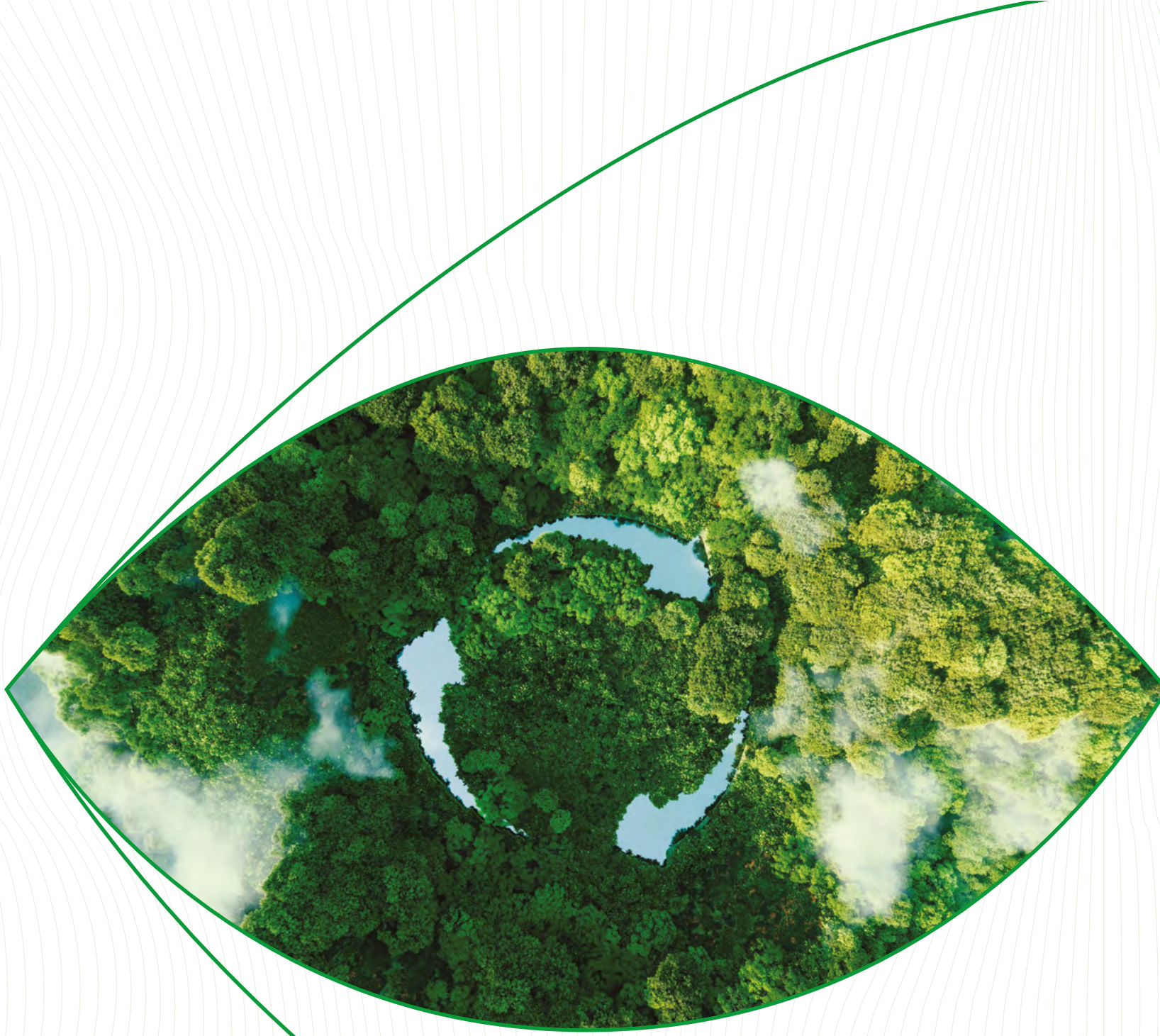
For example, in traditional automobile insurance products, the responsibility of the vehicle owner and driver is at the forefront. However, with the development of autonomous

vehicle technologies, for example, the responsibility shifts to software developers who develop the algorithm used in the vehicle management system. This may transform motor own damage products used frequently into product responsibility products. This new economy requires new risk definitions, responsibilities and pricing skills.

At Anadolu Sigorta, we closely follow these developments occurred in the world and the good practice examples that are put into practice. We are working to become a leading company in international insurance.







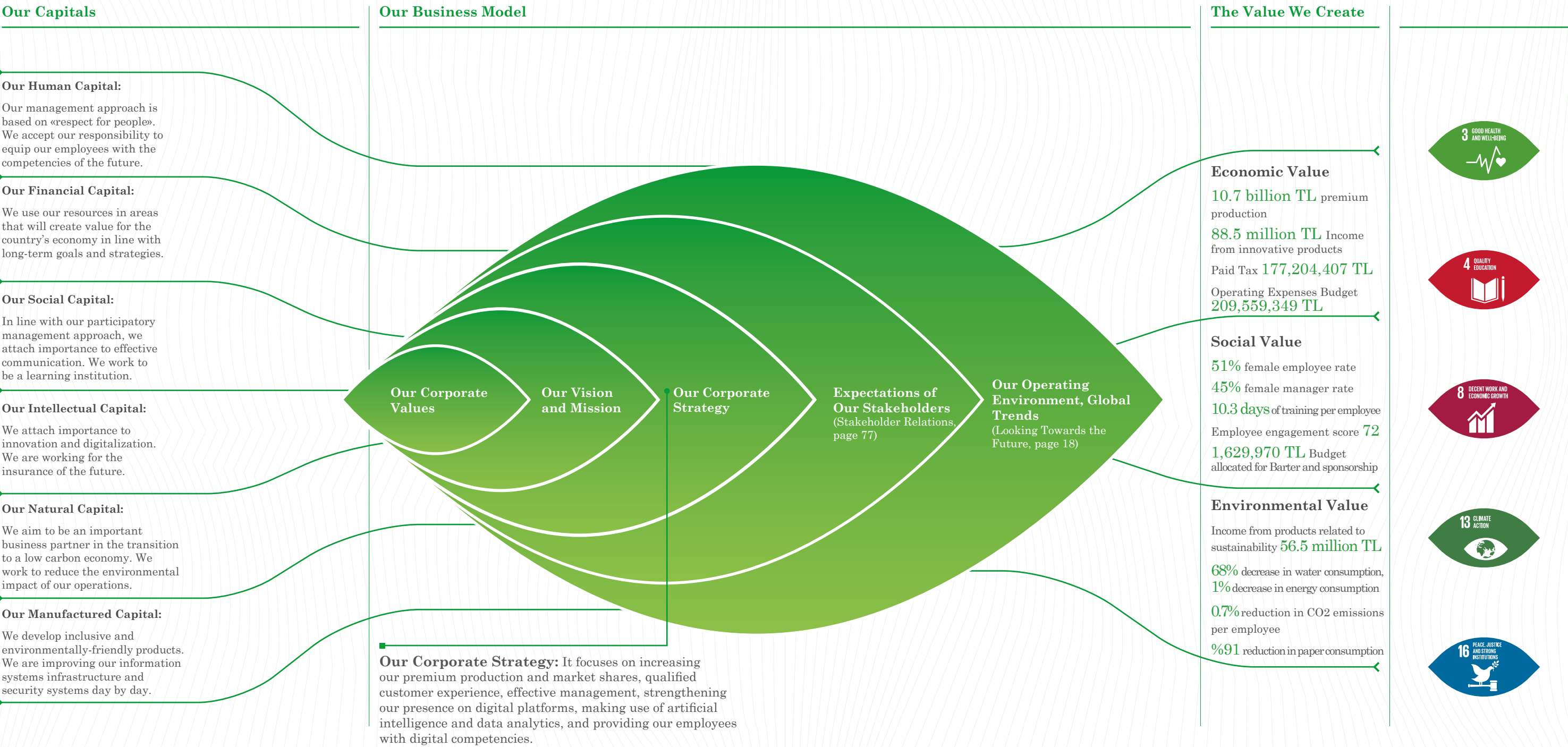
# How Do We Create Value?

- ◀ Anadolu Sigorta Integrated Sustainability Model: We Win Together
- ◀ Sustainability Priorities
- ◀ Sustainability Management
- ◀ Initiatives We Support in the Area of Sustainability
- ◀ Support We Provide to Sustainable Development Goals



## Anadolu Sigorta Integrated Sustainability Model: We Win Together

Türkiye's first national insurance company, Anadolu Sigorta, which was established by the directives of Atatürk, is among the important institutions of the country's economy with its strong corporate structure and permanent commitment to Türkiye. Anadolu Sigorta, an ethical, transparent, innovative company that attaches importance to human values, believes in developing together with its ecosystem. We work to create sustainable and shareable value with our business model based on learning and winning together, in which the views of all our stakeholders are taken into account.









## How Do We Create Value?

### Sustainability Priorities by Shareholder Groups

	University Students	Suppliers	Lawyers	Services/garages	Group companies	Financial Institutions	Experts	External	Brokers	Individual Customers	Press	Contracted Institutions	Academicsians	Agencies	Reinsurers	Business	Employees	Executives
Emergency preparedness and business continuity					»»						»»							»»
Being the preferred employer	»»																	
Corporate social responsibility studies	»»																	
Employee competency development						»»												
Encouraging employee volunteerism						»»												
Employee rights, loyalty and satisfaction						»»											»»	
Environmentally-friendly and inclusive products						»»					»»							
Insurance in the digital era		»»						»»			»»		»»			»»		»»
Risk management		»»					»»				»»		»»		»»	»»		
Reducing environmental impacts of operations											»»							
Ethical principles and transparent management						»»												
The impacts of climate change on the portfolio						»»					»»							
The impacts of climate change on operations											»»				»»			
Easy to understand products and services				»»				»»	»»				»»					
Easy insurance processes			»»						»»			»»	»»					
Confidentiality of customer information	»»			»»						»»	»»	»»	»»					
Customer-oriented approach	»»		»»			»»		»»	»»	»»				»»		»»	»»	»»
Protection of customer health						»»												
Partnerships for sustainability						»»												
Development of agencies and business partners					»»		»»							»»				

### Sustainability Management

Anadolu Sigorta Sustainability Policy identifies the basic strategic principles that show the company’s vision, governance approach and focus areas in terms of sustainability. It is the duty of Anadolu Sigorta Sustainability Committee to carry out the necessary work in line with this policy. The Committee which reports to the Executive Board is a management organ consisting of the representatives of units that represent the whole company under the chair of an Executive Board member.

The main duties of the Sustainability Committee are;

- To manage the company according to the internationally acknowledged principles of the sustainability impacts that include social, financial, environmental and governance areas;
- To generate the structural aspects of sustainability management with a risk and opportunity-oriented approach;

- To submit suggestions to the senior management on applications and investments to improve the sustainability performance;
- To convey the sustainability approaches, targets and the obtained performance of the company to its stakeholders by developing transparent and accountable methods.

Committee informs the Executive Board and the Board of Directors about the sustainability activities, the decisions taken and the results achieved. This committee gives recommendations to the Executive Board about the projects that require capital investment that will influence the sustainability performance.

The Committee’s spokespersonship is carried out by the Corporate Strategy and Performance Management Department (KSPYB). KSPYB also undertakes coordination tasks for sustainability reports, training, awareness, ESG system, integration with strategy and processes, and relations with initiatives.





We believe that our deep-rooted understanding of corporate governance and business ethics is the basis of our corporate success. We define our approach to combating bribery and corruption with written rules. We expect from all relevant stakeholders, especially our suppliers and business partners, as well as our employees to embrace our ethical understanding.





# Operational Sustainability

- ◀ Insurance in the Digital Era
- ◀ Responsible Insurance
- ◀ Customer-Oriented Approach
- ◀ Ethical, Agile and Transparent Management

## ◀ Our Goals

- Higher profitability
- Effective management of sales channels
- Developing direct customer relations processes
- Agility of Organization
- Increasing the number of products and services that support SDG (Sustainable Development Goals)
- Providing easily accessible services and supporting business models for start-ups that want to develop or offer insurance solutions
- Digitizing our insurance intermediaries
- Development of Robotic Process Automations (RPA) and straight-through processes
- Perfection of decision support systems
- Use of artificial intelligence in customer support services
- Building customer insights on rich data
- Effective use of data in risk management, modelling and validation







The impacts of the great change experienced due to the coronavirus pandemic on the attitudes of consumers and working life, the change the industry 4.0 causes in the way enterprises do business, and the expansion of online products and services dramatically change the value production processes of all sectors. Insurance is among the sectors where this change is experienced the fastest. Researches reveal that all new business models in the global insurance industry are related to digitalization.

At Anadolu Sigorta, we define the future of our business with a human-centred, digital, easy-to-use, paperless insurance approach. According to digital future roadmap we expand the use of digital tools and processes in our activities, and play a pioneer role in integrating big data, robotic, artificial intelligence, telemetry and developing mobile technologies into service processes. Through this, we aim to reduce the environmental impacts of our business processes. We also meticulously monitor the effects of the digital future on our risk understanding and new products and services. We develop products

We also integrate digitalization into our marketing and customer relations processes. We carry out influencer marketing activities in our customer communication studies, increase our awareness among social media users and gain customers with our campaigns specific to this channel. We develop applications that will increase the share of digital channels in our sales.





## Operational Sustainability

### Insurance in the Digital Era

We carefully manage various cyber risks, such as information security brought about by digital transformation. We ensure unconditional compliance with the data privacy regulations which we are subject to. We strengthen our digitalization roadmap with internationally-accepted technologies, standards and security technologies.

#### Digitalization Roadmap

At Anadolu Sigorta, we design digitalization as a multi-faceted holistic strategy that covers products, services, channels and business models. We aim to maximize the efficiency of the current sales channels or business units, and help the policyholders obtain products and services at the fastest and most efficient manner. We make life easier for our customers with our artificial intelligence and robotics application, which we call AS'lı. With our 360° Customer Analytics (MAT) project, we built a segmentation structure by increasing our capacity to use big data and established an ecosystem that is constantly growing/developing with new technologies and applications. With this project, we started to segment our customers in 3 different dimensions by making radical changes in our customer segment structure in our Company. We have taken important steps to get to know them better. Within the scope of our digital marketing activities, we carried out SEO (Search Engine Optimization), SEM (Search Engine Marketing) and Always-On studies.

As part of our digitalization roadmap, we attach great importance to developing R&D partnerships with organizations that are experts in their fields. In addition to cooperating with Kolektif House and Workup, we also support insurtech initiatives. We are also conducting studies in the Silicon Valley. This year, we aimed to develop digital technologies that make life easier in insurance through Hackathon in order to encourage young people for insurance and insurance sector. We are working with agencies to improve the user experience, and to increase visibility and accessibility in the digital environment. We improve the findings detected on our digital platforms and thus improve user experiences.

#### Digital Insurance Committee

The digitalization strategy at Anadolu Sigorta is a process managed by the company's highest authority. In order to obtain digitalization and to perform preparatory studies for digital economy requirements, we created an organization structure from Senior Management to expertise units. There are 3 members of the Board of Directors among the members of the Digital Insurance Committee, which operates under the Board of Directors. This Committee is responsible for executing policies and strategies of the company in digital insurance and for monitoring the studies that are performed.

#### Digital Agency Platform (DAP)

An important stakeholder of our digitalization strategy is our agencies. We develop applications for the digitization of agency business processes. As the first insurance company who makes online sales over direct channels and agencies in insurance sector in Türkiye, we design websites through which agencies can sell goods based on these digitalization studies. Thanks to Digital Agency Platform (DAP) project, we enable agencies to sell individual insurance products over their own website.

We design special training programs for our agencies to accelerate their digital transformation. We offer agencies the opportunity to meet the daily customer-production-damage reporting requirements over a single platform thanks to Asenta application. Agencies are able to manage all processes while they are out or in the office by combining Asenta platform with Ofisim Cepte (My Office at my Mobile).

By updating the DAP website and sales screens in 2021, we increased the digital user experience and sales capabilities of our agencies.

#### Digital Products and Services

In 2021, we continued to improve the user experience of our digital platforms and enrich them with new functions. Our corporate website was visited 13 million times by 9 million unique users in 2021.

Number of downloads of mobile application in 2021

My Business Partner: 1,397

Sağlığım Cepte (My Health on my Mobile): 108,399

Juno: 156,331

Riskcep (Riskmobile): 1336

Sigortam Cepte (Insurance at my Mobile): 118,012

#### Sigortam Cepte (Insurance at my Mobile)

With our digital channels, we offer many services to our customers as self-service. In this way, our customers can perform many transactions themselves without the need for any intermediaries. Insurance sales, quotation and assistance services can be accessed through our mobile application Sigortam Cepte.

In 2021, we renewed the technological infrastructure of our application and improved its performance. We have completed the first phase of our Sigortam Cepte transformation work by renewing the designs, flows and functions to ensure integrity.

In 2021, we also added gamification functions in the Ofisim Cepte (My Office at my Mobile) mobile application. We have completed the riskcep user experience development work.

#### Voice Assistants/Chatbot

We are constantly improving communication with our current and potential customers with our chatbots that act as Digital Insurance Assistants. We increase efficiency by improving the processes of providing services with chatbot over the WhatsApp corporate account. In 2021, Chatbot was used 7,357 times, Whatsapp Corporate 5,702 times, and Google Assistant 254 times.

#### Claims File Inquiry and Claims Operations

In 2021, the claims file inquiry page on our corporate website was clicked 706,393 times. On the other hand, while the digital claims flow was implemented over the corporate WhatsApp platform, we started to work on the renewal of the claims flow on the Sigortam Cepte application.

#### Video Expertise

Adjusters assigned for claims files within the scope of the Remote Appraisal Application can make a quick and practical damage assessment with the video call made over our Sigortam Cepte application. With the start of the pandemic process, all experts were provided with the opportunity to conduct remote video expertise and multiple meetings in the video expertise application.

#### Juno

Juno, our new generation insurance application, was downloaded 156,331 times in 2021. We also started selling mobile phone insurance through Sigortam Cepte, Asenta, Vodafone, İşcep and Zubizu.

#### Sağlığım Cepte (My Health on My Mobile) and the Health Centre

Our policyholders can easily access information such as their health history, instant provision status, contracted institutions, policies and coverages through the Sağlığım Cepte application. In 2021, we started the sale of Supplementary Health Insurance policies in the Sağlığım Cepte mobile application. In addition, we have developed a website platform so that the Sağlığım Cepte application can be accessed over the internet.

#### Anadolu Sigorta Social Media Channels

In 2021, we developed our sales alternatives through social media channels. We offer personalized smart offers through our Whatsapp channel and, thanks to the integration of Sigortam Cepte, we sell policies with a link specially prepared for the customer. We analyze TSS, OSS and Motor Insurance policy offers prepared by other insurance companies with artificial intelligence and submit personalized comparative offers. We started to offer services such as the reporting process, motor insurance renewal and traffic, international travel, personal accident offers that make you smile, and policy-viewing services through our WhatsApp channel. We started TSS sales via Instagram and policy sales via the Call Center.





## Operational Sustainability

### Insurance in the Digital Era

#### Digital Processes

With the accelerating effect of the pandemic on digital transformation, we have taken steps to modernize both our customer applications and the applications we provide to our business partners. In our business processes, we made the lives of our policyholders and business partners easier by transferring documents to the digital environment.

In this context, the sending of health expense invoices to Anadolu Sigorta was abolished. The application of entering the Health Declaration form in the digital environment has been started. Improvements were made to increase policy sales from the Call Center. With Riskcep, the function of preparing a remote risk report was implemented.

Examples of our digital process improvement efforts in 2021:

- We implemented the Digital Insurance Advisor. Using interactive video technology, we provide services to customers on product, health and claims issues.
- In our Call Center, we ensured that customers in high segments were prioritized and placed at the forefront of the call queue.
- For the renewal offers prepared by the robot, we have made it possible to send an offer SMS to the users and make policy through this SMS.
- We enriched the Commercial Branch with an English language option.

- We have completed the first phase of the digital transformation of Sigortam Cepte.
- We launched the desktop version website of Sağlıkım Cepte.

#### PAS

PAS, a process management application, is a digital platform where we carry the processes that take place in the workflow between the agency-sales directorates and the Headquarters. With the PAS application, it is aimed to process and finalize the requests within a certain period of time from the moment they are entered or to return them to the agency.

#### Anadolu Sigorta Business Partner (ASIO)

Anadolu Sigorta Business Partner (ASIO) application prepared for experts and claims suppliers with an aim to accelerate damage expertise processes enable suppliers to examine the files they are allocated to and experts to do business processes digitally.

#### MIP

Customer Communication Platform (MIP) manages all non-operational demands and complaints. With the MIP application, we monitor all requests, complaints, satisfaction and suggestions received from our customers through different channels using a single application.

#### Artificial Intelligence, Big Data and Machine Learning

At Anadolu Sigorta, we believe in the improving effects of artificial intelligence and big data applications on our services and processes. For this reason, we make use of these technologies in many projects. In 2021, we benefited from artificial intelligence, big data and machine learning in many of our projects. Anadolu Sigorta's metal-collar employee AS'lı (RPA / Artificial Intelligence platform) currently has 73 different processes actively working.

#### Examples of projects using big data, artificial intelligence and machine learning in 2021

**Policy comparison in Motor Insurance and Health branches:** Policies are compared with image processing and natural language processing technologies.

**Smart Notification:** Through customers sharing their photos, the damage to the vehicle is estimated by the damage detection from the image and the claims process is directed with some additional questions.

**Policy Purchase (WhatsApp & Telegram channels):** Bids received from WhatsApp and Telegram channels can be insured.

**STP (Straight Through Processing):** Through this, invoice payments of health contracted institution (to pilot institutions) are made automatically, without any manual intervention.

#### Innovation

At Anadolu Sigorta, we work to develop products and services that will meet our customers' current needs as well as their future needs. We create an important competitive advantage with our innovative products, which we develop as a result of our regular customer expectation measurements, market research and good evaluation of global trends.

The amount of revenue we have generated from the innovative products we have launched in the last 3 years has reached 88.5 million TL.

#### Our innovative products<sup>3</sup>

- Biletim Güvende (My Ticket is Safe) Insurance
- Individual Cyber Security Policy
- Telefonum Güvende (My Phone is Safe) Insurance
- Patim Güvende (My Pet is Safe) Insurance
- Uçuşum Güvende (My Flight is Safe) Insurance

#### Supporting In-house Entrepreneurship

Creative ideas from our employees also have an important place in our understanding of innovation. In 2021, we identified the principles of in-house entrepreneurship; and in line with these principles, we worked on the purpose and scope of the entrepreneurship program, its flow and the advisory board. Contents were prepared for the purpose of announcing the program in the company, workshops on idea development and entrepreneurship were organized.

<sup>3</sup> Innovative products have been defined as the industry-leading products launched in the last 3 years.





## Operational Sustainability

## Responsible Insurance

## Development of Agencies and Business Partners

At Anadolu Sigorta, we serve millions of customers with our 2,560 agencies spread all over the country. We expect our business partners to adopt a similar work culture, code of ethics and a differentiative service quality. We organize trainings to increase their service quality, convenience and efficiency, and support the development of our business partners' employees.

We have a total of 2,560 agencies in Türkiye, 543 of which are working in Anadolu Sigorta only. In addition, we render agency services in 1,185 branches of Türkiye İş Bankası and 837 branches in 7 banks.

In order to strengthen relations with our agencies which is one of the key stakeholders, we pay frequent visits throughout a year, exchange ideas in Regional and Traditional Agency Meetings.

## Shareholder School

We implemented the AS Academy in partnership with Sabancı University. A school called “Stakeholder School” was opened for our agencies under the Academy. With this school, our agencies and their personnel can receive training on a specific product, branch, and personal development according to their level of need, and they are certified.

We encourage our agencies to take an active role in our processes by holding special meetings under the name of the Agency Advisory Board in order to listen to the demands and problems of our agencies and to brainstorm on a certain subject. We organize agency satisfaction surveys, learn about the issues that need to be improved as a result of the survey, and take the necessary actions. In 2021, we organized 6 surveys on different subjects.

Continually improving the performance of our agencies is one of our main priorities. We conduct a general performance evaluation study for our agencies twice a year. Regarding the compliance of our agencies with our working principles, the Board of Inspectors carries out regular audit studies.

We organize comprehensive trainings in order to increase the business success and improve the performance of our agencies. We organize the trainings under two headings as Agency Training and Product Training. In the Agency Training Program, we organize production, accounting, reporting, product and screen trainings. In addition, we help agencies obtain theoretical trainings by allocating trainings on different subjects via a training portal to agency employees. In 2021, we provided 21,946 hours of training to our agencies.

In 2022, we aim to start the “Youth Council Project”, where we can bring together young and new generation of our long established agencies, get their evaluations, strengthen their belongings, and organize events to increase their motivation.

### KÜP (Winning Product Package)

In 2020, we launched our new campaign module KÜP (Winning Product Package). In this way, each agency can create its own campaign package with the products, targets and awards it chooses according to its portfolio size and generate additional income.

## Sadece AS (Just AS)

In order to prevent our agencies with exclusivity agreements with Anadolu Sigorta from experiencing difficulties in terms of competition, we have implemented the “Sadece AS” application, where they can generate additional income. With this application, our agents can receive monthly additional payments depending on their working years.

## Robocop Agency Project

We carry out studies to accelerate digitalization and digital transformation in agencies. In the project called “Robocop Agency Project”, we provided a total of 57 hours of training for 2 weeks to 17 selected agencies. We prepared the trainings in cooperation with institutions such as BAUSEM, Koç University and TIIF. After the trainings, we established the “Digital Council” in order to receive the opinions and suggestions of the agencies and to preserve the dynamism of communication. The project will continue in 2022 with different agency groups.

## Pandemic Supports to Agencies

During the pandemic period, we have prepared a “Support Package” for our agencies to reduce possible financial difficulties they may experience. During the pandemic period, payments were made immediately after the end of the campaigns, with no waiting period. We have given additional time to agencies that need to increase their coverage according to their annual production and postponed their coverage increases. We accrued free ASPARA\* to our agencies to use in their purchases in our current loyalty system. We organized meetings with our agencies and our Executive Board.

(A score system where agents can receive various gifts within the scope of the loyalty program according to their performance)

## Genç Anadolu (Young Anadolu)

At Anadolu Sigorta, we have implemented a new project to help young people get started in business life and join employment by getting rid of the negative effects of the pandemic period. Within the scope of the project called “Genç Anadolu”, we provide agency opportunities to young people who have graduated or will soon graduate from insurance and related departments of higher education institutions such as banking and insurance, risk management and actuarial, and people under 35 who have insurance experience but do not have an agency. Trainings will be given to the candidates to be selected in the project, Anadolu Sigorta will contribute to agency establishment and office expenses.

With the Genç Anadolu Project, we aim to contribute to our sector by bringing in new and young agencies and to strengthen our qualified agency network further. Strengthening our agency channel is important in terms of providing added value to the insurance industry. We want to reach young people who want to take up a profession in insurance and help them realize their dreams. Within the scope of the project, 11 new young agencies were established.





## Operational Sustainability

### Responsible Insurance

#### Responsible Financial Investments

At Anadolu Sigorta, we see responsible investment as a fundamental step in creating value for itself and the society. For this reason, we adopt as a principle to consider the environmental and social effects of our investments. We carefully manage environmental, social and business ethics factors in our fund management activities through the Responsible Investment Policy.

Our Responsible Investment Policy not only protects and enhances the value of our own investments, but also encourages the spread of responsible investment practices within the industry.

#### Responsible Insuring Processes

The main opportunities for insurance companies in tackling climate change and creating an inclusive economy are provided by the effective management of their insurance portfolios. Integrating environmental, social and governance (ESG) factors into insurance processes is among Anadolu Sigorta's strategic priorities.

The Environmental and Social Impacts Management Policy draws a framework for the identification, evaluation and management of environmental and social risks in insurance processes. This policy also aims to inform all stakeholders about the management of environmental and social risks.

We care about observing environmental and social impacts in insurance activities and we are committed to being a responsible player in this regard. We aim to integrate the United Nations Sustainable Development Goals into insurance processes. We believe that identifying environmental and social risks in insurance transactions will contribute to the overall risk assessment and pave the way for better decisions. To this end, in 2020, we have set up a system that considers environmental and social sustainability as well as economic sustainability in our insurance and fund management processes. We have identified activities that we will never insure under the ESG. Supporting projects for environmentally and socially beneficial activities is also an important part of our ESG process.

In the risk assessment phase of our insurance processes, risk assessment studies for some sectors that may pose environmental and social risks are carried out as a pilot application. In the upcoming period, we plan to fully integrate environmental and social risk assessments into our insurance processes by expanding the sensitive sector practice.

You can access our Environmental and Social Impacts Management Policy on [our corporate website](#).

#### Insurance Literacy

We operate in an industry with products and services that can be described as complex. We are constantly reviewing our systems and processes so that our products are understandable, necessity-oriented and meet customer expectations. At Anadolu Sigorta, we believe that the basic reason our customers trust us is our effort to choose products and services according to their needs. For this reason, we are developing projects to increase insurance literacy in our country.

In order to increase insurance awareness, we conduct special communication activities with concepts such as "It's Good to Know", "Questions & Answers", narrative expression, gamified narration, as well as communication and information activities for our various products every month on our social media accounts. We talk about the prominent features of our products in radio spots, magazines, newspapers and advertisements. In our monthly customer bulletins, we make announcements about our products and services in clear and easy-to-understand terms. We take part in various events and answer questions about our products. In this context,

we participated in pet festivals for the product "Patim G vende" (My Pet is Safe) in 2021, and our booth, where we promoted our product, took great interest.

By establishing collaborations with brands operating in the non-insurance field, we provide information on insurance products through different channels and contribute to the development of insurance awareness. We prepare easy-to-understand informative content by reaching different audiences through social media.

#### Easy to Understand Products and Services

When communicating with our customers, we take care to use a plain and easily understandable communication language that is simplified from technical terms. In 2021, within the scope of the Corporate Website Renovation Project, we prepared content that is simpler, transparent, easily understandable and free from technical terms as much as possible for all our product contents. We have prepared the answers to the questions that our customers frequently seek answers to in search engines, and have added them to our product pages on our website.



As of 2021, we have 633,725,711 TL worth of eurobonds in our investment portfolio that comply with sustainability criteria.



## Responsible Insurance

At Anadolu Sigorta, we develop products and services that meet the needs of all segments of society and support the transition to an inclusive and green economy.

*Apart from these, we also provide coverage on environmental issues with our agricultural insurances, coastal facilities, marine pollution compulsory financial liability, hazardous materials and hazardous waste compulsory financial obligation insurance products.*

Income from sustainability-related products amounted to 56.5 million TL (electric vehicle and solar panel, etc.)



At Anadolu Sigorta, we design all our systems and processes to create easy and trouble-free journeys with a customer-oriented approach. We use the customer feedback we collect from many different channels as inputs to our improvement processes. We differentiate ourselves in the services we provide within the scope of 360° Customer Analytics studies, with tailor-made opportunities and process designs.

We also consider the data security of our customers as our core business responsibility.

We strive to provide our customers with the best experience in all our processes, from product development to sales. In order to maintain our customer-oriented approach, we carry out studies to design, review and improve customer experience journeys with interactive methodologies. In studies, we bring together the parties that have contact with the customer and relevant stakeholders, and organize workshops. We determine the improvement points based on the experiences in these flows and identify new workflows for the required points. We support this process with regular general evaluation surveys and renew our processes in line with the feedback we receive.

We measure satisfaction in our assistance service processes in order to increase their satisfaction by getting more feedback from our customers. We measure behaviour in digital environments and make continuous updates to our digital platforms in order to improve the customer experience.

In 2021, we received 683,132 requests and 67,908 complaints on different platforms. We report the requests and complaints and the solutions offered to our Senior Management on a monthly basis. We set average resolution time targets for each request and complaint category and follow up.

In 2021, our customer satisfaction score (NPS - Net Promoter Score) averaged 51.3.



<sup>4</sup> 4 It is the number of customers who have a current policy, who bought their first policy in 2021.



# Operational Sustainability

## Customer-Oriented Approach



### Confidentiality of Information

One of the most important risks brought by increasing digitalization is cyber security threats. The increase in cyber risks due to the transition to the practice of working from home in many sectors during the pandemic period has brought cyber risk insurance to the agenda and increased awareness on cyber risks.

At Anadolu Sigorta, protecting the information of both our company and our customers in accordance with international standards is an important component of our digitalization roadmap. At Anadolu Sigorta, Information Management Systems Policy is based on the management of information technology risks. In addition, the version of the Control Objectives for Information and Related Technologies (COBIT) published by the Information Systems Audit and Control Association (ISACA) approved by the Company Board of Directors and generally accepted information technology frameworks form the basis for risk monitoring activities. Related risks are monitored in connection with the Company's information technology processes and as sub-risks. The titles of sub-risks, monitoring methods and risk indicators associated with each risk are identified by the Directorate and updated periodically. Risks and units that are directly or indirectly related to information technologies, even if they are not defined in information technology risk, are also included in the scope of Information Technologies risk monitoring activities.

Information security risk is defined as the risk that the confidentiality, integrity and accessibility of data cannot be ensured due to incomplete or inadequate implementation of policies and standards related to the security of infrastructure and applications, failure to eliminate security vulnerabilities, improper access and authorizations in information systems. In order to detect cyber risks, scan vulnerabilities and monitor parameters in our company, the results of leakage tests carried out in various periods are followed up with the vulnerability scanning application, and comprehensive information security processes are operated.

In 2021, we continued to take steps to strengthen the security of information. In this context, penetration tests were carried out to identify and eliminate security vulnerabilities and cyber risks on our application and system infrastructure components. The endpoint detection tool was commissioned to detect and deeply analyse suspicious behaviours on user computers and servers. In order for our applications to be used reliably, existing SSL certificates were renewed and certificates were purchased for new applications. Announcements, posts and phishing tests were made to inform users.

In 2021, there were no complaints received by the Board of Inspectors regarding the violation of the confidentiality of information.



## Operational Sustainability

## Ethical, Agile and Transparent Management

## Our Governance Approach

At Anadolu Sigorta, we adopt a corporate governance approach that puts the principles of transparency and accountability at the centre. Our practice guide is the Corporate Governance Principles published by the CMB. We announce our level of adherence to these principles to the public annually through Corporate Governance Compliance Report and Corporate Governance Information Form. Anadolu Sigorta, whose shares are traded on Borsa Istanbul, is included in the BIST Corporate Governance, BIST Yıldız and BIST Dividend 25 Indices and is subject to the Corporate Governance Rating every year.

Anadolu Sigorta Board of Directors is responsible for the management of the Company's activities at the highest level. The Board of Directors consists of a total of nine members, three of which are independent, and 3 female members, one of whom is the Chairperson, serving on the Board. The duties of CEO and the Chairperson are performed by different individuals. The only executive member of the Board of Directors is the CEO.

There are several sub-committees established for an efficient performance in the duties and responsibilities of the Board of Directors. These committees include the Corporate Governance Committee, Audit Committee, Early Detection of Risk Committee and Digital Insurance Committee. It also performs the duties of the Corporate Governance Committee also performs the duties of Nomination Committee and Remuneration Committee. Independent board members assume the chairmanship duties of all committees. The Executive Board chaired by the CEO consists of 9 members, one of which is a woman, and is responsible for putting into practice the strategic targets defined by the Board.

You can find detailed information about our Corporate Governance structure and understanding in our [2021 Annual Report](#).

For more information about the methods and principles of the Board of Directors and Committees, please refer to Annual Reports and [corporate website](#).

## Business Ethics and Compliance

Legal compliance is a top priority for insurance companies in the insurance industry, which is subject to strict regulations. We carry out our work in full compliance with the laws and regulations governing insurance activities. Legal compliance processes are the responsibility of all our business units. Compliance, which is also a part of risk management and internal control processes, is managed with a proactive approach.

Anadolu Sigorta's Code of Ethics and Code of Practice, our main guide in the field of business ethics, are binding for company employees. Anadolu Sigorta and all its members refrains from any behaviour that may harm the values of compliance with laws and ethical rules, fairness, transparency, honesty and reliability, and discredit the company and the insurance sector. No employee can be held liable for any commercial damage suffered by the company for refusing to be involved in bribery and corruption activities.

The compliance level to Code of Ethics is audited via internal audit processes. The practice methods of corrective actions that will be conducted when non-compliance is detected, disciplinary practices that will be applied when necessary and business units and organs that will conduct these activities are defined in the internal legislation. We inform all employees about this legislation. Special trainings are organized for our employees to learn and internalize the Code of Ethics. These trainings also cover issues such as fraud, bribery, corruption and obligations regarding the prevention of money laundering and terrorist financing. Colleagues who have recently been hired by Anadolu Sigorta receive these trainings on a regular basis.

Legal compliance activities we conduct in Anadolu Sigorta are performed by the Risk Management and Internal Control Department's Compliance Unit which reports directly to the Board of Directors. The legal compliance is closely monitored and practiced by the whole organization including Executive Board members and business unit managers. The Compliance Unit notifies the relevant units and monitors the actions taken in case of any alteration in the current legislation or when a new legislation is published. Compliance Reports published quarterly and developments on legal compliance are reported to both the Board of Directors and Türkiye İş Bankası which we are a part of. The Compliance Unit also provides consultancy support in line with the needs of the business units. In 2021, there are no financial penalties for non-compliance with laws and regulations.

## Anti-corruption

In order to raise the awareness of the employees on the fight against corruption, regular trainings are provided to all employees. Our company's anti-corruption policies and procedures are "Code of Ethics and Code of Practice Policy", "Anti-Bribery and Anti-Corruption Policy", "Gift and Hospitality Policy".

Anti-corruption and prevention of exploitations are one of the fundamental operational areas of internal audit function. Risks related to abuse and corruption are determined and managed by the relevant responsible persons. In 2021, 42 units, including 40 Directorates, 1 Presidency and 1 Branch, were audited by the Board of Inspectors. The activities carried out by each unit within the scope of the said audits are carried out through the control points determined separately for the units, and some of these controls are also aimed at determining the risks of corruption. No confirmed corruption cases were encountered in 2021.

## Risk Management

Every premium produced by insurance companies brings certain risks to the company along with income. The success of companies depends on their ability to assess and manage this risk. Due to the nature of products and services, risk management has a different importance for insurance companies from other sectors.

The most senior risk management organ of Anadolu Sigorta is the Early Detection of Risk Committee under the Board of Directors. Through this Committee, the Board defines the company's risk policies and related application methods.

In parallel with international practices, insurance risk, credit risk, asset liability risk, operational risk, reputation risk and strategy risk are monitored, evaluated and controlled separately. These are general standards that define the organization and scope of risk management function, risk measurement procedures, as well as the procedures for determining risk limits, actions to be taken in possible limit violations, and the compulsory approvals and confirmations that are required to be given in various cases and circumstances.

The company's asset portfolio is tested by subjecting it to various shocks through scenario analysis and stress tests at minimum quarterly periods. Risk tolerance is determined by the Board of Directors, taking into account long-term strategies, equity opportunities, returns and general economic expectations, and is expressed in risk limits. Findings obtained as a result of risk management, monitoring and control activities are reported regularly to the Board of Directors by an authorized Board Member.





## Operational Sustainability

## Ethical, Agile and Transparent Management

## Reputation Risks

The level of reputation risk that the Company may be exposed to in minimum are monitored individually taking into account the perception and reputation research survey results, the level of meeting customer expectations in terms of products and services offered, negative comments on written, visual, audio and social media platforms, market value, the level of service continuity, sanctions applied and their effects, the risk-control analyses regarding the lawsuits and processes brought against them; and evaluated as a whole. Perception and reputation research survey results, customer complaints, negative news on media platforms and similar issues are taken into consideration as a warning. Each element regarding the level of reputational risk is monitored individually and/or collectively, and the evaluation results are reported to the Board of Directors and the CEO at least quarterly by the Risk Management and Internal Control Department. Risk Management and the Internal Control Department is responsible for conducting surveys, analyses and other studies aimed at eliminating and/or reducing the impact of events that may create individual reputation risks during the execution of activities, and conducting surveys, analyses and other studies to identify the reputation risk level of the Company, evaluating and reporting the reputation risk as a whole by the relevant executive units. The level of compliance with the corporate governance approach, which forms the basis of the reputation risk, is also monitored by the Corporate Governance Committee. Within the scope of problem management, all risks are managed within the framework of relevant policies/plans and emergency plans according to sub-risk topics.

## Supply Chain Management

At Anadolu Sigorta, we select suppliers with equivalent working norms, establish close relations with them and develop practices to contribute to their development.

We prefer to work with well-established companies that adopt our working principles in selecting the suppliers. In our purchasing processes, we prefer local supply as a priority. We pay attention to supplier diversity in purchasing operations. In the future, we aim to create a sustainable purchasing policy.

### Supplier selection criteria

- Score obtained in the evaluation form
- Manufacturing at local and international quality standards
- Service competencies
- Financial power and references
- Reassurance and ability to fulfil one's commitment completely and on time
- Easiness in technical service, maintenance and spare parts
- Capacity to produce solutions to problems to avoid any disruption in service presentation
- Compliance with Anadolu Sigorta's policies and principles regarding Sustainability (employee rights, occupational health and safety, environment and climate, energy efficiency, ethical rules, etc.)

We inform all our new suppliers about our working principles.

We organize regular meetings and interviews to discuss development and corrective actions with current suppliers. We perform private interviews with suppliers who fail to achieve performance indicators defined in agreements and develop methods to increase their performance.

For example, we evaluate our contracted services with a performance evaluation study. We follow up the performance by setting new targets with those who are open to improvement.

When fraud is detected in supplier operations, we take actions ranging from corrective work to termination of cooperation, depending on the type of case and contract type.

In 2021, we completed the Claims Dashboard Project, which we initiated to monitor Claims Management key performance and other critical governance indicators. Thanks to this project, the performances of our experts can be monitored instantly.

## Emergency Preparedness and Business Continuity

In the event of an emergency that may occur in our company, we operate a Business Continuity Management System (BCMS) in order to overcome the halt created by the threat as soon as possible and to be in a position to carry out the main activities. We conduct business impact analysis and risk assessments for an effective BCMS, identify adverse situations that may cause business interruption and the strategies to be followed against them, and prepare business continuity plans accordingly. In 2021, we have updated 55% of our plans due to various changes in areas such as the company's organizational structure, infrastructure, etc.

We conduct Business Continuity drills in order to check the applicability of Business Continuity Plans, to be more prepared when an event occurs, to increase internal awareness, and to identify corrective/remedial action points with a continuous improvement approach.

In order to adopt business continuity studies, we also carry out various activities aimed at training and informing personnel within the organization.

Business Continuity Institute (BCI), one of the world's leading institutions in the field of Business Continuity, organizes an Education Month event in September every year for the sharing of knowledge and experience around the world. We participated in this year's organization with a webinar titled "How to Increase BCM Preparedness and Awareness – An Insurance Company Case".

## Agile Organization

Agile perspective brings a different interpretation to the ways of doing business that we are used to in our business life. With the agile way of doing business, in teams formed by moving away from traditional thought patterns, hierarchy and protracted processes, a completely different model is presented, consisting of self-managed teams, where everyone plays an equal role, where ideas can be boldly produced and implemented faster without fear of experimenting. We, at Anadolu Sigorta, embarked on an Agile Transformation Journey together to strengthen our ability to adapt to the changing world and life conditions. Our agile teams continue their work under the coordination of the Agile Office.







# Climate Action

- »»» Approach on Combating Climate Change
- »»» The Impacts of Climate Change on the Portfolio
- »»» Reducing the Environmental Impact of Operations

## »»» Our Goals

- Integration of sustainability into business models
- Reducing the environmental footprint of operations
- Informing our customers about climate risks
- Use of the most advanced methodologies in the measurement of climate risks
- Calculation of sector-based climate risks











## Climate Action

### Approach on Combating Climate Change

As a company operating in insurance and reinsurance sector, our key duty is to be present in risk management processes of our customers as a business partner and to prevent them from any damage these risks may cause. Thus, the role of products and services provided by Anadolu Sigorta in mitigating the impacts of environment and climate change both for the customers and the society in general composes the main scale of our strategic tendencies. As an extension of this, it is our responsibility to seriously manage the climate and environmental impacts arising from our own operations in terms of both setting a good example for our customers and presenting a prudent governance approach.

In this context, we consider the protection of environment and climate as a constant development area and as part of decision-making and practicing processes which encompass all operational activities, product and service development studies, investment activities and social responsibility practices. We evaluate climate change and environmental risks and execute practices and precautions that will improve company's performance. Also, we constantly monitor the performance we achieved as a result of these activities and report them to the relevant parties and the public.

Anadolu Sigorta's perspective for climate change and environment can be shaped at two main scales with Anadolu Sigorta Environment and Climate Change Policy. One of these scales is the impacts caused by Anadolu Sigorta's operational processes. These impacts are the solid waste, air and greenhouse gas emissions arising from

the energy consumption, water consumption - primarily paper - material consumption and consumption that emerge at several spots of company operations.

The Sustainability Committee is responsible for the management of climate change and environmental risks, impacts and opportunities in Anadolu Sigorta business processes. The Committee evaluates the investment requirements to improve the performance in environment and climate change as well, and submits its suggestions to the senior management.

The Direct Impacts Work Group formed within the Committee, in which all relevant business units are represented is responsible for;

- Transforming the strategies defined by the Committee into business plans and executing them with the help of business units,
- Achieving the business goals,
- Evaluating the performance and reporting to the Committee.

All business units operating in the whole company detect environmental and climate change risks in their own responsibility areas each year and the opportunities that can be seized. It conveys its suggestions for eliminating risks and utilizing opportunities to the relevant units and to the Sustainability Committee through the Direct Impacts Work Group.

### Carbon Disclosure Project - CDP

CDP, an international non-profit organization based in London, acts as an intermediary for public companies to report to investors how they use natural resources and natural capital, how their activities affect the reproduction of limited resources and how they manage their risks in this area.

At Anadolu Sigorta, we formed a working group in 2021 with the aim of reporting to the CDP Climate Change Program in 2022. We started to analyse the effects of climate change on our operations and portfolio, as well as our potential risks and opportunities.

### Reducing the Climate and Environmental Impact of Operations

Like all organizations, Anadolu Sigorta aims to create added value by using various resources in its business processes. The consumption of some of these resources results in climate and environmental impacts. Energy consumption, water consumption, material consumption, especially paper, and solid waste, air and greenhouse gas emissions resulting from this consumption are the main impacts arising from our operations. In order to reduce these impacts, all our business units determine our targets and implement mitigation activities.

#### Energy Management

The most fundamental impact arising from our activities and considered as a climate and environmental impact is energy consumption. For this reason, we evaluate the points that cause direct and indirect energy consumption throughout our operations, calculate the consumption amounts and the resulting greenhouse gases, and implement practices aimed at reducing the energy intensity of our activities. The priority of these applications is realized in the field of building management.

We develop projects to reduce energy consumption in the buildings where the Headquarters, Regional Directorates and Branches operate, and to obtain the consumed energy from renewable sources. In this way, we can significantly reduce the greenhouse gas emissions arising from our activities.

With the transition to the remote working model during the pandemic, there has been a serious decrease in energy consumption and greenhouse gas emissions from our

company buildings. In order to turn this periodic decrease into a permanent gain, we continued our practices to reduce our energy consumption and carbon footprint, and achieved successful results in the reporting period. In this context, we reduced total fuel consumption by 27.22%, electricity consumption by 13.54% and natural gas consumption by 75.52% as of 2021 compared to 2018.

The highest amount of energy consumption in our operations occurs in our Headquarters building. For this reason, we have carried out various design and insulation applications, starting with the building design. We increased our energy efficiency rate by developing lighting and heating efficiency applications during the usage period. The most important of these applications is the mechanical automation system. Thanks to this system, we saved approximately 680 GJ of energy in 2021.

The automobiles we use in our activities also have an important place in our energy consumption and greenhouse gas emission portfolio. In order to reduce the impacts caused by these vehicles, we started to prefer hybrid vehicles in vehicle supply as of the reporting period. We aim to renew our vehicles with hybrid and electric options as their useful life is completed. In this context, we will supply 32 new hybrid vehicles next year. We also started to build infrastructure to promote the use of electric vehicles. For this purpose, we first established an electric charging station that can charge two vehicles at the same time in our company car parks.

In the reporting period, the distance covered by the shuttle vehicles we use to transport our employees to their workplaces also decreased significantly.







## Climate Action

### Reducing the Climate and Environmental Impact of Operations

While the number of trips and vehicle usage were reduced through studies such as route/passenger optimization in the past years, the biggest reason for this decrease in the reporting period is the reduced vehicle usage and travel distances due to the adoption of the practice of working from home during the pandemic process. While the distance between home and workplace of employees reached a total of 1.65 million kilometres before the pandemic, this distance decreased by approximately 1 million kilometres to 0.65 million kilometres in the reporting period.

In order to increase the rate of meeting our electricity consumption from renewable sources, we built an innovative solar energy system on the roof of our Headquarters service building in the last reporting period. In this system, REPG technology, whose R&D phase has just been completed, is used within ITU Technopolis. This innovative system is based on heating the gas in the system with solar heat panels instead of standard photovoltaic panels. REPG device generates electricity with an innovative sustainable method by using the condensation difference between the hot gas passing through it and the outside air.

In order to provide energy consumption from renewable resources, we renewed our contracts with our electrical energy supplier in 2021 and ensured that the electricity we purchased from the grid was supplied from i-REC certified renewable energy generation facilities. With our i-REC certified electricity supply and solar energy system, our renewable energy usage rate in total electricity consumption has reached 95%.

#### Earth Hour

Every year, our company participates in the global action organized by the World Wildlife Fund under the name of “Earth Hour” to raise awareness about the global climate change that threatens our world. We supported this action by turning off the lights for 1 hour in all our buildings on Saturday, March 27, 2021, between 20.30 and 21.30.

At Anadolu Sigorta, we formed a working group in 2021 with the aim of reporting to the CDP Climate Change Program in 2022. We started to analyse the effects of climate change on our operations and portfolio, and our potential risks and opportunities.

### Material Consumption and Waste Management

Another area we deal with for the management of environmental impacts arising from our operations is material consumption and waste management. In this context, paper consumption comes to the fore due to the character of our industry. Policies, contracts and correspondence issued by printing due to legal regulations constitute the largest part of paper consumption. We reduce paper consumption to the extent permitted by law, by realizing the digitalization efforts we carry out with the principle of paperless insurance. For example, we have significantly reduced paper consumption by digitizing records such as health documents and claims papers. On the other hand, we implement practices to reduce paper consumption in agency processes. In this context, we have developed a reporting system that calculates paper consumption per agency. Thus, we can follow the consumption amounts of our agencies. Thanks to the increase in the use of digital channels during the pandemic process, a significant improvement was achieved in terms of reducing paper consumption. In this context, we reduced the amount of paper consumed in Anadolu Sigorta operations by 89.29%, and the amount of paper consumed in agency and branch operations by 43.21% compared to 2018.

Domestic water consumption in our operations also decreased significantly during the reporting period due to the pandemic conditions.

Compared to 2018, the rate of decrease in water consumption in the reporting period reached 63.24%. Drinking water constitutes an important part of water consumption. As we entered the pandemic period, we stopped the use of standard water dispensers due to the risk of contamination. However, we did not prefer the use of bottled water with plastic and glass materials in terms of its environmental impact. For this reason, water dispensers with non-contact treatment were placed in our Headquarters and Kadıköy Regional Directorate buildings. In this way, we not only consume alkaline water with a higher antioxidant effect, but also reduce the consumption of plastic and glass materials, as well as waste generation. We also reduced the consumption of glass bottled water by installing under-counter water purification systems in the floor kitchens of the Headquarters building. In 2022, we aim to end the use of glass bottles and make a full transition to purification systems. On the other hand, we aim to apply photocell batteries to our regional directorate buildings in 2022. In this way, we will reduce water consumption and increase the level of hygiene.

As part of environmental awareness, although this does not result in an evident level of impact, we strive to separate at source and recycle all other domestic and packaging wastes in addition to paper wastes in the buildings we operate. In this context, a total of 100 tons of waste was recycled during the reporting period.

Within the scope of the Zero Waste Regulation, we made an application to the Provincial Directorate of Environment and Urbanization by fulfilling the necessary criteria for the Headquarters building and the building in İzmir where the Western Anatolia Regional Directorate also operates.

**ANADOLU  
SIGORTA**  
Never lose.



## OUR GOAL IS ZERO WASTE!

We have been hearing more about **ZERO WASTE** lately. At Anadolu Sigorta, we continue to make various studies in line with our environmental awareness. In this regard, we are switching to **Zero Waste System** in our offices.



## Climate Action

### The Impacts of Climate Change on the Portfolio



Operating in insurance sector takes our struggle in climate change to a different position. This position is to produce positive impact with products and services when combating climate change. Anadolu Sigorta aims to contribute to mitigating the impact of climate change and to be the solution partner of organizations that aim to manage climate risks through products and services that it has a strong influence on. In this context, first of all, risks and opportunities arising from climate change must be correctly identified and managed.

It is seen that climate change causes an increase in extreme weather conditions and natural disasters, and there has been a significant increase in the frequency and severity of natural disasters in recent years. Moreover, the economic and social repercussions of the climate crisis are expected to have direct or indirect impacts on the industry. It is predicted that the green economy that will be implemented within the scope of the fight against the climate crisis will change the underwriting and claims dynamics of many branches, especially automobile insurance.

On the other hand, climate change also offers opportunities to the insurance industry. The fight against the climate crisis and the transformation of economies in this context bring important responsibilities to the insurance sector. In this respect, it is important both to work to raise awareness and to choose the areas to be guaranteed within the framework of sustainability. It is discussed that insurance companies can play an educational and formative role in the society against the risk of climate crisis, and that they can play a role in creating new ways of doing business that will protect the society on issues such as reducing carbon emissions and producing environmentally-friendly solutions. In addition, it is gaining importance day by day that the sector plays an active role in the fight against the climate crisis by acting with a focus on sustainability in risk acceptance processes.

One of our main goals is to be the most preferred insurance solution partner for renewable energy investments. In this context, we can ensure all power plant-related modules and equipment values for solar and wind power plants, as well as energy and telecommunication lines and transportation routes that are owned by the facility but are outside the facility as an option. Beyond our standard coverages for wind and solar power plants, optionally, we also offer coverages for business interruptions that may occur as a result of loss of operational profit, loss of production without material damage (specific to solar power plants), loss of indirect profit (supplier risk, customer risk, blocking of access, etc.) and machine breakage within the warranty period.

In 2021, our sector share was 13% with the guarantee given to 1,275 MW installed power in the field of wind energy. In the field of solar energy, we increased our market share to 22% with an installed power of 1,700 MW. We aim to increase our presence in this area in the future, with our innovative services for renewable energy investments, which we see as a great opportunity for Türkiye.

Another aspect of our services in combating climate change is the applications to provide insurance assurance to persons and institutions who may be exposed potential risks that may arise. Due to the increase in extreme weather conditions, the need for applications for flood, hail, storm, possible changes in water basins, sea levels and similar risks is increasing. There has been a significant amount of increase in recent years in claims requests in these fields. Thus, it has become more important to include impacts caused by climate change such as meteorological risks in addition to traditional ones in selecting the risks and to integrate them into the perception of risks. In this context, we improve our risk detection methods by updating our geographical risk maps. We are improving the geographical scope of our risk maps every year with these studies, which we carry out together with universities using scientific methods.





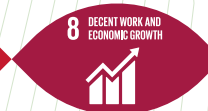


# Human and the Society

- ◀ Preferred Employer
- ◀ Partnerships for Sustainability

## ◀ Our Goals

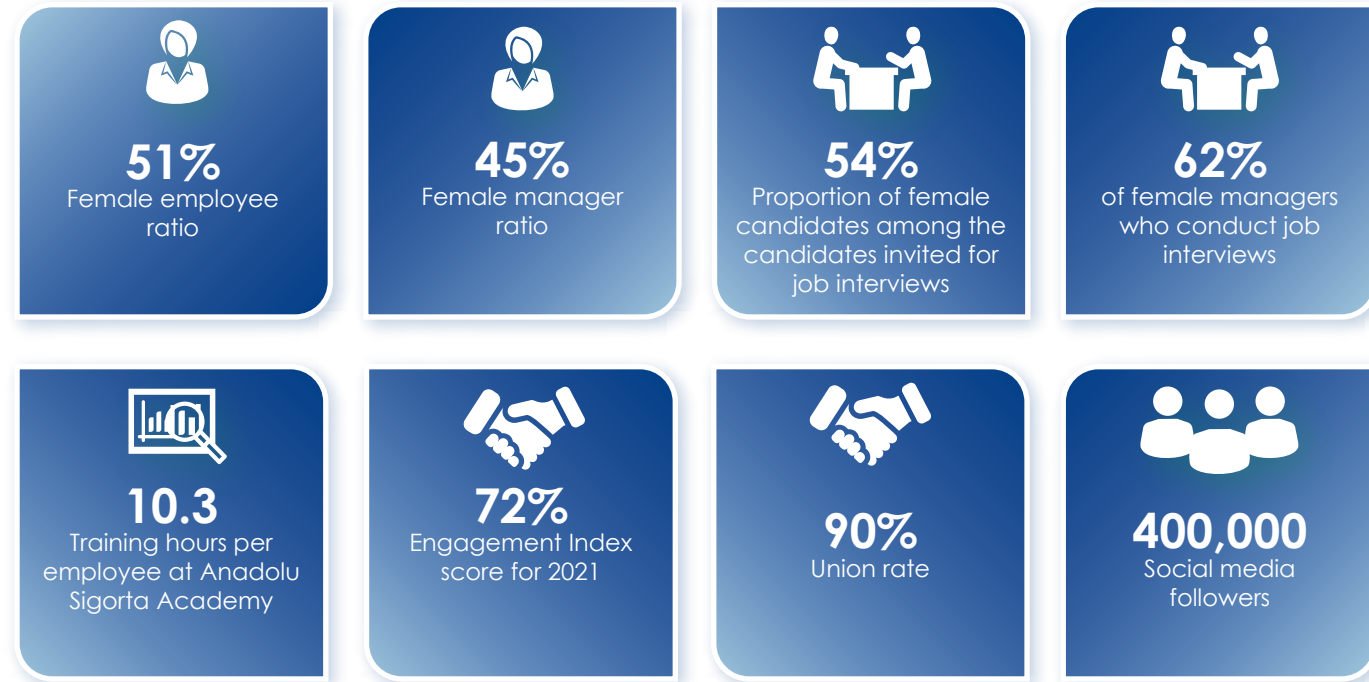
- Keeping employee loyalty and motivation high
- Keeping the brand reputation powerful
- Gaining the workforce, the competencies that will enable them to use digital solutions
- Contributing to social welfare with long-term social responsibility projects
- Increasing employee volunteering
- Developing quick responses to stakeholder expectations





## Human and the Society

### Highlights



### Preferred Employer

We are trying to increase the interest of students in the insurance sector and Anadolu Sigorta by actively participating in career events through our collaborations with career clubs and universities within the scope of employer brand activities. With the new generation programs, we have implemented (MT Young Talent,

Another Type of Experience Internship Program, Youth Senate-Young Vision, BT Young Vision), we recruit qualified workforce graduated from target universities. In order to keep our communication with student clubs continuous, we cooperate with various sponsorships.

#### Youth Senate / Young Vision Program

In order to hear the expectations of the new generation regarding business life, and to help students prepare for professional business life and plan their careers, we launched the Anadolu Sigorta Youth Senate/Young Vision program, which can be applied by university students at all levels, including preparatory classes, in 2021 for the first time. As a result of the interviews, our program, which started in March with 40 senate member students who took an active role in student clubs throughout their education life, gained internship experience in different sectors, took part in social responsibility projects voluntarily and were willing to improve themselves, lasted for 6 months. Within the scope of the program, we have supported students to develop themselves and expand their networks before they step into professional business life, we have allowed students to come together with Anadolu Sigorta employees and leaders and benefit from their experiences in different sessions. Thanks to the information sharing environment we created, young people had the opportunity to get to know Anadolu Sigorta and its working culture closely, and they could benefit from online training opportunities. Certificates were given to students who successfully completed the program. The program, which attracts great interest from students, will continue with different members every year.

#### A Unique Experience

In 2021, we carried A Unique Experience, our internship program for 3rd and 4th year university students, which provides the opportunity to work in an environment that supports teamwork, interact with our leaders, create a professional environment, and prepare for professional business life by working on real projects, to the digital platform for the first time under the name of A Unique Experience Digital Mode On. 2,821 students applied to our program, which attracted great attention of students. We provided a 4-week internship opportunity to 25 students who successfully completed the exam and interview stages. During this period, in addition to the content that will enable them to get to know the insurance industry closely, we offered many development opportunities such as one-on-one mentoring support from our experienced employees, various webinars, personal development trainings, interview simulations, gamification applications and workshops. Our interns, who completed the project work given by their mentors during the internship, made presentations of the projects they worked on for 4 weeks at the end of the program. During the presentations, the top 3 teams that were found the most successful had the opportunity to present their projects to our senior management. Project teams deemed successful by our senior management were awarded and all our interns were given certificates for their achievements.





## Human and the Society

### Preferred Employer

#### Employee Competency Development

At Anadolu Sigorta, we recruit competent employees and young talents, and organize various training programs to equip them with the competencies of the future. In order to create a learning culture within the organization, we encourage employees to use their talents and creativity potentials at top level through various training and development studies. Following the orientation and occupational trainings we give to employees at their first recruitment, we offer them many training opportunities based on the abilities they should have in order to advance in career.

We regularly monitor performance level of our employees and execute studies for improvement. Our employees are evaluated twice a year in line with specific performance criteria. In line with the results obtained from these evaluations, we determine the training needs of our employees and carry out their career planning. At the same time, we allow our leaders to guide their colleagues through our 360° Feedback Program.

#### Anadolu Sigorta Academy

Anadolu Sigorta Academy, which was established in 2021 with the consultancy of Sabancı University EDU, was designed as a centre that will contribute to all the planning, goals and developments required for the careers of all our employees. With this new structure, we aimed to create a dynamic structure that will touch all of our employees, agencies, interns, and all of our business partners, regardless of their titles and duties, and where they can benefit at any time. At the Academy, we also aim to contribute to the professional, technical and managerial knowledge and experience of the participants with the university collaborations we carry out, the certificate programs we create, the training contents we plan as long-term modules.

We offer personal development and video-based trainings to our employees through LMS (Learning Management System). We provide our training content to our employees live, and we also host them in our training portal and Academy Library. In 2021, we provided 30,773 person\*hours of training for our 2,993 employees, with 10.3 training hours per employee.





## Human and the Society

### Preferred Employer

#### Development Centre

Based on Development Center which has been executed since 2014, we include employees who are entitled as specialists and have only one year to complete the time required to be promoted to managerial staff into one-day evaluation centre application in order to identify their development areas and strengths. Afterwards, we prepare a one-year personalized development program, organize interim meetings with the participation of HR representatives, manager of the employee and expert consultants every three months, and then track his/her development process after a final meeting.

In 2021, we realized the Development Center in three stages, and in these stages, we included 49 employees in the development centre process. During the 13-day evaluation centre application, 29 of our managers provided evaluation support. 12 of our managers also participated in the practices for observation purposes.

#### AS GO

We involve our employees in various programs in terms of both technical and personal development in the evaluation stage made on the first day of the Development Center, "AS GO" Anadolu Sigorta Development School, which we have implemented in order to reward our potential employees, who are determined according to the rate of compliance with the targeted level and competencies, and our employees who show superior performance throughout the process, and to offer them a unique and personalized learning experience.

#### My Companion Program

Within our orientation program enriched with various personal development and competency trainings from Koç, Sabancı and Bahçeşehir Universities with which we cooperate, we carry out rotation studies between our directorates in order to reinforce and accelerate the adaptation of our new employees to our Company. In addition, our newly recruited employees are included in our mentoring program, the "Companion Program", in order to accelerate their adaptation to the corporate culture in the first 6 months. My Companion Program provides a single point of access to the information/operational support that the newly recruited employee may need in his/her first time at the company. Our mentors, who will be companions to our new friends, are prepared for their roles by completing their special training. In the next 6 months, we make regular meetings with our new friends and complete the adaptation processes to our company culture together. In this way, while the familiarization time of our new friends is shortened, they can consult their mentors about everything they want to learn about our culture and processes.

### Digitalization Trainings

Informing and raising awareness of our employees on digitalization has a critical importance due to the sector in which we operate. We offer our employees information security trainings, which are prepared by our IT Department and whose content changes according to current conditions.

During the reporting period, trainings to raise awareness such as Phishing Attacks, Password Security, Remote Safe Working were prepared. In addition, our employees were able to receive trainings on Agile, Kanban, Digital Marketing, Effective LinkedIn Usage Workshop, Cryptocurrency Overview, Data Analyst, Citizen Data Awareness.

#### Internal Mobility

Our Internal Mobility movement, which we put into practice in order to open the door of innovation for our employees in their career paths, to support their professional development and to reveal the potential of our employees while discovering new talents, started to be implemented in August 2021. In 4 months, we offered new opportunities to 8 of our employees in different directorates and guided them in their new career paths. With this practice, we meet the position needs in our Company from within our Company. We offer a new opportunity to our employees who want to take their careers on a different path by announcing our advertisements for the required position within our organization. By offering a holistic perspective to all business processes and our Company's structure, which serves our company's strategic goals, we enable multi-faceted career development.









## Human and the Society

## Employee Rights, Loyalty and Satisfaction

At Anadolu Sigorta, we offer a learning-based working environment that is worthy of human dignity, where employees can freely express their ideas and expectations, and where all forms of discrimination are rejected. In this context, we respect employees' right of organization, unionization and collective agreement. We establish the necessary conditions for unions to freely make their studies within the company and for employees to effectively and freely use their right of participating in union activities and collective agreement right. As of 2021, 1,339 employees who constitute 90% of our total workforce are union members.

Our company's employees are entitled to a variety of social rights and benefits in keeping with current conditions. For instance, Anadolu Sigorta supplies health expenses of our employees and their families in accordance with

Healthcare Assistance Regulations. All our personnel are able to fulfil all their healthcare needs free of charge through the company's contracted healthcare institutions system. Our employees are covered by two private pension funds that have been set up in accordance with the company's special status. The pensions paid by these funds enable former employees to enjoy a good standard of living during their retirement years.

We measure employee engagement with regular independent research every year. We use research results as our roadmaps for improvement projects. Our 2021 Loyalty Index score was 72%.

We believe that one of the important factors that increase employee satisfaction is the strengthening of communication with our employees. We implement many platforms to learn the ideas and suggestions of our employees.

## Happiness at Work

We believe that in order to continue to exist in a changing and transforming world, we must act agile as always and adapt to new trends, expectations and needs. For this reason, we have implemented the “Happiness at Work Movement” by focusing more on permanent solutions rather than periodic ones. With the Happiness at Work Movement, we aim to implement many new practices that will focus on Anadolu Sigorta employees, as well as create practices that will involve more of our employees in decision processes and that will be realized with our ideas.

## Great Place to Work

The most important issue for us during the pandemic process was how our employees perceived the practices we implemented and their commitment to Anadolu Sigorta. We participated in the program by focusing on employee satisfaction, sharing the practices we implemented with empathy and transparency, and the results of our surveys with the participation of our employees, with the Great Place to Work Institute, which provides services on workplace culture and employee satisfaction in more than 60 countries. As a result of the evaluations, we were awarded with the Great Place to Work Certificate by meeting the criteria of “a great workplace with a high trust culture”. It has been a great source of happiness for us that the result of our work has been certified with this certificate. The pandemic period has radically transformed the employee experience, and many rules and habits that we thought were unchangeable in business life changed in a short time. By adapting quickly to this change, we carried out many studies in order to keep the motivation of our employees high and to maintain uninterrupted communication during this challenging process.

## A Break with HR

In our company, we plan interviews with each of our employees who have completed their first month, and we receive feedback. In these interviews, we listen to our employees' experiences from the moment they apply for a job posting to the end of their first month, and we improve ourselves by taking actions if necessary.

## Happy Workplace Senate

Thanks to the “Happy Workplace Senate” (HWS) we have implemented, we have established a structure where our employees can convey their ideas and suggestions to us, and where we can develop solutions together. Thus, thanks to this formation, we will be able to initiate changes that will positively affect the working life of all our employees. In the next stage, by becoming a member of this new platform, our employees will be able to prepare their own propaganda and be elected. Thanks to HWS, change and innovation will always remain a part of our culture and daily functioning.



## Human and the Society

Welcome Package: As Anadolu Sigorta family, we welcome all our newly recruited employees with a welcome package consisting of pens, agendas, notepads, mugs, and cloth bags that can help them work in the early part of their working period.

Support Package: In 2021, we aimed to create high-level benefits with our new support package, which we offer our employees a wider range in the digital environment and which they can shape every month according to their needs. With our new support package, they have the chance to choose the product and service they want with a certain limit every month, with the digital gift platform that contains many alternatives such as food, clothing, e-commerce sites, technology.

Hybrid Operating Model: In order to ensure the continuity of the happiness and productivity of our employees, we have

switched to the Hybrid Working Model, where we start working in our offices with low capacity. With the Hybrid Working Model, we have entered a new era where we begin to experience the synergy of working at the office without losing the efficiency of working from home. In the new system, we make our offices a space that supports working together rather than an environment where we have to come every day.

Meeting Free Hours: Another practice that we have implemented very quickly with the Happiness at Work movement is “Meeting Free Hours”. We listened to our employees whose work schedule was disrupted by meetings, and thought that a time interval where they could stay away from meetings and concentrate on their work would make their lives easier. With our Meeting Free Hours practice, we don’t hold meetings on Wednesday afternoons, making it easier to stay focused and organize our work.

### Biz Bize Mobile Application

Biz Bize, which we have implemented by considering the user habits of our employees in order to keep our communication healthy and continuous, allow access at any time and from anywhere. With Biz Bize, a social platform where we can share our ideas and achievements and easily access the latest developments about our company, they can share their positive thoughts about successful projects with everyone by appreciating their colleagues in the digital environment, and they can create company entrance reservations with a single click. In addition, they can reach the chatbot with AS on the application and get instant answers to all their questions. Thanks to this application, which provides continuous communication, we ensure that communication is spread over a wider period of time and that news, announcements and messages about our company are as close as mobile phones to our employees. In addition to all this communication network, by adding the daily and monthly arrival reservations of our employees to their calendars via the application, we ensure the quota control in our company offices during the pandemic, and we take precautions for the health of our employees by completing instant HES code and vaccine controls.



## Partnerships for Sustainability

### Corporate Social Responsibility Studies

As one of Türkiye’s deep-rooted organizations, we have been supporting education, sports organizations and cultural and artistic events since our foundation in order to contribute to the welfare of the country.

While implementing social responsibility projects, we consider our contribution to the UN Sustainable Development Goals. When deciding on the projects we will support, we make use of social expectations and needs analyses that will reveal the positive effects that the project will have on sustainable development when implemented.

### We Create Social Benefit with Our Products

By transferring a certain amount of the price of our boat insurance product to Turmepa, and a certain amount of the premium of our Patim Güvende (My Pet is Safe) product to Haçiko, we contribute to the cleanliness of the sea and animal welfare.

### ARYA Women Investment Platform

We signed a sponsorship agreement with the ARYA Women Investment Platform, which works to increase the investment and business development opportunities of women entrepreneurs, to raise awareness of insurance among women entrepreneurs. In this context, 4 workshops were held in 2021.

### Stakeholder engagement

We establish relations based on mutual trust with our stakeholders in line with the principles of transparency and accountability. According to the principles defined in Anadolu Sigorta Information Policy, we inform our stakeholders truly and completely on time about company activities, the results obtained and the future perspectives. The relationships and expectations of each stakeholder group with the company have different qualifications. Thus, we identify the method and frequency of communication we will establish based on these qualifications.

As part of the prioritization work, we conducted in 2021, we reviewed our key stakeholder groups, the communication activities we conducted with them, and their basic expectations from our company.





## Human and the Society

## Partnerships for Sustainability

## Our Shareholders, Communication Methods and Communication Issues

Related Stakeholder	Expectation Need	Communication Method	Subject	Communication Frequency	Responsible for the Subject
Board of Directors	-Good financial performance	-Board of Directors meetings	Company operating results	Every month or when deemed necessary	Headquarters
	-Legal Compliance		Regulation, Policy creation or updating		
	-Prevention of penalties		All kinds of work and transactions required for the realization of the company's business, except those left to the authority of the General Assembly in accordance with the law and the articles of association.		
	Sustainability in an appropriate management framework				
	Responsibility for Environmental, Social, Governance (ESG) issues				
	Increasing the market value of our company to the highest possible level				
	Carrying out the activities of our Company in a way that ensures long-term and stable earnings for our Shareholders				
	Maintaining the delicate balance between our Shareholders and the growth requirement of our Company				
	Taking measures against business interruptions and preparing business continuity plans				
Türkiye İş Bankası and other shareholders	Group synergy	General Assembly Meetings	Company operating results (Miscellaneous financial and other reports)	Annual (General Assembly)	Fund Management and Investor Relations Department
	Good financial performance	KAP	Exception descriptions	When needed/required	Related directorates
	Legal compliance	E-Company platform			
	Prevention of penalties	Company website			
	Sustainability in an appropriate management framework	Annual Report			
	Responsibility for Environmental, Social, Governance (ESG) issues	Sustainability Report			

Related Stakeholder	Expectation Need	Communication Method	Subject	Communication Frequency	Responsible for the Subject
Senior Management	Active flow of information		Approval of changes related to company activities or notifications	Yearly	All directorates
	Continuity / up-to-datedness of management systems	Meetings		When needed/required	
	Effective use of resources	Internal audits			
		Phone, SMS, e-mail, face-to-face interview			
Employees / External resources / Consultants	Professional development / education / career opportunities	EYS (Electronic Integrated Management System)	Quality Policy / Customer Satisfaction / Business Continuity Policy	When needed/required	All directorates
	Good working conditions	Intranet Portal	Company activities amendment notifications		
	Good employee-employer relations	Biz Bize mobile app			
	Good and steady income	In person or online education	Suggestions		Directorate of Human Resources and Training
	Work safety and continuity	Meetings			
	Taking measures against business interruptions and preparing business continuity plans	Phone, SMS, e-mail, face-to-face			
Customers	Affordable price	Distribution channels (Customer needs and expectations are basically taken by our channels.)	Products/services	When needed/required	Distribution channels
	Policy conditions meet/satisfy the needs	Policy/Proposal/Question Forms/Miscellaneous Forms (For Insurance needs)	Expectations regarding product and service terms		Related directorates
	Reliability	Company corporate website, mobile, Contact Center, social media communication tools (for requests/complaints/suggestions)	Request/complaint/suggestion		
	Widespread distribution network	Market research / surveys			
	Additional service	Phone, SMS, e-mail, face-to-face (For Business Continuity)			
	Respond quickly and satisfactorily to Complaints/Requests				
	Uninterrupted access to products/services and the Company have access				



# Human and the Society

## Partnerships for Sustainability

Related Stakeholder	Expectation Need	Communication Method	Subject	Communication Frequency	Responsible for the Subject
Public opinion	-Raising insurance awareness	Public Disclosure Platform (KAP)	Company activity results	When needed/ required	Investor Relations Unit
	- Responsibility for Environmental, Social, Governance (ESG) issues	Central Registry Agency E-Company Electronic General Assembly System (EGKS)	Human Resources announcements	In certain periods as per the legislation (Annual report, financial reports)	Related directorates
	-Providing job opportunities	National / local newspapers	Social responsibility studies		
		Turkish Trade Registry Gazette (TTSG)			
		Company corporate website - Press Releases and Press Conferences			
		Annual Report			
		Sustainability Report			
Government Agencies	Compliance with legal and regulatory legislation	Foreign correspondence	Company comments/ request responses	When needed/ required	Senior Management
	Timely payment of taxes / premiums	Committee Meetings	Business interruptions within the scope of business continuity*		Related directorates
	Quick response to inquiries and requests	Industry meetings			
	Uninterrupted access to products/services and the Company have access	UYAP (with the Courts)			
		Phone, SMS, e-mail, face-to-face			
BASİSEN	Good working conditions	Meetings	- Employee rights	2 years (Collective Agreement)	Senior Management
	Good employee-employer relations	Phone, SMS, e-mail, face-to-face			Related directorates
	Good and steady income				
	Working safety				
Agencies / Brokers / Bank branches	Growth in business volume and revenue	Agency meetings, İşbank branch meetings	Changes in processes / practices	When needed/ required	Senior Management
	High reputation	Internal legislation	Company goals		Related directorates
	Good business relations	Visits, one-on-one meetings			
	Respond quickly and satisfactorily to Complaints/ Requests	Phone, SMS, e-mail, face-to-face			
	Uninterrupted access to products/services and the Company				
			Request/complaint/suggestion		

Related Stakeholder	Expectation Need	Communication Method	Subject	Communication Frequency	Responsible for the Subject
Contractual Services, Experts, Contractual Health Institutions	Growth in business volume and revenue	Information meetings / trainings	Changes in processes / practices	When needed/ required	Related directorates
	High reputation	Internal legislation			
	Good business relations	Visits, one-on-one meetings			
	Responding quickly and satisfactorily to Complaints/ Requests	Phone, SMS, e-mail, face-to-face			
	Uninterrupted access to products/services and the Company have access		Request/complaint/suggestion		
Suppliers / Companies that provide services	Open/firm contracts and scopes of work	Contracts	Contracts and scopes of work	When needed/ required	Related directorates
	Good and long-term business relationships	One-on-one conversations			
	Growth in business volume and revenue	Phone, SMS, e-mail, face-to-face			
	Uninterrupted access to products/services and the Company				
Dependents of employees	Good and steady income	One-on-one conversations	Changes in processes / practices	When needed/ required	Related employees
	Working safety	Internal legislation			Human Resources and Training Directorate and the directorate to which the employee is affiliated
	Health benefit/assurance	Phone, SMS, e-mail, face-to-face			
Taking measures against business interruptions and preparing business continuity plans					
External Audit / Independent audit firms	Quick response to inquiries and requests	Meetings	Demand responses	When needed/ required	Related directorates
Competitors	Taking the industry forward	TSB (Turkish Insurance Association) committee meetings	Company comments/request responses (in accordance with competition regulation)	When needed/ required	Senior Management
	Exchange of information	Industry organizations			Related directorates
	(in accordance with competition regulation)				



My Pet is Safe Product Launch 450 attendees





## Special Section: Fighting the Coronavirus (COVID-19)



## Special Section: Fighting the Coronavirus (COVID-19)

We have taken action for our employees who are inactive at home and in front of the computer during working hours due to the pandemic conditions. We take our steps together with our employees for a healthier and happier life with the live sports lessons organized by our company sports trainer. For our employees who missed the live classes we held during the lunch break, we share the video of the lessons on our Biz Bize mobile application.

The safety and health of our employees has been our top priority in the decisions we made and the training we provided during the pandemic period. In 2021, we moved all our trainings to online platforms. We have successfully provided our employees with trainings such as Leadership in Difficult Times and Sales in Difficult Times. Our training content for remote working has been made available to all our employees within our Insurance School Training Portal and Academy library. In addition, the Safe Return to Work and Working Training in the Coronavirus Outbreak and the Safe Working Training in the Coronavirus Outbreak, prepared by our Workplace Physician and OHS specialist for our employees were assigned online from AS Academy.

The pandemic process we have been through has changed our Human Resources processes, as well as our ways of doing business. Thanks to our strong digital infrastructure, innovative approach and agile decisions we took, we have completed this change and transformation without interrupting our business continuity and employee satisfaction.

At Anadolu Sigorta, after the business continuity exercise we carried out with our Company's Incident Management Team and relevant directorates, when the Covid-19 case was not yet seen in our country, we determined the possible risks we envisaged in our Headquarters and all our Regional Directorates, and within this scope, we began to implement all necessary measures meticulously. With the announcement of the first case, we quickly switched to the remote working system. We took care to inform our colleagues regularly at every stage, and we listened to their suggestions with the "We Listen to You" surveys we conducted.

In this process, our priority has always been the health and safety of our employees. In addition to the special measures we take by prioritizing the principle of healthy and happy employees, we continued to contribute to our employees with support packages for the remote working system. In order to provide a comfortable and ergonomic working environment by creating innovative solutions for our employees to work at home in a motivated manner with high performance, we brought some of the facilities that were used in the offices before the pandemic to the homes. In addition to the facilities such as the internet package and ergonomic work chair we offered to our employees, we sent packages containing materials such as tea, coffee, agenda and pencil sets to the home addresses of all our employees.

This process we have been through has reminded us once again how important it is to have the ability to think digitally in the field of human resources. At this point, we took quick actions by adapting all our communication plans to the new order. In order to keep our communication with our employees



continuous and to make them independent of time and place, we have implemented our in-house mobile application called "Biz Bize". Thanks to the Biz Bize application, we had the opportunity to continue our work with a common synergy by further improving our strong communication.

In addition, we created the opportunity for our employees to congratulate each other and share their positive opinions easily thanks to the digital appreciation application we designed to increase their motivation and contact with each other even more.

Especially during this period, in order to maintain the communication we have established with our employees, we gave importance to organizing online events in order to create short breaks for our employees and to have a pleasant time together on special days such as April 23, New Year's Day and Women's Day. Thanks to the travel application we made available to our employees during the period of travel restrictions, we met with professional guides in the digital environment, enabling them to explore different geographies of Türkiye and the world, and to have an online travel experience. Thanks to the webinar series in which we brought together the experts of the subject and our employees, we created areas that will both detach our employees from the work environment and provide them with useful information in different fields.

We have actualized Anadolu Sigorta Academy with the motto of "Learn, Discover, Leave a Mark" in order to contribute to the development of our employees, interns and all our stakeholders at all levels in their business and social lives by gathering all our ongoing training processes under one roof during the pandemic period.

It was very important for us to be able to help our employees, who started working in the remote working system, during their adaptation in the first days, and to accelerate their adaptation to the corporate culture. We enable our employees to easily access the information and support they may need in their first time at the company, with our "My Companion Program, which we have implemented under the Academy's roof. After the pandemic, we plan 80% of our new term education processes that we carry out under the Academy's roof as digital and 20% as classroom and outdoor education.

During the pandemic, we have ensured that our current discounts for our customers who are doctors are valid for all healthcare professionals. We have provided discounts on our motor insurance, housing and health policies for nurses, dentists, pharmacists, health technicians, radiology technicians and all health workers working under health institutions.

With our Stay Home, Get Your Insurance Discounted campaign, we supported the "Stay at Home" call under the guidance of the Ministry of Health of the Republic of Türkiye in order to maintain social distance. We offered the opportunity to receive discounted offers and policies, such as 5% discount on the Comprehensive Motor Insurance, Individual Health and Complementary Health Insurance, and 20% discount on the Residential Fire Insurance, on our website or on the Sigortam Cepte application.





# Appendices



## Appendices

## Global Compact (UNGC) Communication on Progress

Principle	GRI Standard Notifications	Related Section
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	412-2, 103-2	Preferred Employer, Corporate Governance
Principle 2: Businesses make sure that they are not complicit in human rights abuses.	103-2	Preferred Employer, Corporate Governance
Working Conditions		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	102-41	Employee Rights and Satisfaction
Principle 4: Businesses should eliminate all forms of forced and compulsory labour.	409-1	Preferred Employer
Principle 5: Businesses should effectively abolish child labour.	408-1	Preferred Employer
Principle 6: Businesses should eliminate discrimination in respect of employment and occupation.	406-1	Preferred Employer
Environment		
Principle 7: Businesses should support a precautionary approach to environmental challenges.	302-1, 302-3, 302-3, 302-4, 303-1, 303-2, 303-3, 305-1, 305-2, 305-4,	Climate Action
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	102-12, 102-13	Climate Action
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	103-1	Climate Action
Anti-corruption		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	102-16, 102-17, 205-1, 205-2, 205-3	Corporate Governance

## UN WEPs Communication on Progress

PRINCIPLES	GRI STANDARDS NOTIFICATIONS	THE RELATED SECTION
Principle 1 - Corporate Leadership Promoting Gender Equality	405-1, 405-2	Message from the CEO, Initiatives We Support in the Area of Sustainability
Principle 2 - Equal Opportunity, Participation and Anti-Discrimination	202-1, 401-1, 401-3, 405-1, 406-1	Social Diversity and Equality
Principle 3 - Health, Safety and Freedom from Violence	406-1	Social Diversity and Equality
Principle 4 - Education and training	404-1; 404-3	Social Diversity and Equality, Talent Management
Principle 5 - Business Development, Supply Chain and Marketing Practices	204-1; 103-1; 103-2; 103-3	Responsible Procurement, Business Ethics
Principle 6 - Community Leadership and Participation		Initiatives We Support in the Area of Sustainability
Principle 7 - Measurement and Transparent Reporting for Gender Equality	103-1; 103-2; 103-3	Social Diversity and Equality



## Appendices

## Environmental Performance Indicators

INDICATORS	2018	2019	2020	2021	Change compared to 2018
<b>General Indicators</b>					
Total m²	19,839	19,839	19,839	19,497	-1,72%
Number of employees	1,288	1,334	1,382	1,490	15.68%
<b>Energy</b>					
Natural gas consumption - GJ	479	783	421	117	-75.52%
Energy Consumption - GJ	10,215	10,321	8,334	8,832	-13.54%
Diesel - lt	146,620	145,763	77,162	86,220	-41.19%
Fuel - lt	31,794	30,508	30,648	43,632	37.23%
Energy consumption per capita (GJ/Employee)	13.22	13.02	9.08	9.05	
Electricity consumption per m²	0.51	0.52	0.42	0.45	-12.02%
Natural oil consumption per m²	0.02	0.03	0.02	0.01	-75.10%
<b>Paper Consumption</b>					
Total Paper Consumption (kg)					
Anadolu Sigorta operations	28,010	7,180	2,430	3,000	-89.29%
Agency/Branch operations	112,740	81,740	66,110	64,020	-43.21%
Paper consumption per capita	21.75	5.38	1.76	2.01	-90.76%
Paper consumption per agency	26	23	18	17	-34.62%
<b>Waste Amount</b>					
Total Waste Amount	165,000	50,000	70,000	115,000	-30%
Garbage waste (kg)	-	-	-	15,000	-
Wastes sent for recycling (kg)	165,000	50,000	70,000	100,000	-
Waste amount per capita:	0.13	0.08	0.05	0.08	-38.46%
Waste amount per m²	8.32	2.52	3.53	5.89	-33.17%

## Environmental Performance Indicators

INDICATORS	2018	2019	2020	2021	Change compared to 2018
<b>Water Consumption</b>					
Water consumption (m³)	13,511	14,694	11,133	4,967	-63.24%
Water consumption per capita	10.48	11.02	8.08	3.33	-68.22%
Water consumption per m²	0.68	0.74	0.56	0.25	-62.59%
<b>tCO<sub>2</sub>e Emission</b>					
Scope 1	500,573	512,941	303,744	340,622	-32%
Scope 2	1,623,121	1,639,825	1,324,174	1,403,327	-13.5%
tCO <sub>2</sub> e emission per capita	1.65	1.61	1.18	1.17	-29.1%

## Appendices

## Social Performance Indicators\*

Total number of employees	2019	2020	2021
Number of female employees	696	704	761
Number of male employees	638	678	730
Number of full-time female employees	696	704	761
Number of part-time female employees	0	0	0
Number of full-time male employees	638	678	730
Number of part-time male employees	0	0	0
Demographic distribution of senior management			
Number of senior managers	8	7	9
Number of senior female managers	1	1	1
Number of senior local managers	8	7	9
Number of senior executives by age groups			
Number of 45+ senior managers	8	7	9
Demographic breakdown of middle management			
Number of mid-level managers	240	255	265
Number of mid-level female managers	109	114	123
Number of mid-level local managers	240	255	265
Number of mid-level managers by age groups			
Number of mid-level managers aged between 30-44	163	165	170
Number of mid-level managers aged 45+	77	90	95
Demographic distribution of employees			
Number of employees by age groups			
Number of employees aged 18-29	370	438	436
Number of employees aged 30-44	837	828	888
Number of employees aged 45+	127	116	167
Employees recruited and quit by age group and gender			
Total number of female employees recruited	82	49	107
Total number of male employees recruited	86	71	122
Number of recruited employees aged 18-29	-	-	204
Number of recruited employees aged 30-44	-	-	23
Number of recruited employees aged 45+	-	-	2
Total number of female employees leaving the job	-	-	51
Total number of male employees leaving the job	-	-	70
Number of employees leaving the job aged 18-29	-	-	48
Number of employees leaving the job aged 30-44	-	-	59
Number of employees leaving the job aged 45+	-	-	14

*Indicators with a \* - sign have started to be given in this breakdown as of 2021.*

Total number of employees	2019	2020	2021
Employee Circulation			
Female	1.98	2.64	5.18
Male	3.66	2.54	7.96
Employees per level of education			
Primary school	7	6	5
High school/Vocational high school	70	65	60
Associate degree	-	-	52
University	-	-	1,240
Master's degree	-	-	132
Doctorate	-	-	2

Granted Rights	2019	2020	2021
Number of female employees on maternity leave	52	30	39
Number of male employees on maternity leave	0	0	0
Number of female employees returning from maternity leave	49	46	31
Number of male employees returning from maternity leave	0	0	0
Number of Employees Under Collective Agreement	1,247	1,281	1,339

Occupational Health and Safety	2019	2020	2021
Injury rate			
Direct Employment	0.64	0.12	0.07
Female	0.41	0.06	0.07
Male	0.23	0.06	0
Contractor Employees	0	0	0
Female	0	0	0
Male	0	0	0



Total number of employees	2019	2020	2021
<b>Occupational disease rate</b>			
Direct Employment	0	0	0
Female	0	0	0
Male	0	0	0
Contractor Employees			0
Female	0	0	0
Male	0	0	0
<b>Lost day rate</b>			
Direct Employment	1.40	0	0
Female	1.22	0	0
Male	0.18	0	0
<b>Contractor Employee</b>			0
Female	0	0	0
Male	0	0	0
<b>Absence ratio</b>			
Direct Employment	3,211	3,703	3,049
Female	1,726	1,877	1,642
Male	1,485	3,179	1,408
<b>Number of fatal accidents</b>	0	0	0
<b>Occupational health and safety training given to employees</b>			
Total hours of OHS training given to employees	4,348	10,022	2,152
Total hours of OHS training given to contractor employees	512	472	0
Total number of employees participating in OHS trainings	886	1,114	269
Total number of contractor employees participating in OHS trainings	64	73	0
Number of OHS Committee	6	6	6
Total Number of OHS Committee Members	38	38	38
Number of Employee Representatives on OHS Committees	14	14	14

Total number of employees	2019	2020	2021
Employee Trainings - Number of Participants (person)			
Senior Management	-	-	9
Management Team	-	-	268
Other	-	-	1,229
Total Male	-	-	728
Total Female	-	-	759
Employee Trainings - Total Hour (person-hour)			
Senior Management	-	-	49.93
Management Team	-	-	5,831.3
Other	-	-	23,405.08
Total Male	13,472	14,646	728
Total Female	14,547	16,694	759
Contractor Employee Trainings - Total Hours (person-hours)			
Female	-	-	12
Male	-	-	180

## GRI Content Index



GRI Standard	Disclosures	Page Numbers, Description and/or URL	Omissions
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
<b>GRI 102: Genel Bildirimler 2016</b>	<b>Corporate Profile</b>		
	102-1	ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ	-
	102-2	<a href="http://www.anadolusigorta.com.tr/en/">www.anadolusigorta.com.tr/en/</a>	-
	102-3	Istanbul, Türkiye	-
	102-4	<a href="http://www.anadolusigorta.com.tr/en/contact/address">www.anadolusigorta.com.tr/en/contact/address</a>	-
	102-5	About Anadolu Sigorta (p.8-11)	-
	102-6	About Anadolu Sigorta (p.8-11)	-
	102-7	About Anadolu Sigorta (p.8-11)	-
	102-8	Performance Data (p. 94-95)	-
	102-9	Supply Chain Management (p. 52-53)	-
	102-10	GRI Content Index: There was no significant change in the reporting period.	-
	102-11	Risk Management (p. 51)	-
	102-12	Initiatives We Support in the Field of Sustainability (p.32)	-
	102-13	Initiatives We Support in the Field of Sustainability (p.32)	-
	<b>Strategy</b>		
	102-14	Message from the Chairperson (p. 12-13) Message from the CEO (p.14-17)	-
	<b>Ethics and Integrity</b>		
	102-16	<a href="https://www.anadolusigorta.com.tr/tr/yatirimci-iliskileri/kurumsal-yonetim">https://www.anadolusigorta.com.tr/tr/yatirimci-iliskileri/kurumsal-yonetim</a>	-
	<b>Governance</b>		
	102-18	Sustainability Management (p.31)	-
	<b>Stakeholder Engagement</b>		
	102-40	Stakeholder Engagement (p.77-82)	-
	102-41	Performance Data (p.95)	-
	102-42	Stakeholder Engagement (p.77-82)	-
	102-43	Stakeholder Engagement (p.77-82)	-
	102-44	Stakeholder Engagement (p.77-82)	-
	<b>Reporting Practice</b>		
	102-45	About the Report (p.4-5)	-
	102-46	About the Report (p.4-5); Sustainability Priorities (p.28-29)	-
	102-47	Sustainability Priorities (p.28-29)	-
	102-48	GRI Content Index: There is no restated data.	-
	102-49	GRI Content Index: There are no major changes.	-
	102-50	GRI Content Index: 01.01.2021 – 31.12.2021	-
	102-51	GRI Content Index: 01.01.2020 – 31.12.2020	-
	102-52	GRI Content Index: Annual	-
	102-53	About the Report (p.4-5)	-
	102-54	About the Report (p.4-5)	-
	102-55	GRI Content Index (p.98)	-
	102-56	“GRI Content Index: The report has been reviewed by internal quality reviewers, did not receive external assurance.”	-

*GRI Services has assessed that, as part of the Materiality Disclosures Service, the GRI Content Index is clearly presented and Disclosures 102-40 and 102-49 are included in the appropriate sections of the report. This service was carried out through the Turkish version of the report.*

Priority Topics			
GRI Standard	Disclosures	Page Numbers, Description and/or URL	Omissions
<b>Ethical, Agile and Transparent Management</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its boundary	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Legal Compliance and Business Ethics (p.50-51)	-
	103-2 The Management Approach and Its Components	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Legal Compliance and Business Ethics (p.50-51)	-
	103-3 Evaluation of the management approach	Sustainability Management (p.31); Sustainability Priorities (p.26-27); Legal Compliance and Business Ethics (p.50-51)	-
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct Economic Impact	How We Create Value, (p.26-27); About Anadolu Sigorta, (p.8-11)	-
	201-4 Support from the State	GRI Content Index: There is no such support received from the state.	-
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations Assessed Against Corruption Risk	Ethical, Transparent and Agile Management (p. 50-51)	-
	205-2 Training and Communication Studies on Anti-Corruption Policies and Procedures	Ethical, Transparent and Agile Management (p. 50-51)	-
	205-3 Confirmed Corruption Cases and Actions Taken	Ethical, Transparent and Agile Management (p. 50-51)	-
<b>GRI 307: Environmental Legislation Compliance 2016</b>	307-1 Non-Compliance with Environmental Laws and Regulations	GRI Content Index: There was no such case of non-compliance during the reporting period.	-
<b>GRI 408: Child Labour 2016</b>	408-1 Child Labour	GRI Content Index: In the Personnel Regulation, there is a regulation of 'to be over the age of 18' among the recruitment conditions.	-
<b>GRI 409: Forced/ Compulsory Labour 2016</b>	409-1 Forced/compulsory Labour	GRI Content Index: At Anadolu Sigorta, the working conditions, economic and social rights of the employees are determined within the framework of the labour legislation and the Company's internal regulations, as well as the provisions of the Collective Bargaining Agreement. In this context, the principle of freedom of employment and contract, which is expressed in the Constitution, is valid at Anadolu Sigorta. Anadolu Sigorta has no operations that carry the risk of forced/forced labour.	-
<b>GRI 415: Public Policies 2016</b>	415-1 Political Support	GRI Content Index, Page: Anadolu Sigorta does not support any party.	-
<b>GRI 419: Legal Compliance in Social and Economic Fields 2016</b>	419-1 Non-compliance with Laws and Regulations in Social and Economic Areas	GRI Content Index: There was no such case of non-compliance during the reporting period.	-



Priority Topics			
GRI Standard	Disclosures	Page Numbers, Description and/or URL	Omissions
Preferred Employer			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Management (p.31); Sustainability Priorities (p.28-29)	-
	103-2 The Management Approach and Its Components	Sustainability Management (p.31); Sustainability Priorities (p.28-29)	-
	103-3 Evaluation of the management approach	Sustainability Management (p.31); Sustainability Priorities (p.28-29)	-
GRI 202: Market Presence 2016	202-1 Ratios of Standard Entry Level Wage and Local Minimum Wage	GRI Content Index: Anadolu Sigorta pays equal wages for equal work. Gender cannot be used as a criterion in remuneration.	-
GRI 401: Recruitment 2016	401-1 New Recruitment and Employee Circulation	Performance Data (p. 94-95)	-
	401-3 Maternal Leave	Performance Data (p. 94-95)	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-2 Hazard Identification, Risk Assessment and Accident Investigations	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-3 Occupational Health Services	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-4 Employee Participation, Consultation and Communication for Occupational Health and Safety	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-5 Employee Trainings on Occupational Health and Safety	Performance Data (p.95-96)	-
	403-6 Promoting Occupational Health	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-7 Preventing and Reducing Occupational Health and Safety Impacts Directly Associated with Business Relationships	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	Workers within the Scope of 403-8 Occupational Health and Safety Management System	2020 Sustainability Report, Occupational Health and Safety (p.55-56)	-
	403-9 Occupational Accidents	Performance Data (p. 94-95)	-
	403-10 Occupational Diseases	Performance Data (p. 94-95)	-
GRI 404: Training 2016	404-1 Training Hours Per Employee	Employee Competency Development (p.68-71); Performance Data (p.97)	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity in Governing Bodies and Employees	Social Diversity and Equality (p.72-73); Performance Data (p.94)	-
GRI 406: Anti-Discrimination 2016	406-1 Cases of Discrimination and Measures Taken	GRI Content Index: Anadolu Sigorta makes all its decisions regarding its employees regardless of race, origin, religion, language, sect or any belief, sexual orientation/preference, gender, mental or physical disability, age, cultural or social class and opinion/thought; and rejects all kinds of discrimination against or between its employees and managers.	-

Priority Topics			
GRI Standard	Disclosures	Page Numbers, Description and/or URL	Omissions
İklim Eylemi			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Climate Action (p.56-58)	-
	103-2 The Management Approach and Its Components	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Climate Action (p.56-58)	-
	103-3 Evaluation of the management approach	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Climate Action (p.56-58)	-
GRI 302: Energy 2016	302-1 Energy Consumption of the Organization	Energy Management (p.59-60); Performance Data (p.92)	-
	302-3 Energy Density	Energy Management (p.59-60); Performance Data (p.92)	-
	302-4 Reducing Energy Consumption	Energy Management (p.59-60); Performance Data (p.92)	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) Greenhouse Gas Emissions	Energy Management (p.59-60); Performance Data (p.92)	-
	305-2 Indirect Energy (Scope 2) Greenhouse Gas Emissions	Energy Management (p.59-60); Performance Data (p.92)	-
	305-4 Greenhouse Gas Emissions Intensity	Energy Management (p.59-60); Performance Data (p.92)	-
GRI 201: Economic Performance 2016	201-2 Climate Risks	Impacts of Climate Change on Portfolio (p.62-63), Global Trends, Risks and Opportunities & Forecasts, (p.21-23)	-
Customer-Oriented Approach			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Customer Focus (p.47)	-
	103-2 The Management Approach and Its Components	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Customer Focus (p.47)	-
	103-3 Evaluation of the management approach	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Customer Focus (p.47)	-
Responsible Insurance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Responsible Insurance (p.42-46)	-
	103-2 The Management Approach and Its Components	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Responsible Insurance (p.42-46)	-
	103-3 Evaluation of the management approach	Sustainability Management (p.31); Sustainability Priorities (p.28-29); Responsible Insurance (p.42-46)	-
GRI 412: Human Rights Evaluations 2016	412-2 Human Rights Evaluations	Responsible Investments (p.44), Responsible Insurance Processes (p.44-46)	-

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## Reporting Advisor & Design



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